

Chariot Reinsurance, Ltd.

**2025 FINANCIAL CONDITION
REPORT**

December 31, 2025

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1. Executive Summary

This report relates to the financial condition of Chariot Reinsurance, Ltd. (“Chariot Re” or “the Company”) for the year ended December 31, 2025. This Financial Condition Report (“FCR”) documents the measures governing the business operations, corporate governance framework, solvency, and financial results of Chariot Re. This FCR report has been prepared in accordance with the Insurance (Public Disclosure) Rules 2015 (the “Rules”) under the Bermuda Insurance Act 1978 and related regulations, as amended (the “Insurance Act”).

The FCR is intended to provide quantitative and qualitative information about Chariot Re’s business and performance, governance structure, risk profile, solvency and capital management.

The amounts shown in this report are shown in thousands of United States Dollars (USD), if not otherwise stated.

2. Overview of Business

Chariot Re was registered under the Insurance Act as a Class E long-term insurance company on January 1, 2025

The Chariot Group is sponsored by MetLife, Inc. and General Atlantic, L.P. The Company is a direct and wholly owned subsidiary of Chariot Midco, LLC (“Midco”), a limited liability company formed under the laws of Delaware. MidCo is wholly owned by Chariot Holding Company, LP (“HoldCo”), an exempted limited partnership formed under the laws of Bermuda. HoldCo’s general partner is Chariot Holdings GP, LLC (the “General Partner”), a Bermuda limited liability company which is itself wholly owned by a purpose trust, the trustee of which is Conyers Trust Company (Bermuda) Limited.

The General Partner delegates management of HoldCo and its governance rights with respect to HoldCo to a board of directors of HoldCo. The Chariot Group consists of the Company, MidCo, and HoldCo. The Company intends to make a 953(d) election to be taxed as a U.S. corporation.

As of December 31, 2025, the Company has written two treaties, both representing cessions from Metropolitan Tower Life (“MTL”):

- In-force blocks of pensions risk transfer and structured settlements business, and
- an in-force block of participating whole life business.

These treaties were effective on July 1, 2025, and December 31, 2025, respectively. The Company will look to write further business, initially issued or reinsured by MetLife and its affiliates. In future, the Company may also seek reinsurance from insurers other than MetLife. All reinsurance transactions will align with Company strategy and be priced in accordance with strict underwriting criteria.

3. Business and Performance

a. Name of Insurer

Chariot Reinsurance Ltd.

b. Supervisors

Insurance Supervisor

The Bermuda Monetary Authority (“BMA”)

BMA House, 43 Victoria Street

Hamilton, Bermuda

c. Approved Auditor

Deloitte Ltd.
Corner House, 20 Parliament Street
P.O. Box HM 1556
Hamilton, Bermuda

d. Ownership Details

Chariot Re is a Bermuda incorporated and regulated company. On December 31, 2025 the Company was a wholly owned subsidiary of MidCo, itself a wholly owned subsidiary of HoldCo.

The Chariot Group is ultimately owned by numerous investors including MetLife Inc, General Atlantic, and others, none of which individually hold a controlling stake in the Chariot Group or the Company.

e. Group Structure

The group structure as of December 31, 2025 is attached as Appendix A.

f. Insurance Business Written by Business Segment and Geographical Region

On July 1, 2025, the Company entered a quota share modified coinsurance agreement to reinsure in-force pension risk transfer ("PRT"), and life contingent and non-life contingent structured settlement ("SS") businesses from MTL, the Cedant and an insurance company organized under the State of Nebraska. The products in scope for this transaction are:

- **PRT annuities:** PRT annuities are offered in connection with defined benefit pension plans where a single premium buyout allows for full or partial transfer of pension liabilities.
- **SS annuities:** SS annuities are designed to serve as an alternative to a lump sum payment in a lawsuit initiated because of personal injury, wrongful death, or other claims for damages. Life-contingent SS liabilities represent in-force contracts as of December 31, 2023, and Non-life-contingent SS liabilities contracts issued between January 1, 2021, and December 31, 2023, and in-force contracts as of December 31, 2023.

On December 31, 2025, the Company entered a transaction with MTL as the Cedant to reinsure certain participating whole life (PWL) insurance policies issued by MTL on a combination of coinsurance with funds withheld and modified coinsurance basis consisting of a 100% quota share of in-force participating whole life business issued.

Gross premiums written during the year consist of:

Gross Premium Written by Line of Business	USD (in'000s)
Life	1,312,322
Annuity	5,874,068
Gross Premium Written	7,186,390
Gross Premium Written by Geographical Region	
United States	7,186,390

g. Performance of Investments & Material Income & Expenses for the Reporting Period

The Company's main revenue sources are premiums and net investment income. The main drivers of benefits and expenses relate to policyholder benefits and claims. The statement of operations, presented in accordance with the accounting principles generally accepted in the United States of America ("US GAAP"), is shown below:

	December 31, 2025	December 31, 2024
Revenue		
Premiums	\$ 7,186,390	-
Net investment income	\$ 254,438	-
Investment related gains (losses)	\$ 93,746	-
Total revenue	\$ 7,534,574	-
Benefits and expenses		
Policyholder benefits and claims	\$ 7,284,564	-
Interest credited to policyholder account balances	\$ 73,041	-
Amortization of deferred acquisition costs	\$ 15,771	-
General and administrative expenses	\$ 22,967	-
Total benefits and expenses	\$ 7,396,343	-
Net income (loss) before income taxes	\$ 138,231	-
Income tax expense	\$ (29,031)	-
Net income (loss)	\$ 109,200	-
Other comprehensive income (loss), before tax		
Remeasurement G/L on future policy benefits related to discount rate	\$ (57,456)	-
Other comprehensive income (loss), before tax	\$ (57,456)	-
Income tax expense (benefit) related to other comprehensive income (loss)	\$ 12,066	-
Total Other comprehensive income (loss), net of tax	\$ (45,390)	-
Total comprehensive income (loss)	\$ 63,810	-

The tables below outline net investment income and net investment gains (losses) by asset type and are presented in accordance with US GAAP.

Asset Type	December 31, 2025
	(USD In thousands)
Funds withheld at interest	\$ 277,342
OC Trust at fair value ¹	\$ 8,701
Other Investment Income	\$ 215
Total	\$ 286,258
Less: Investment expenses	\$ (31,820)
Net investment income	\$ 254,438

(1) Under the Company's Modco reinsurance arrangements, the Cedent establishes and manages segregated custodial accounts holding assets equal to 4% of the statutory reserves as required under the reinsurance agreement. These assets are managed and controlled by the cedent, recorded on its balance sheet, and maintained separately in accordance with the applicable reinsurance agreements. The establishment of OC trust is required on PRT, SSLC and SSNLC products.

Asset Type	December 31, 2025
	(USD In thousands)
Funds withheld at interest	
Realized Gain (Loss)	\$ 42,744
Unrealized Gain (Loss)	\$ 49,665
OC Trust at fair value	
Unrealized Gain (Loss)	\$ 1,337
Net investment gains (losses)	\$ 93,746

h. Any other Material information

None.

4. Governance Structure

The Company has established a robust governance framework designed to uphold strong corporate governance, effective risk management, and a disciplined solvency self-assessment process. This framework aims to:

- Maintain high standards of enterprise risk management across all business activities.
- Ensure that operations are conducted in an efficient, controlled, and effective manner.
- Align oversight and internal control procedures with the specific risk profiles of each organizational unit.

a. Board and Senior Executive

i. The Board of Directors

The Board of Directors of Chariot Re is constructed in accordance with the Insurance Code issued by the BMA and reflects fit and proper standards. The Board provides prudent oversight of Chariot Re's business and affairs, as well as the activities of Chariot Re's executive management team. The Board has formed several sub-committees to assist it in discharging its responsibilities, details of which are provided in ii below.

As of December 31, 2025, the Board consists of 7 members, comprising the Chair & CEO, representatives of each of the 2 sponsors MetLife and General Atlantic and of strategic shareholder Chubb, and also 3 non-executive independent directors.

The Board's responsibilities include, but are not limited to:

- a) influencing and reviewing appropriate strategies and policies, including succession planning and board renewal.
- b) ensuring corporate governance policies and practices are developed and applied in a prudent manner.
- c) discussing and making decisions on significant issues.
- d) reviewing and monitoring managerial performance.
- e) determining acceptable levels of risk.
- f) providing suitable prudential oversight of the Company's risk management and internal controls framework, regardless of the extent to which associated activities and functions are delegated or outsourced.
- g) promoting appropriate open, timely, and effective communications with regulatory authorities and other stakeholders.
- h) adopting a risk culture that encourages behavior and conduct which is aligned with the Company's risk appetite; and
- i) periodic self-assessment of the effectiveness of the Board and its committees.

ii. Board Committees

The Board delegates the following authority and responsibilities (under its oversight) to the following committees to assist it discharging its responsibilities:

Audit Committee - responsible for overseeing the integrity of the Company's financial statements and financial reporting processes, its system of internal controls and the audit process, including internal audit and the performance, qualification and independence of the Company's independent auditor.

Risk Committee - responsible for assisting the Board with the development, implementation and ongoing oversight of the Company's enterprise risk management framework.

Investment Committee - responsible for assisting the Board with overseeing the Company's investment strategy, the application of the prudent principle with the Company's investment function, investment performance, asset allocations and asset liability matching.

Compensation Committee - responsible for assisting the Board with ensuring that compensation and benefit matters are aligned with the Company's strategic objectives, risk appetite and long-term interests and serves to attract, retain and develop exceptional talent while having proper regard to the interests of the Company's stakeholders.

Chariot Re has established various internal Management Committees comprised of senior leadership to review and approve policies, financial results, material investment decisions, new transactions and matters relating to assumptions and reserving.

iii. Remuneration policy and practices and performance-based criteria governing the board, senior executives and employees

The Company maintains a Compensation Policy to ensure compliance with all regulatory requirements, including the Bermuda Monetary Authority's Insurance Code of Conduct, and to align compensation practices with the Company's strategy, risk appetite, and long-term policyholder and stakeholder interests. The Policy is approved by the Board and administered by the Compensation Committee. The Policy promotes fair treatment and competitive compensation while discouraging excessive or inappropriate risk-taking.

iv. Supplementary pension or early retirement schemes for members, the board and senior executives

The Company offers retirement savings plans that comply with all applicable legislative and regulatory requirements and are designed to remain competitive within the local market. Non-executive Board members are generally not eligible to participate in these plans, except where required by governing legislation. Board members and senior executives who are employees of Chariot Re are subject to the employee policies and plans established by Chariot Re.

v. Material transactions with shareholder controllers, persons who exercise significant influence, the board or senior executive

On July 1, 2025 and December 31, 2025, respectively, the company wrote two treaties, both representing cessions from Metropolitan Tower Life Insurance Co. (the "Cedant" or "MTL"), a wholly owned subsidiary of Chariot Re's sponsoring shareholder, MetLife, Inc. These treaties comprise all of the in-force business of the Company as of December 31, 2025.

No material transactions were executed during the year ending December 31, 2025 with Board members, senior executives, or other individuals who exert significant influence over the Company, besides the initial capitalization which took place at inception.

b. Fitness and Proprietary Requirements

i. Fit and Proper Process in assessing the Board and Senior Executive

The Company maintains a hiring and vetting process including recruitment and interviewing requirements, to confirm fitness and propriety for the relevant role. All Board members and senior executives satisfy the local regulatory requirements for competency, integrity, and experience and are subject to ongoing suitability assessments.

The Company is committed to ensuring that it always complies with its obligations under the BMA'S Fit and Proper framework. In particular, the Company will:

- ensure the members of the Board and each of its committees and the members of the executive team, individually and collectively, have the requisite knowledge, skills, expertise, and soundness of judgement appropriate to undertake and fulfil their responsibilities.
- ensure the members of the Board and the executives are, and continue to be, fit and proper on an on-going basis.
- consider the likely and/or actual impact on the interests of policyholders of a shareholder holding a particular controller position at the Company to determine the application of the fit and proper requirements described in the policy.

In accordance with the Code of Conduct, the Board must perform an assessment of itself and the Officers at least every three years. This will next take place in 2027.

ii. Board and Senior Executives Professional Qualifications, Skills and Expertise

The members of the Board of Directors of Chariot Re are listed below along with their credentials:

Cynthia F. Smith, *Chair and Chief Executive Officer*

Ms. Smith most recently led MetLife's Group Benefits Regional Business and served on the MetLife Finance leadership team. Her other senior roles across businesses and functions during more than 30 years at MetLife include strategy, finance, sales, service, delivery, underwriting, technology and large-scale business transformation.

Ms. Smith has been board member of T. Rowe Price Group since 2023, where she serves on the Audit, and Executive Compensation and Management Development committees.

Ms. Smith earned a bachelor's degree in accounting from Aurora University and a Master of Business Administration with a concentration in information technology from Benedictine University in Illinois. She is a certified management accountant and a graduate of the Smith College Executive Management program.

Christine Hurtsellers, *Independent Director and Investment Committee Chair*

Ms. Hurtsellers is the former CEO and Chief Investment Officer of Voya Investment Management, where she played a pivotal role in transforming the firm into a capital-light, growth-oriented business with \$320 billion in assets under management. Named one of Barron's 100 Most Influential Women in Finance, Ms. Hurtsellers is widely respected for her strategic investment acumen, innovative thinking, and values-driven leadership. As CEO, she led the firm to outperform industry peers and contributed to enterprise-wide strategy as a member of Voya's Financial Executive Team. Earlier, as CIO of Fixed Income, she strengthened investment processes to deliver top-decile performance and built a top-five outsourced insurance asset management platform in the U.S.

Prior to Voya, Ms. Hurtsellers held investment leadership roles at Freddie Mac, where she oversaw a \$650 billion portfolio, as well as at Alliance Capital Management and Banc One Corporation. She serves on the Board of Counsellors of The Carter Center and the Board of UNICEF Southeast, the Board of Directors of AGNC Investment Corp., is a Trustee on the Manulife John Hancock Mutual Funds Board of Trustees and is a former member of the U.S. Treasury Borrowing Advisory Committee.

Ms. Hurtsellers holds a BA in finance from Indiana University's Kelley School of Business and is a Chartered Financial Analyst.

Jonathan Isherwood, *Independent Director and Risk Committee Chair*

Mr. Isherwood served as CEO of Reinsurance for the Americas and Regional President at Swiss Re and also served as a member of the Group Executive Committee from 2020-2024.

Previously, he was head of Global Reinsurance at Swiss Re after leading the company's Claims, Accounting & Liability Management division from 2007 to 2013. He joined Swiss Re as Head of Product Integration following Swiss Re's acquisition of GE Insurance Solutions in 2006. Previously he was CEO of GE Frankona AG and Chairman of the Board of ERC Copenhagen, while also having global responsibility as President of Product Strategy for GE Insurance Solutions.

Mr. Isherwood started his career in 1991 with Ernst & Young and moved to GE Capital as an audit and consulting leader in 1994. In 2000, he joined GE Insurance Solutions to build the Risk Management team and thereafter led the Global Property division. He serves on the Board of Directors of Tokio Marine HCC International and as Chair of the Risk Committee. He holds a master's degree in economics from Cambridge University in the UK.

Neil Patterson, *Independent Director and Risk Committee Chair*

Mr. Patterson is the former Chairman of the KPMG group of entities in Bermuda. He spent most of his career with KPMG, having joined the firm in 1989. He served as a client facing lead audit partner from 1997 until his retirement in 2020. He was the Risk Management Partner for KPMG in Bermuda for over 20 years and the Risk Management Partner for the KPMG Islands Group for 15 years. Neil became the Bermuda firm's Office Managing Partner in 2008 and served for nine years before taking on the role of Chairman.

In 2019, Mr. Patterson co-founded Ignite Bermuda, the island's first privately funded business incubator and accelerator. Ignite's purpose is to assist Bermudian entrepreneurs, diversify economic ownership and create jobs through education, mentoring and providing access to capital. To date over 500 Bermudian entrepreneurs and small businesses have benefited from the program.

He earned a Bachelor of Science degree in economics and accounting from Queen's University Belfast, is a Fellow of Chartered Accountants Ireland and a member of the Chartered Professional Accountants of Canada.

Michael Gosk, *Director*

Mr. Gosk is a Managing Director and Chief Financial Officer at General Atlantic, with principal responsibility for the firm's finance, investor relations, IT, and corporate strategy functions. He also serves on the firm's Valuations and Executive Committees and chairs the Capital Allocation Committee.

Prior to joining General Atlantic in 2019, Mr. Gosk spent over a decade with General Electric in a series of financial leadership roles, most recently serving as Vice President and Chief Tax Officer. Before his time at GE, Mr. Gosk was a partner at global law firm McDermott Will & Emery and a partner at KPMG. He holds a B.A. in Economics and Government from Colby College, a J.D. from the University of Connecticut School of Law, and an LL.M. in Taxation from NYU School of Law.

Michael Hoag, *Director*

Mr. Hoag is the Chief Actuary of Chubb Life International. He serves on the Chubb Life Executive Committee and leads the Reserve Review Committee for the life business. In his role as the Chief Actuary of Chubb Life, Mr. Hoag is responsible for the pricing, valuation, and risk management of life insurance products globally. Mr. Hoag oversees the actuarial function for operations in Latin America, Europe, the Middle East, and Asia. He is a member of the Global Life Risk Management Committee and a leader of the

Global Life Asset and Liability Management Committee. He also manages the business operations of Chubb Tempest Life Re.

Prior to joining Chubb in 2015, Mr. Hoag held senior actuarial roles in AEGON, Swiss Re and VOYA. He began his career in the actuarial student development program at CIGNA. He is a Fellow in the Society of Actuaries and a Member of the American Academy of Actuaries. He graduated from Dartmouth College and earned an MS from Stanford.

Toby Brown, Director

Mr. Brown is the Global Head of Reinsurance and a member of MetLife's Strategic Advisory Group. In this role, he is responsible for creating and overseeing MetLife's global reinsurance strategy, third-party reinsurance relationships, and management of the entire reinsurance lifecycle from deal initiation and creation through to execution, monitoring, and reporting. He also serves as Chairman and CEO of MetLife's reinsurance captives.

Mr. Brown joined MetLife in 2010 when MetLife acquired ALICO from AIG and has held senior leadership roles including, Global Chief Audit Executive for MetLife Inc., Chief Operating Officer and board member for MetLife Japan, Regional Chief Financial Officer for MetLife Asia, and Regional CFO for MetLife Europe.

Mr. Brown is a Fellow of both the UK Institute of Chartered Accountants and the Association of International Accountants. He also holds the Chartered Internal Auditor designation. He earned an MBA from the Alliance Manchester Business School in the UK and has completed the Financial Times non-executive director diploma in corporate governance as well as executive programs at NYU Stern, Harvard, and ICLIF.

The Senior Executives of Chariot Re are listed below along with their credentials:

Cynthia F. Smith, Chair and Chief Executive Officer

Ms. Smith most recently led MetLife's Group Benefits Regional Business and served on the MetLife Finance leadership team. Her other senior roles across businesses and functions during more than 30 years at MetLife include strategy, finance, sales, service, delivery, underwriting, technology and large-scale business transformation.

Ms. Smith has been board member of T. Rowe Price Group since 2023, where she serves on the Audit, and Executive Compensation and Management Development committees.

Ms. Smith earned a bachelor's degree in accounting from Aurora University and a Master of Business Administration with a concentration in information technology from

Benedictine University in Illinois. She is a certified management accountant and a graduate of the Smith College Executive Management program.

Andrew Preston, Chief Financial Officer

Mr. Preston brings over two decades of international expertise in the insurance and reinsurance sectors, having held senior executive and board-level positions in both the UK and Bermuda. Most recently, he served as Chief Financial Officer at Aspida Life Re in Bermuda, where he was involved with capital planning, reporting, audit functions, and risk committee engagements.

Previously, Mr. Preston was the Group Chief Accounting Officer at Monument Re Group, also having served as the BMA Approved Group Principal Representative. His role encompassed involvement with strategic financing, regulatory reporting, capital management, investment oversight, and M&A execution. Earlier in his career, he held senior finance and management roles at Aviva, Friends Life, Prudential, and Resolution. He has actively participated in Bermuda's insurance industry forums and is a strong advocate of BILTIR.

Mr. Preston is a Fellow of the Association of Chartered Certified Accountants (FCCA), a Member of the Institute of Chartered Accountants in England and Wales (ACA), and a Chartered Professional Accountant (Bermuda) (CPA).

Delcho Ivanov, Chief Operating Officer

Previously, Mr. Ivanov was Assistant Vice President of Strategic Development for MetLife, focused on merger-and-acquisition activity. Other leadership roles at MetLife include finance transformation, ratings and capital liquidity, international capital management and strategy, financial planning and analysis for Europe, Middle East, and Africa.

Mr. Ivanov serves on the board of Brand IQ Group Inc. and was a Vice President at Oxford Alumni Ventures. Early in his career he worked for Ernst & Young and AIG.

Mr. Ivanov holds an Executive MBA degree from the Saïd Business School at the University of Oxford (UK) and a business degree from Drexel University (U.S.) and is a certified public accountant (U.S.).

Des Thomas, Chief Risk Officer

Previously, Mr. Thomas was Senior Vice-President and Chief Actuary, Asia, with MetLife. Other leadership roles during his 17-year career at MetLife include Vice-President and Treasurer, Asia, and Vice-President and Chief Risk Officer, MetLife Japan.

He has also been a non-executive Board member of MetLife Australia, PNB MetLife and MetLife Reinsurance of Bermuda. Earlier in his career, Mr. Thomas led Japan and Korea pricing for Swiss Re, and was a consultant with Towers Perrin.

Mr. Thomas holds a B.Sc. (Hons.) degree in mathematics from Bristol University and is a Fellow of the Institute of Actuaries (UK) and a Fellow of the Society of Actuaries (FSA).

Michael Sakoulas, *Chief Actuary*

Mr. Sakoulas has over 30 years of experience in the financial services industry in a variety of leadership roles. Most recently he was the Senior Vice President – Strategic Projects at MetLife, focusing on key reinsurance initiatives such as building the actuarial framework and the financial, planning, and analysis processes for Chariot Re. He also served as the CFO for MetLife’s Retirement & Income Solutions group, leading financial reporting, analysis, and expense control initiatives.

Before MetLife, he was the CFO of AIG’s Retirement business where he led the hedging, actuarial and finance teams. He also held leadership roles at Old Mutual Bermuda and AXA Re Life focused on annuities and reinsurance.

Mr. Sakoulas holds a master’s degree in mathematics from Columbia University and a bachelor’s degree in mathematics from Queens College in the U.S. He is a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries.

Reena Pally, *Chief Investment Officer*

Ms. Pally brings over 20 years of experience in the financial services industry, having held a range of leadership positions. Most recently, she was a Managing Director and Portfolio Manager for MetLife Investment Management’s (MIM) Real Estate group, where she was responsible for managing the MetLife Insurance Investors Commercial Mortgage Portfolio in the Debt Strategies Group.

Prior to that, Ms. Pally was Head of Portfolio Loan surveillance, former Chief of Staff to MetLife’s Chief Investment Officer, Trader and Assistant Portfolio Manager of the Leveraged Loan Portfolio, and Portfolio Manager of the Middle Market Leveraged Loan Portfolio throughout her MetLife tenure.

Ms. Pally earned an MBA in Finance from the University of Southern California Marshall School of Business and a B.S. in Finance and International Business from the Stern School of Business at New York University. She is also a member of the Mortgage Bankers Association.

c. Risk Management and Solvency Self-Assessment

i. Risk management process and procedures to effectively identify, measure, manage, and report on risk exposures

Chariot Re uses a three-lines-of-defense risk governance framework. Under this framework, the company's management is the first line of defense in identifying, measuring, monitoring, managing, and reporting risks. The Chief Risk Officer (CRO) is the second line of defense, responsible for the overall co-ordination and production of the risk management process and for providing effective challenge to the first line of defense. Internal audit serves as the third line of defense, providing independent assurance and testing over risk and control environment and related processes and controls.

The Risk function's activities are overseen by the Board and by the Risk Committee, a Board sub-Committee, which is chaired by an INED. During 2025, the Risk Committee approved the Risk Management Framework and risk or risk-related policies including in relation to capital management, liquidity management, underwriting, ALM, derivative usage, risk appetite and stress testing, model risk management, outsourcing, data protection and cyber risk. The Framework and policies were documented as part of an engagement with a highly regarded third party provider, with significant input from Global Risk Management function of Chariot Re's sponsors. The CRO is responsible for maintaining and communicating these policies and for monitoring and analyzing all material risks.

Risk management is responsible for implementing a risk management framework, which outlines the Company approach for managing financial and non-financial risks. The Risk Framework further:

- Identifies a taxonomy under which risks are classified under market, counterparty, liquidity, insurance, operational, regulatory & compliance, strategic and responsible investing.
- Establishes the requirement that Risk Policies be implemented to establish the operating principles for managing the Company's key risks and specifies minimum criteria for these policies in terms of their defining objectives, and for suitable processes and tools to identify, measure, manage, monitor and report the risk.
- Requires the establishment of limits and escalation procedures, with clear accountability and approval limits. Financial risk limits are supplemented by "early warning" levels, at a less adverse level than the hard limit, and less onerous in terms of required reporting and action.
- Requires the establishment of a Risk and Control register as the main database for risk and control information, to include assessments of likelihood, severity, overall impact, mitigation and residual likelihood, severity and impact after mitigation.

Senior management will review the Commercial Insurer Risk Assessment (CIRA) scoring annually, commencing in 2Q 2027. This review will include assessing appropriateness for each operational risk area, considering changes in internal processes and policies, the internal environment, and the external environment. This assessment considers the type and volume of new business, recognizing that some types may involve new processes.

ii. How the risk management and solvency self-assessment systems are implemented and integrated into the insurer's operations, including strategic planning and organizational and decision-making process

The Company's Enterprise Risk Management (ERM) Framework is embedded throughout its operations by means of the systems, processes, procedures, and controls designed in alignment with the Company's current risk profile. Management information generated through risk management and internal control activities is used to assess the adequacy and quality of the capital and liquidity needed to support the Company's strategic objectives, consistent with its overall risk management strategy.

iii. The relationship between the solvency self-assessment, solvency needs, and capital and risk management systems

The Commercial Insurer Solvency Self-Assessment ("CISSA") aims to identify and evaluate all material risks, supporting decision-making around whether risks should be eliminated, transferred, or retained in line with the Company's defined risk appetite and tolerance. Assessing extreme stress scenarios further assists in establishing contingent capital sources, ensuring the Company can continue to meet its strategic objectives under adverse conditions.

The stress testing performed as part of the CISSA program provides senior management with valuable insights into the Company's key risks and potential vulnerabilities, enabling proactive contingency planning. The Company maintains a strong foundation of committed capital to support its ongoing operations as well as future business opportunities.

iv. The solvency self-assessment approval process including the level of oversight and independent verification by the board and senior executives

The CISSA report is developed in collaboration with the relevant functions and business units and is continuously reassessed throughout the year. On an annual basis, it is reviewed by the Company's Chief Risk Officer and Chief Executive Officer. Following their review, the CISSA is submitted to the Finance & Risk Committee for approval, with particular focus on the Company's capital and liquidity needs, significant developments during the period, current and emerging risk exposures, and the measures used to manage and mitigate these risks within the Company's risk management framework.

d. Internal Controls

i. Internal Control System

Management is responsible for establishing an internal control framework for financial reporting, including the policies and procedures that:

1. Ensure that records are maintained in reasonable detail and accurately and fairly reflect the Company's transactions.
2. Provide reasonable assurance that transactions are recorded as necessary to prepare financial statements in accordance with U.S. GAAP and Bermuda SFS, and that the Company's receipts and expenditures are executed only with appropriate management and Board authorization; and
3. Provide reasonable assurance that unauthorized acquisition, use, or disposal of the Company's assets that could materially affect the financial statements is prevented or detected in a timely manner.

The Board oversees the internal control environment and is supported by the Audit & Compliance Committee, with further independent assurance provided by Internal Audit through risk-based audits and evaluations of the Company's internal control system.

ii. Compliance Function

The Compliance function is primarily responsible for ensuring the Company is adhering to the various requirements in which it is legally subject and the Company's own policies and procedures.

Duties include:

- Promoting a corporate culture of compliance and integrity.
- Developing and implementing policies, procedures and processes designed to ensure compliance with the risk management framework, legal and ethical conduct, applicable laws, rules, and standards.
- Monitoring, testing, and reporting compliance with jurisdictional laws and regulations, and related internal policies and procedures. Identifying and addressing any deficiencies or non-compliance.
- Reporting to the Board periodically on the appropriateness of the Company's compliance program and its effectiveness.
- Implementing a training program for Company personnel on the compliance issues.
- Developing a mechanism for employees to report confidentially concerns regarding compliance deficiencies and breaches; and
- Updating the Board on relevant changes in laws and regulations.

The responsibilities of managing the business in a compliant manner ultimately lies with the Board. The Company's compliance function is overseen by the Chief Risk Officer and is supported by a reputable third-party provider until such time as the Company builds an in-house compliance function. The compliance function reports through the CRO to the Risk Committee and to the Board.

The compliance function also requires appropriate independence and autonomy. Therefore, those responsible for the compliance function are authorized to review all areas of the Company and to have full, unrestricted access to all activities, records, property, and personnel, including without limitation, as deemed appropriate.

e. Internal Audit

i. Internal Audit Function

The primary responsibility of the internal audit function is to provide the Board with an independent and objective analysis and appraisal of the efficiency and effectiveness of the Company's governance, operations and internal control systems, the accuracy of financial reporting, and compliance with applicable laws and regulations.

The Internal Audit function must be segregated and staffed by persons independent of operational functions, including risk management, compliance, underwriting, actuarial, claims and finance. To ensure adequate independence, sufficient resources of fit and proper staff, and sufficient knowledge and experience, the internal audit function is outsourced to a reputable third-party provider. The internal audit function reports directly to the Board or its Audit Committee. The Company is in the process of conducting an initial full three-year internal audit plan using the services of a reputable third-party provider to examine and ensure adequacy of the Company's frameworks and controls and to assist the Board with identifying areas for improvement before this function is transitioned in-house.

The duties and responsibilities of the Internal Audit function include:

- Developing and maintaining clearly defined charters, roles and responsibilities that are reviewed and approved by the Board regularly.
- Establishing, documenting and executing the internal audit plan.
- Assessing the adequacy and effectiveness of the Company's governance, risk management policies, procedures, and controls.
- Identifying areas for improvement; and
- Reporting findings to the Board and evaluating and monitoring the implementation of recommendations.

The initial internal audit plan has targeted a 3-year horizon and takes into consideration the Company's nature, scale, and complexity. The internal audit plan is to be reviewed and approved annually by the Board.

The internal audit function is authorized to review all areas of the Company and to have full, unrestricted access to all activities, records, property, and personnel, including without limitation, as deemed appropriate. This includes any records that may be held by third-party service providers. All employees are required to assist with the internal audit function in fulfilling their duty.

f. Actuarial Function

i. Description of how the actuarial function is implemented

The duties and responsibilities of the actuarial function are as follows:

- Performing the estimation of policyholder obligations.
- Assessing the adequacy of methodologies and assumptions.
- Assessing the quality of the underlying data used in estimations.
- Assisting in the execution of the enterprise risk management framework, particularly as it relates to modelling techniques used to estimate policyholder obligations, potential exposures, capital requirements, stress, and scenario testing.
- Pricing of new business.
- Performing analysis comparing the estimated policyholder obligations against actual policyholder obligations paid.
- Evaluation of financial risk exposures.
- Responsibility for valuation process, methods and assumption as well as financial projections of the Company; and
- Reporting to the Board and Management on the dependability and sufficiency of the estimates.

An external independent analysis of the Company's reserves is to be conducted by the Approved Actuary with an annual certification that the Company's reserves are adequate. The Approved Actuary is appointed by the Board.

The Company's actuarial function is led by its Chief Actuary and until such time as additional actuarial resources are hired, the Company will be supported by highly regarded third-party providers, pursuant to respective service agreements.

g. Outsourcing

i. Outsourcing Policy and Material Intra-Group Outsourcing

The Company maintains a third-party vendor management policy requiring appropriate due diligence, performance monitoring, and oversight of all outsourced functions. Outsourcing is used to access specialized expertise and support efficient use of internal resources. While certain activities may be outsourced, the Company retains full ownership and accountability for all actuarial, ALM, risk, compliance, and financial reporting responsibilities. All services are

governed by formal agreements and statements of work that outline roles, deliverables, and performance expectations. Ultimate responsibility for all activities—whether outsourced or internal—rests with the Company Management.

- **Actuarial:** The Company's Chief Actuary leads the actuarial function, with reputable third-party providers providing support until an internal function is fully established for valuation, modelling, assumption setting, and ALM services. A highly-regarded third party provider is engaged to cover the Approved Actuary function, whose services will be reduced over time as these activities are fully transitioned in-house.
- **Finance:** The Chief Financial Officer oversees the finance function, with reputable third parties providing support services until an internal function is fully established.
- **Investment Management:** Investment management services are provided under IMAs with MIM and General Atlantic. The Chief Investment Officer is responsible for day-to-day oversight and all investment decisions, while investment managers provide advice, portfolio management, and reporting in accordance with Board-approved investment guidelines. The Investment Committee performs performance and engagement oversight.
- **Risk and Compliance Management:** The Chief Risk Officer leads the risk and compliance functions, with reputable third parties providing support pending completion of internal staffing.
- **Internal Audit:** Internal audit services are outsourced to a reputable third-party provider, who reports directly to the Audit Committee. Activities include assessing the effectiveness of governance, internal controls, and risk management processes.
- **Other Services:** The Company has services agreements with MetLife or its affiliates for limited services, such as investment accounting or procurement support. Additional third-party providers will be engaged for back-office services as needed.

All outsourced arrangements, including those of Sponsors, are subject to regular review by the Board (or its committees) to ensure suitability, capability, and the management of any potential conflicts of interest.

h. Any other material information

No additional material information to report.

5. Risk Profile

a. Material risks the insurer is exposed to, including how the risks are measured and any material changes that have occurred during the reporting period

The Company's material risks are:

- **Market Risk:** the risk of loss arising from movements in the value of assets and liabilities driven by fluctuations in financial markets and broader economic conditions. It encompasses interest rate risk, equity risk, foreign exchange ("FX") risk, spread risk, and

inflation risk, as well as the associated volatility and its impact on U.S. GAAP, statutory, tax, and economic financial results.

- **Interest Rate Risk** is assessed using measures such as duration, convexity, and key rate durations to evaluate the sensitivity of asset and liability values to interest rate changes. The ALM policy requires asset duration to remain within a narrow range of liability duration, with corrective action taken when limits are exceeded.
- **Equity Risk** some exposure to the market volatility and illiquidity of equity-type investments is accepted in relation to long-term liabilities, and in particular to decrease reinvestment risk on very long tail liabilities. Investment is implicitly controlled by duration and liquidity coverage limits.
- **Foreign Exchange Risk** is restricted to incidental exposures. Where liabilities are supported by assets denominated in different currencies, FX exposure is hedged to maintain alignment between assets and liabilities.
- **Credit Spread Risk** is evaluated through stress testing and scenario analysis to ensure that any impact on the Bermuda Economic Balance Sheet (EBS), statutory results, and U.S. GAAP financials remains within acceptable levels.
- **Credit Risk** is the assumption of issuer credit risk (rating migration and default) within the investment portfolio and is required for Chariot Re's business. It is diversified across issuers, asset types and geographies. To manage credit risk, the investment guidelines include limits on asset concentration (by geography, sector, credit rating and individual issuer), as well as on Weighted Average Rating Factor ("WARF") score.
- **Counterparty Risk** arises from exposures to reinsurance or derivative counterparties. Currently, no such risk exists as the Company does not retrocede, and derivative counterparty exposure is borne by MetLife Investment Management.
- **Insurance Risk:** refers to the possibility of loss or adverse deviation in insurance liabilities arising from actual experience differing from best estimate assumptions. Insurance risk is a material risk for the company, and the primary element of this is longevity risk associated with the pensions risk transfer and structured settlements business.
- **Expense Risk:** managed through disciplined planning and operational execution, with sensitivity testing—especially for inflation—used to assess potential impacts.

Note that the Company has no appetite for equity-linked liabilities and any such exposure would be hedged.

- **Non-Financial Risk** incorporates regulatory and compliance risks, legal, tax, outsourcing, reputational and ESG Risks and as well as risks associated with climate change. There are broader operational risks as well which are covered under company's Risk Register. There is no specific appetite for these risks which arise as a by-product of operating in the insurance industry, and we seek to manage them through mitigating controls. Comments on the individual elements of these non-financial risks are as follows:

- **Compliance and Regulation Risk** – In line with the BMA Insurance Code of Conduct (Corporate Governance, Risk Management, and Internal Controls provisions), the Company manages compliance risk through clear CRO ownership, defined compliance processes, regular regulatory engagement, and Board oversight. Compliance monitoring includes routine management reporting, escalation of material matters to the Risk Committee and Board, and dialogue with the BMA.
- **Legal Risk** – Consistent with the BMA Insurance Code of Conduct principles on Corporate Governance and Internal Controls, legal risk is mitigated through structured review led by Legal Counsel, with support from key internal stakeholders (including the CFO, Chief Actuary, and CRO). Material legal matters are escalated to the Board to ensure appropriate governance and oversight.
- **Model Risk** – In line with the BMA Insurance Code of Conduct requirements on Risk Management and Internal Controls, the Company manages this risk through a Model Risk Policy owned by the Chief Actuary, supported by periodic model validation, controlled development and production processes, and segregation of environments. Oversight is exercised through quarterly reporting to the Risk Committee.
- **Outsourcing Risk** – In line with the BMA Insurance Code of Conduct and BMA Outsourcing Guidance, the Company manages this risk through a formal outsourcing and third-party risk management framework under the shared oversight of the CRO and Chief Operating Officer (“COO”), ensuring appropriate governance of material outsourced arrangements. Key mitigants include extensive pre-engagement due diligence, clearly defined contractual arrangements, and operation of vendors within the Company’s infrastructure with outputs retained as Company intellectual property to support control and exit planning. Ongoing monitoring includes active vendor oversight and an annual report to the Board on the effectiveness of the Third-Party Vendor Management Policy.
- **ESG Risk** – Consistent with the BMA Insurance Code of Conduct expectations for Governance and Risk Management, ESG risk is managed through shared ownership across the CEO, Chief Investment Officer (“CIO”), and CRO, including ESG-aligned investment restrictions, embedding D&I principles in people processes, and integrating ESG expectations into internal guidance.

b. How risks are mitigated including the methods used and the process to monitor the effectiveness of these methods

Chariot Re manages its capital and liquidity position with the objective of remaining resilient under severe stress conditions, thereby avoiding circumstances that would trigger engagement with cedants or regulators. Stress tests are performed both individually and in combination across key risk categories—including interest rates, equity markets, credit, mortality, and

expenses—to evaluate Chariot’s liquidity and capitalization. These stresses are applied on both an instantaneous basis and through multi-year projections to observe the evolution of capital strength and liquidity over time.

Risk tolerances and limits are established to reflect targeted minimum levels of capitalization and liquidity under stressed conditions, ensuring Chariot can meet its capital and liquidity objectives.

As part of its solvency self-assessment, Chariot also develops reverse stress scenarios designed to identify circumstances that could breach risk limits. These reverse stresses help inform the development of appropriate mitigation strategies.

c. Material risk concentrations

Chariot is exposed to a range of economic and actuarial risks that can materially affect its financial position. Economic risks arise from changes in market conditions, including movements in equity indices, interest rates, credit spreads, foreign exchange rates, and equity market volatility. Actuarial risks emerge when actual mortality, surrender, or expense experience deviates from the assumptions used in pricing and valuation.

d. How assets are invested in accordance with the prudent person principle as stated in the Insurance Code of Conduct

Chariot’s investment portfolio is managed by the Chief Investment Officer in accordance with the guidelines identified in the Investment Risk Policy which applies the prudent person principle. The Investment Risk Policy is reviewed as needed if any significant market deviations have occurred that affect the financial markets.

e. Stress testing and sensitivity analysis to assess material risks, including methods and assumptions used, and the outcomes

Various stress tests are used to determine the adequacy of capital and liquidity. Details can be found in section 5b. Stress tests are predominantly concentrated on the risks identified in section 5a.

f. Any other material information

Not applicable

6. Solvency Valuation

a. The valuation bases, assumptions and methods used to derive the value of each asset class

The Company is authorized by the Bermuda Monetary Authority (“BMA”) to operate as a long-term insurer and is governed by the Bermuda Insurance Act 1978, as amended (the “Act”), together with related regulations. The economic valuation principles described in this document

are applied to determine the fair value of assets and liabilities. As a starting point, the Company uses US GAAP fair value guidance and hierarchy to establish values of the assets and make applicable adjustments to align with the BMA's statutory financial reporting. The fair value framework for assets is based on the following principles:

- **Cash and Cash Equivalents:** Cash includes cash held at bank and cash equivalents include highly liquid securities and other investments purchased with an original or remaining maturity of three months or less at the date of purchase. Securities included within cash equivalents are stated at estimated fair value, while other investments included within cash equivalents are stated at amortized cost which approximates fair value.
- **Funds Withheld at Interest:** The Company participates in funds-withheld and modified coinsurance (ModCo) reinsurance agreements in which the ceding companies retain the underlying invested assets and report them on their balance sheets, while the Company records a funds-withheld receivable that earns interest based on the performance of those assets, including policy loans. Reserve adjustments and other settlements occur periodically in line with the reinsurance terms.
- **Embedded Derivatives:** The Company entered into a reinsurance agreement on a modified coinsurance and coinsurance funds withheld basis. These have FWH and OC Trust accounts that contain an embedded derivative which is required to be separated from its host contract and accounted for as a freestanding derivative. Embedded derivatives are recorded at estimated fair value with changes in estimated fair value reported in net income.

b. The valuation bases, assumptions and methods used to derive the value of technical provisions and the amount of the best estimate. The risk margin as well as the level of uncertainty determining the value of technical provisions should be included.

Chariot Re has applied the valuation principles set out in the BMA's Guidance Notes for Commercial Insurers and Insurance Groups' Statutory Reporting Regime when determining its insurance technical provisions. The methodologies used are aligned with the BMA's expectations. Technical provisions were valued using projected cash flows developed in accordance with the assumptions specified under the BMA's Scenario Based Approach. This process incorporates the interaction of projected asset and liability cash flows, the Company's current asset portfolio, its strategic asset allocation, and the modeled performance of assets and liabilities under the most adverse scenario prescribed by the BMA for testing.

In addition, the Company established a risk margin to reflect the uncertainty inherent in the underlying cash flows. This margin was calculated using the cost-of-capital method and discounted using the risk-free yield curves issued by the BMA as of December 31, 2025.

The best estimate technical provisions (in USD 000s) as of December 31, 2025, are included in the table below:

Best Estimate Liabilities	9,551,163
Risk Margin	133,466
Technical Provisions	9,684,629

c. Description of recoverables from reinsurance contracts

Not applicable.

d. The valuation bases, assumptions and methods used to derive the value of other liabilities.

Similar to the valuation principles for assets, Chariot's liabilities follow the valuation principles outlined by the BMA's "Guidance Note for Statutory Reporting Regime" which values liabilities on a fair value basis.

e. Any other material information

Not applicable.

7. Capital Management

Details regarding an assessment of capital needs and regulatory capital requirement

a. Eligible Capital

i. Capital management policy and process to determine capital needs for business planning, how capital is managed and any material changes during the reporting period

The Company's capital management policy focuses on maintaining a strong and resilient capital base that supports ongoing business operations, meets all regulatory requirements, and aligns with its defined risk appetite. The Company regularly evaluates its capital adequacy by assessing whether available capital is sufficient to absorb the various risks it faces, both individually and in aggregate, under normal and stressed scenarios.

The Company seeks to maintain a prudent level of capital, in excess of minimum requirements, to support the risks and underwriting business model while optimizing costs and quality of capital. Capital levels are informed by the annual business planning exercise.

The Company is funded by periodic capital contributions made by its beneficial owners through its holding structure or other capital sources. The other capital sources may include letters of credit, bank debt, convertible notes, preferred shares and other third-party capital.

The Company considers the CISSA with respect to its quarterly analysis or any analysis of material changes such as business volume, large claims, new risk or changes in asset profile. The CISSA process will be re-run on an ad-hoc basis, and should define parameters (e.g. extreme events, new strategic decisions, etc.) be triggered. This will ensure a re-assessment of

the capital position and risk profile takes place as and when needed based on business decisions and the trading environment.

To ensure the CISSA is adequately forward looking, quantitative and qualitative analysis is performed on potential shocks or identified risks the business. This assessment includes anticipated future risks along with an associated impact on capital assessments and performance. Scenarios used for testing will include a selection from the standard scenario tests in the BSCR where these are relevant to the Company’s business as well as some additional bespoke scenarios. Scenario testing covers underwriting risks as well as other materials risks faced by the Company (e.g. operational risk). Reverse stress testing is also undertaken.

Eligible Capital	USD (000s)
Tier 1	1,098,353
Tier 2	-
Tier 3	-
Total	1,098,353

ii. Description of eligible capital categorized by tiers in accordance with the Eligible Capital Rules

To support the BMA in evaluating the quality of an insurer’s capital resources, Class E insurers must disclose the composition of their capital in line with the BMA’s three-tier capital system. Under this framework, the highest-quality capital is classified as Tier 1 Capital, while capital of lower quality is classified as Tier 2 or Tier 3.

The Bermuda Insurance Act requires Class E insurers to maintain Tier 1 Capital of at least 60% of their Enhanced Capital Requirement (ECR), and to limit Tier 3 Capital to no more than 15% of the combined total of Tier 1 and Tier 2 Capital. For Class E insurers, Tier 1 Capital must be at least 50% of the ECR, and Tier 3 Capital must not exceed 17.65% of the sum of Tier 1 and Tier 2 Capital.

iii. Description of eligible capital categories by tiers, in accordance with the Eligible Capital Rules used to meet the Enhanced Capital Requirement (“ECR”) and the Minimum Margin of Solvency (“MSM”) requirements of the Act

As of December 31, 2025, all eligible capital used to satisfy the MSM and ECR consists solely of Tier 1 Capital. Further details are provided in *Section 8b(i) – ECR and MSM requirements at the end of the Reporting Period*.

Eligible Capital by Regulatory Limitations	Limits	MSM (%)	ECR (%)	MSM (USD 000s)	ECR (USD 000s)
Tier 1	Min	80%	50%	1,098,353	1,098,353
Tier 2	Max	25%	50%	-	-
Tier 3	Max		15%	-	-
Total				1,098,353	1,098,353

iv. Confirmation that eligible capital is subject to transitional arrangements as required under the Eligible Capital Rules

Not applicable

v. Identification of any factors affecting encumbrances on the availability and transferability of capital to meet the ECR

Not applicable

vi. Identification of ancillary capital instruments that have been approved by the Authority

Not applicable

vii. Identification of differences in shareholder's equity as stated in the financial statements versus available statutory capital and surplus

Item	USD (000s)
US GAAP Equity	1,219,685
Statutory Capital and Surplus	1,098,353
Difference	121,332

b. Regulatory Capital Requirements

i. Identification of the amount of the Economic Capital Requirement (ECR) and Minimum Solvency Margin (MSM) at the end of the reporting period

Requirement	USD (000s)
Statutory Capital (EBS)	1,098,353
Minimum Solvency Margin	174,152
Transition ECR	441,950
ECR Ratio	249%

- ii. Identification of any non-compliance with the MSM and ECR**
None.
- iii. Amount and circumstances surrounding the non-compliance, remedial measures taken and their effectiveness**
Not applicable.
- iv. Where the non-compliance has not been resolved, a description of the amount of non-compliance at the end of the reporting period**
Not applicable.
- c. Approved Internal Capital Model used to derive the ECR**
Not applicable.

8. Significant Events

- a) Description of the significant event**
Not applicable
- b) Approximate date or time of significant event**
Not applicable
- c) Confirmation of how the significant event has impacted, or will impact, any information provided in the most recent financial condition report filed with the Authority**
Not applicable
- d) Any other material information**
Not applicable

9. Declaration

We, the undersigned, hereby declare that to the best of our knowledge and belief, this Financial Condition Report fairly represents the financial condition of the Company in all material respects as of December 31, 2025.



Cynthia Smith
Director and Chief Executive Officer
April 29, 2026



Neil Patterson
Director
April 29, 2026

Appendix A: Chariot Group Legal Structure

Chariot Group – Legal Entity Structure



