

# 2025-26 Statement of Business Intent



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## Acknowledgement of Country

icare NSW acknowledges the Traditional Custodians, Stewards and language groups of New South Wales and we recognise their connection throughout time to lands and water. We admire the collective knowledge, wisdom, strength and resilience of First Nations communities and peoples. We acknowledge and pay respect to Elders past and present. We pay respect to our First Nations participants, colleagues, stakeholders and partners in Reconciliation.

Our offices are located on the lands of the Gadigal people of the Eora nation in Sydney, the Darkinjung people in Gosford, the Awabakal people in Newcastle, the Dharug people in Parramatta and the Dharawal people in Wollongong.

# Stakeholder Agreement

This Statement of Business Intent 2025-26 for icare NSW has been endorsed by



Geniere Aplin, Chief Executive Officer



John Robertson, Chair



The Hon. Sophie Cotsis, Minister for Work Health and Safety

# Introduction to icare

icare was created in 2015, in accordance with the *State Insurance and Care Governance Act 2015*, bringing together government agencies that supported the people and communities of NSW through the delivery of affordable and sustainable insurance and quality care.

Each year, icare supports people and businesses across NSW:

- **providing workers compensation insurance** to 340,000 private sector employers and their 3.5 million workers, and over 500,000 public sector workers and volunteers, supporting people in their recovery and return to work after a work injury.
- **enabling treatment and care** to 94,000 injured worker claims per year and 2,337 people seriously injured in a motor or work accident, helping them recover and improve their quality of life.
- **paying over \$125 million in compensation and support** to people affected by dust disease from work exposure, ensuring that they and their families get care and financial help.
- **insuring \$23 billion of residential building projects** to help homeowners fix incomplete or defective work, giving them peace of mind that their homes are safe.
- **protecting \$436 billion of the state's assets**, including iconic landmarks like the Sydney Opera House and the Sydney Harbour Bridge, and essential infrastructure like schools and hospitals – so communities can continue to learn, connect and thrive.

## icare principal legislative objectives

icare provides insurance to the businesses, people and communities of NSW. Our principal legislative objectives in exercising the functions are detailed in Division 2 of the *State Insurance and Care Governance Act 2015*, and are summarised as follows:

1. Maintain the **affordability** of insurance and the **efficiency and viability** of NSW insurance and compensation schemes administered by icare in a way that is also consistent with any objectives of the individual schemes
2. Promote **early and appropriate treatment and care** for injury and illness that optimises the recovery and return to work or other activities of persons injured at work or in motor accidents
3. Promote **efficiency, transparency, and accountability** in the conduct of icare NSW's operations.

icare works to fulfil its principal legislative objectives set out in the *State Insurance and Care Governance Act 2015*, and under instruction from the Minister for Work Health and Safety's Statement of Expectations (SoE). icare's principal objectives and our Minister's Statement of Expectations are embodied in our purpose, mission, strategic objectives, initiatives and key performance indicators.

# Business Summary

## Working Together for Better Outcomes

### Our Schemes

<b>The Nominal Insurer</b>	The Nominal Insurer (NI) is NSW's largest workers compensation insurer for the private sector, providing benefits to employees who sustain a work-related injury or illness.
<b>Treasury Managed Fund (TMF) WC</b>	The Treasury Managed Fund (TMF) is a self-insurance scheme created by the NSW government to insure NSW government agency risk, including workers compensation (TMF WC) which covers employees of NSW government entities, as well as volunteers of organisations such as the NSW Rural Fire Services.
<b>TMF General Lines</b>	The Treasury Managed Fund also covers General Lines (TMF GL) which provides comprehensive protection for NSW government agencies through the management of government risk and liability for all insurable risks, such as legal liability, fleet motor vehicles and property.
<b>The Home Building Compensation Fund</b>	The Home Building Compensation Fund (HBCF) provides coverage to homeowners against the risk of non-completion and construction defects, up to a total of \$340,000. HBCF is a last resort scheme and only triggers when the builder or tradesperson becomes insolvent, dies, disappears or has their building license suspended by the Building Commission NSW due to non-compliance with a money order made in favour of the homeowner by the NSW Civil and Administrative Tribunal or a court.
<b>Lifetime Care</b>	The Lifetime Care (LTC) and Support scheme provides lifelong treatment, rehabilitation and care services to people severely injured in a motor vehicle accident in NSW. The scheme is available regardless of fault, provided eligibility criteria are met for the accident and injury. LTC also manages Workers Care, which provides support to workers with severe injuries.
<b>CTP Care</b>	CTP Care provides treatment and care for those with a long-term injury caused by a motor accident in NSW and have an accepted claim with a Compulsory Third Party (CTP) insurer. The program, launched in December 2022, takes over the payment of reasonable and necessary treatment and care from the insurer after five years, with some cases transferring earlier under an "Early by Agreement" option.
<b>Dust Diseases Care</b>	Dust Diseases Care (DDC) delivers financial benefits and support services to workers who have contracted a dust disease (and their dependants) resulting from occupational exposure. DDC provides screening services to assist employers to meet their legislative obligations.
<b>Other schemes</b>	Sporting Injuries Insurance Scheme, Uninsured Liability Scheme, Construction Risk Insurance Fund, Police Officer Support Scheme, NGO Specialty Liability Insurance Scheme, Transport Accident Compensation Fund, Bush Fire Fighters Compensation Fund, Emergency and Rescue Workers Compensation Fund, and Supplementary Sporting Injuries Scheme.

# Key Scheme Statistics

Key Scheme Statistics (as at 31 March 2025)

## NI



Covers more than  
**3.5m**  
private sector  
workers and  
**340,000**  
employers



Received  
**71,403**  
new injured  
worker claims  
over the past year



Paid  
**\$4.0bn**  
in claims benefits  
over the past year

## TMF WC



Covers more than  
**380,000**  
employees of  
NSW Government  
entities  
**138,000**  
volunteers and  
**187**  
NSW Government  
agencies



Received  
**22,633**  
injured worker  
claims over the  
past year



Paid  
**\$1.6bn**  
in workers  
compensation  
claims benefits  
over the past year

## TMF GL



Insures more than  
**170**  
NSW Government  
agencies and  
**\$436bn**  
worth of NSW  
Government  
assets



Received  
**23,717**  
general lines  
claims over the  
past year



Paid  
**\$1.3bn**  
in claims to  
agencies across  
TMF GL over the  
past year

## HBCF



Over the past year,  
Covered more than  
**23,000**  
builders



Received  
**800**  
new claims



Paid more than  
**\$165m**  
in claims and  
expenses to support  
homeowners

## LTC



Supports  
**1,946**  
Lifetime  
Care participants



Paid  
**\$306m**  
in treatment and  
care over the  
past year

## CTP Care



Supports  
**2,139**  
clients in  
the program



Paid  
**\$110m**  
in treatment and  
care over the  
past year

## DDC



Supports  
**5,033**  
workers and  
dependants



Paid  
**\$125m**  
in claims over  
the past year  
(excluding  
Remediation  
payments)

# Regulatory Environment

## Regulatory Oversight

*State Insurance Regulatory Authority* (SIRA) has oversight for NI, TMF WC, Workers Care, CTP Care, and HBCF schemes.

*Independent Review Office* (IRO) helps persons injured at work or in motor vehicle accidents with complaints about insurers.

*Personal Injury Commission* (PIC) resolves disputes for injured people claiming against the CTP and workers compensation insurance schemes.

*Building Commission NSW* supports industry-led initiatives to build skills and capacity.

*SafeWork NSW* is the workplace health and safety regulator in NSW.

icare is focused on working with regulators and stakeholders to implement legislative and regulatory reform to deliver operational-informed policy and better outcomes for those we serve.

## Governing Legislation

### icare

State Insurance and Care Governance Act 2015

State Insurance and Care Governance Regulation 2021

### **Nominal Insurer (workers compensation for NI and TMF)**

Workers Compensation Act 1987

Workplace Injury Management and Workers Compensation Act 1998

Workers Compensation Regulation 2016

### **TMF/Insurance for NSW/HBCF**

NSW Self Insurance Corporation Act 2004

NSW Self Insurance Corporation Regulation 2022

Home Building Act 1989

Home Building Regulation 2014

### **Sporting Injuries**

Sporting Injuries Insurance Act 1978

Sporting Injuries Insurance Regulation

### **Volunteer Schemes**

Workers Compensation (Bush Fire, Emergency and Rescue Services) Act 1987

Workers Compensation (Bush Fire, Emergency and Rescue Services) Regulation 2017

### **Lifetime Care**

Motor Accidents (Lifetime Care and Support) Act 2006

Motor Accidents (Lifetime Care and Support) Regulation 2020

### **CTP Care**

Motor Accidents Injuries Act 2017

Motor Accident Injuries Regulation 2017

### **Dust Diseases Care**

Workers' Compensation (Dust Diseases) Act 1942

Workers' Compensation (Dust Diseases) Regulation 2018

# Strategic Summary

## Our Purpose and Strategy

icare's sharpened strategy connects the organisation's principal legislative objectives and ministerial Statement of Expectations to a clear, measurable strategy to deliver quality care and insurance, and address scheme performance and sustainability.

Our strategy, presented below, refines and builds upon the intent of our existing strategic foundations established over the preceding years, and includes measurable strategic objectives that create clarity for our people and partners.

**Our purpose:** Our purpose remains grounded in caring for the people and communities of NSW.

**We care for the people of NSW, building confidence and trust so communities can thrive**

**Our mission:** Our mission leverages our strengths in insurance and care to drive performance.

**To deliver quality insurance and care, affordability and sustainability in all our schemes**

Our mission links our purpose, principal legislative objectives and strategy together, with a focus on driving performance with care. We will deliver:

- **Quality insurance and care:** High-quality insurance and care services to the businesses, people and communities of NSW
- **Affordability and sustainability:** Sustainability and affordability through effective and efficient management of NSW's insurance and care schemes
- **A high-performing team:** A strong culture of achievement, collaboration, and growth within icare that embeds governance and transparency.

## Our strategic objectives

Our six strategic objectives create a clear focus on scheme performance and sustainability.

High-performing team

Energised, engaged and high-performing team

Quality insurance and care

Effective, accountable and transparent

Affordability and sustainability

Value-based care, recovery and resolution for those we serve

Technology and data enables outcomes that matter most

Partnerships are driving performance

Schemes are sustainable and affordable

## FY26 strategic initiatives

Strategic Objectives	Key FY26 Initiatives
Energised, engaged and high-performing team	<p>Leaders who accelerate care and performance</p> <p>A psychologically safe and <b>healthy performance culture</b></p> <p><b>Strategic workforce planning</b> – Phase 1</p>
Effective, accountable and transparent	<p>Strong and collaborative <b>stakeholder relationships &amp; engagement</b></p> <p><b>Business process optimisation</b>, including mapping of business processes for schemes, uplifting the risk and control framework, and implementing scheme-prioritised automation</p> <p><b>Treasury Engagement Plan (TEP), including:</b></p> <ul style="list-style-type: none"> <li>Environmental Social and Governance (ESG) reporting</li> <li>Stakeholder relationships and engagement</li> <li>Operational Expenditure Review Work Plan</li> </ul>
Value-based care, recovery and resolution for those we serve	<p><b>Workers Compensation claims model:</b></p> <ul style="list-style-type: none"> <li>Enhancing the Workers Compensation service and operating model</li> <li>Transitioning Treasury Managed Fund to the new model</li> <li>Enhancing scheme service measurement and performance</li> </ul> <p><b>Whole-of-government Return to Work Strategy</b></p> <p><b>General Insurance &amp; Care (GI&amp;C) service strategies:</b></p> <ul style="list-style-type: none"> <li>Implementing and embedding the Care scheme operating models</li> <li>Embedding the HBCF and DDC transformation</li> <li>Defining the GL sourcing strategy</li> <li>Strengthening prevention and risk services</li> <li>Commencing work on the new system for LTC, Workers Care and CTP Care</li> <li>Enhancing the DDC claims management system</li> <li>Enhancing scheme service measurement and performance</li> </ul>
Technology and data enables outcomes that matter most	<p><b>Digital products</b> (<i>scheme-prioritised</i>): improving payments and notifications</p> <p><b>Data uplift</b>, specifically, re-engineering the data platform, scheme-prioritised reporting and insights, and a continued focus on data quality and governance</p> <p><b>Cybersecurity</b> including data protection and privacy</p>
Partnerships are driving performance	<p><b>Workers Compensation platform</b> experience uplift: cloud and data migration, platform remediation and long-term design</p> <p><b>Claims performance</b> uplift through Claims Service Providers and third-party providers, including contractual, governance and outcome levers</p> <p><b>Attendant care:</b> reviewing costing model</p>

Schemes are sustainable and affordable

**Workers Compensation product model** including pricing & support for prevention  
**Scheme reforms:** engagement and implementation of scheme reform & legislative reviews for various schemes

**General Lines claims strategy:** improving claims outcomes and costs including appropriate management of liabilities

**Capital Management:** We have detailed capital management plans, supported by robust budgeting, pricing policies and quarterly scheme performance reviews. Key investment risk and capital management initiatives include:

- Implementation of OneFund Phase 2 for LTC, DDC and the Motor Accident Injuries Treatment and Care (MAITC) Benefits Fund which impacts capital risk management and investment risk
- Review of investment strategy for the NI and a refreshed management capital action plan for NI
- Capital management policy for MAITC to replace the current guidance note
- New funding policy for SI Corp known as the Contributions and Transfers Framework (CTF) which replaced the Net Asset Holding Level Policy (NAHLP)

## Key Performance Indicators (Financial and Non-Financial)

icare has an Enterprise Scorecard that contains metrics and targets for the upcoming year, aligning business activities with the principal legislative objectives. These Key Performance Indicators (KPIs) reflect both financial and non-financial measures and are used to guide, focus work and track performance, ensuring we focus on what matters most.

Each metric links to one of our six strategic objectives and shows progress and delivery against each of icare's principle legislative objectives.

### 1. Maintain the affordability of insurance and the efficiency and viability of NSW insurance and compensation schemes administered by icare in a way that is also consistent with any objectives of the individual schemes

Metric (KPI)	Map to Strategic Objectives	FY26 Target
<b>Insurance Ratio</b>	Schemes are sustainable and affordable	Half Year Review (HYR) forecast or above
<b>(Accounting) Funding Ratio</b>		Variance to HYR forecast no worse than 5% adverse
<b>Net Result</b>		HYR forecast or above
<b>Adjusted Net Result</b>		
<b>Benefits Success</b>	Effective, accountable and transparent	All projects meet their benefit targets in FY26

*Note: the Half Year Review forecast will be the FY26 budget, updated for Jun-25 valuations, levies, investment rates and any confirmed changes for scheme reform and expenses.*

**2. Promote early and appropriate treatment and care for injury and illness that optimises the recovery and return to work or other activities of persons injured at work or in motor accidents**

Metric (KPI)	Map to Strategic Objectives	FY26 Target	
<b>Satisfaction Targets Met</b>	Technology and data enables outcomes that matter most	All Customer Satisfaction (CSAT) <sup>1</sup> Targets Met	
<b>Working Rate (13 week)</b>	<b>NI</b>	$\geq 88.2\%$	
	<b>TMF WC</b>	$\geq 83.4\%$	
<b>Continuance Rate (26 week)</b>	<b>NI</b>	$\leq 26\%$	
	<b>TMF WC: Non-Emergency (NEMER)</b>	$\leq 39\%$	
	<b>TMF WC: Emergency (EMER)</b>	$\leq 45\%$	
<b>Continuance Rate (52 week)</b>	<b>NI</b>	$\leq 15\%$	
	<b>TMF WC: NEMER</b>	$\leq 23\%$	
	<b>TMF WC: EMER</b>	$\leq 31\%$	
<b>Enabling Participant Care</b>	<b>Lifetime Care</b>	Value-based care, recovery and resolution for those we serve	$\geq 90\%$
<b>Enabling Client Care</b>	<b>CTP Care</b>		$\geq 95\%$
<b>Enabling Workers and Dependant Care</b>	<b>DDC</b>		$\geq 85\%$
<b>Duration – Motor Repair</b>	<b>TMF GL</b>	Value-based care, recovery and resolution for those we serve	$\leq 17$ days
<b>Controllable Claim Size Performance Relativity</b>	<b>TMF GL</b>		Favourable to target (across three liability portfolios)
<b>Decision Duration – Single Dwelling</b>	<b>HBCF</b>		$\leq 73$ days

<sup>1</sup> CSAT surveys capture overall satisfaction, sentiment and service expectations from those we serve.

### 3. Promote efficiency, transparency, and accountability in the conduct of icare NSW's operations

Metric (KPI)	Map to Strategic Objectives	FY26 Target
<b>Core Operational Expenses</b>	Schemes are sustainable and affordable	Budget or below
<b>Employee Engagement</b>	Energised, engaged and high-performing team	≥ 62% (NSW People Matter Employee Survey)
<b>Risk Maturity Index (RMI)</b>	<b>Overall</b>	Evolving Plus
	<b>Frameworks &amp; foundations</b>	Evolving Plus
	<b>Perceptions</b>	Evolving

The table below provides further details about each KPI.

Metric (KPI)	Description
<b>Insurance Ratio</b>	Insurance Ratio is calculated as total assets divided by total liabilities where the insurance liability is discounted at a rate closer to the expected long-term investment return. This KPI is measured for NI, HBCF, LTC and CTP Care separately.
<b>(Accounting) Funding Ratio</b>	(Accounting) Funding Ratio is calculated as total assets divided by total liabilities where the insurance liability is discounted using risk-free rates derived from Australian Government Bond yields. This KPI is measured for TMF (WC & GL) combined.
<b>Net Result</b>	Net Result is calculated as revenue (through premiums, contributions and levies) less claims costs and expenses, plus investment (and other) income. This KPI is measured for NI, TMF WC (pre-CTF), TMF GL (pre-CTF), LTC and CTP Care separately, where CTF refers to the Contributions and Transfers Framework.
<b>Adjusted Net Result</b>	Adjusted Net Result removes the impact of economic movements (i.e. changes in discount rates, inflation rates and investment returns) from the Net Result compared to HYR. This KPI is measured for NI, TMF WC (pre-CTF), TMF GL (pre-CTF), HBCF, LTC and CTP Care separately.
<b>Benefits Success</b>	Benefits Success refers to actual benefits realised from projects. For the reporting of this KPI, projects are grouped based on their strategic importance and value of total investment and financial benefits.
<b>Satisfaction Targets Met</b>	The CSAT surveys capture overall satisfaction, sentiment and service expectations from those we serve across the schemes. The CSAT score for each relationship surveyed is calculated as the proportion of respondents that answered in the survey that they are satisfied with their most recent experience (i.e. a score of 4 or 5 is selected).
<b>Working Rate</b>	Working Rate is the metric used by SIRA to measure Return to Work. This is calculated as the number of injured workers at work divided by the total number of injured workers, using the Date Entered on Insurer's System (DEIS). Working rate captures both injured workers who have returned to work and injured workers who stayed at work.

Metric (KPI)	Description
<b>Continuance Rate</b>	Continuance Rate is defined as the proportion of time-lost claims remaining on weekly benefits at a particular duration. The 26 week continuance rate is calculated two quarters after the quarter of injury, whereas the 52 week rate is calculated four quarters after the injury quarter. Continuance rate is a key driver of the number of weekly active claims and has close alignment to the NI and TMF valuations.
<b>Enabling Participant Care</b>	Enabling Participant Care measures the combined performance of processes and decisions that significantly influence Lifetime Care Participant experience and treatment and care outcomes. These are Initial Eligibility Decisions within timeframe, Payment Timeliness and Decision Timeliness.
<b>Enabling Client Care</b>	Enabling Client Care measures the combined performance of processes and decisions that significantly influence CTP Care Client experience and treatment and care outcomes. These are Initial Client Notification within timeframe, Payment Timeliness, Initial Recovery Plan within timeframe, and Decision Timeliness.
<b>Enabling Workers and Dependant Care</b>	Enabling Worker and Dependant Care measures the combined performance of processes and services that significantly influence the treatment and care outcomes of workers, and the experience of workers and their dependants. These are Timeliness of Award Determinations, Timeliness of Compensation, and Utilisation of Screening Services.
<b>Duration – Motor Repair</b>	Duration for Motor Repair measures the time a motor vehicle is separated from the Agency for repair. It is calculated as the number of calendar days from the date repairs commence to the date repairs are completed.
<b>Controllable Claim Size Performance Relativity</b>	Controllable Claim Size Performance Relativity measures the combined performance of three long-tail portfolios relative to their individual targets, weighted based on the liability amount of each portfolio. Note: controllable claim size is the average capped cost of finalised claims, and excludes event claims and large losses.
<b>Decision Duration – Single Dwelling</b>	Decision Duration for Single Dwelling is calculated as the average number of calendar days taken to make the initial liability decision from the date prescribed claim information is received. This applies to claims related to new dwelling constructions, building work to existing dwellings and swimming pools.
<b>Core Operational Expenses</b>	Core Operational Expenses refer to employment costs, technology, enterprise projects, digitalisation, fees, grants and other expenses.
<b>Employee Engagement</b>	Employee Engagement will be based on the NSW People Matter Employee Survey (PMES) for FY26.
<b>RMI: Overall</b>	RMI aggregates 40 individual measures (comprising of 24 for 'Frameworks & foundations' and 16 for 'Perceptions') to provide an overall rating.
<b>RMI: Frameworks &amp; foundations</b>	'Frameworks & foundations' consists of 24 measures and is defined as: Maturity of the frameworks, processes, systems and how decisions are made, and actions are taken by management and employees at icare.
<b>RMI: Perceptions</b>	'Perceptions' consists of 16 measures and is defined as: Maturity evaluation of risk management attitude, behaviour, and mindsets at icare.

## Fulfilling our Statement of Expectations

Expectations (SoE)	Key Initiatives
<b>Deliver high-quality, customer-focused insurance and care services to the businesses, people and communities of NSW</b>	<ul style="list-style-type: none"> <li>Workers compensation service model uplift (NI &amp; TMF)</li> <li>Lifetime Care &amp; CTP Care service model</li> <li>DDC model redesign</li> <li>HBCF insourcing</li> <li>Targeted outreach programs and injury prevention initiatives across our schemes</li> </ul>
<b>Effective and efficient management of the sustainability and affordability of NSW insurance and care schemes</b>	<ul style="list-style-type: none"> <li>WC product and premium model strategy</li> <li>GL claims strategy</li> <li>Business process optimisation</li> <li>Data platform uplift</li> <li>WC platform experience uplift</li> <li>Claims service &amp; partner performance uplift</li> <li>Attendant care costing review</li> <li>Capital management</li> <li>Core operational expense management</li> <li>Phase 2 TMF reinsurance program optimisation</li> </ul>
<b>Collaborate on supporting Government's strategic reforms</b>	<ul style="list-style-type: none"> <li>Implementation of confirmed scheme reforms</li> <li>Whole-of-government NSW Return to Work Strategy</li> <li>Continue to work with SafeWork NSW, IRO, SIRA and the Department of Customer Service (DCS) on matters that require cross-Agency collaboration</li> <li>Implementation of OneFund Phase 2</li> </ul>
<b>Embed governance and transparency</b>	<ul style="list-style-type: none"> <li>Treasury Engagement Plan (TEP), including: monthly update meetings between icare and Treasury</li> <li>ESG reporting</li> <li>Stakeholder relationships &amp; engagement</li> <li>Cybersecurity focus</li> <li>Operational Expenditure Review Work Plan</li> </ul>

## Sustainability

icare has an integrated approach to sustainability, embedding environmental, social and governance (ESG) principles into our purpose, strategy and operations. The key priorities include providing a mentally safe, diverse and inclusive workplace, protecting data, understanding and monitoring climate impact, and using AI ethically.

We are reducing our direct environmental impact through Greenhouse Gas reduction initiatives and taking action to ensure we align with whole-of-government ESG-related requirements including combatting modern slavery, embedding sustainable procurement and preparing a climate-related financial disclosure.

## Sustainability Performance Indicators

Priority Area	Sustainability Performance Indicator (SPI)	Target (2023-25)	Target (2026-28)
<b>Accessibility</b>	People with disability employed at icare	4%	5.6%
<b>Accessibility</b>	People with disability requiring work-related adjustment	0.6%	0.9%
<b>First Nations</b>	Reconciliation Action Plan (RAP)	100% objectives of Reflect RAP met Move to Innovate RAP	Creation and delivery of Stretch RAP
<b>First Nations</b>	Aboriginal and/or Torres Strait Islander people employed at icare	1%	2%
<b>Multiculturalism</b>	People whose first language is not English employed at icare	18%	22%

These metrics reflect our commitment to ensuring our workforce represents the NSW communities.

Additional SPIs across environmental, social and governance will be developed over FY26.

# Financial Summary

## Key Data Projections

This table provides an aggregated view of all icare schemes -noting that the scheme and the icare service entity are separate entities and not aggregated for financial reporting purposes.

Metric	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget
<b>Profit and Loss</b>				
Revenue (\$m)	11,130	12,227	13,308	14,514
Claims (\$m)	-12,483	-13,617	-13,562	-14,476
Expenses (\$m)	-1,962	-2,031	-2,049	-2,102
<b>Underwriting result (\$m)</b>	<b>-3,316</b>	<b>-3,421</b>	<b>-2,303</b>	<b>-2,064</b>
Investment income (\$m)	3,950	4,398	4,976	5,560
Funding & Contributions (\$m)	85	82	78	75
<b>Net result (\$m)</b>	<b>718</b>	<b>1,059</b>	<b>2,751</b>	<b>3,570</b>

The positive net result projected is driven by increases in premium and favourable investment income, supplemented by continued strong performance from LTC. While there is an upward trend for the net result projected over the next four financial years, claims as a proportion of revenue remain high, highlighting the inherent challenges in addressing emerging financial sustainability pressures. While the impacts are being mitigated and managed by using the controls that sit within icare NSW, scheme reforms remain a key ingredient for long-term financial sustainability.

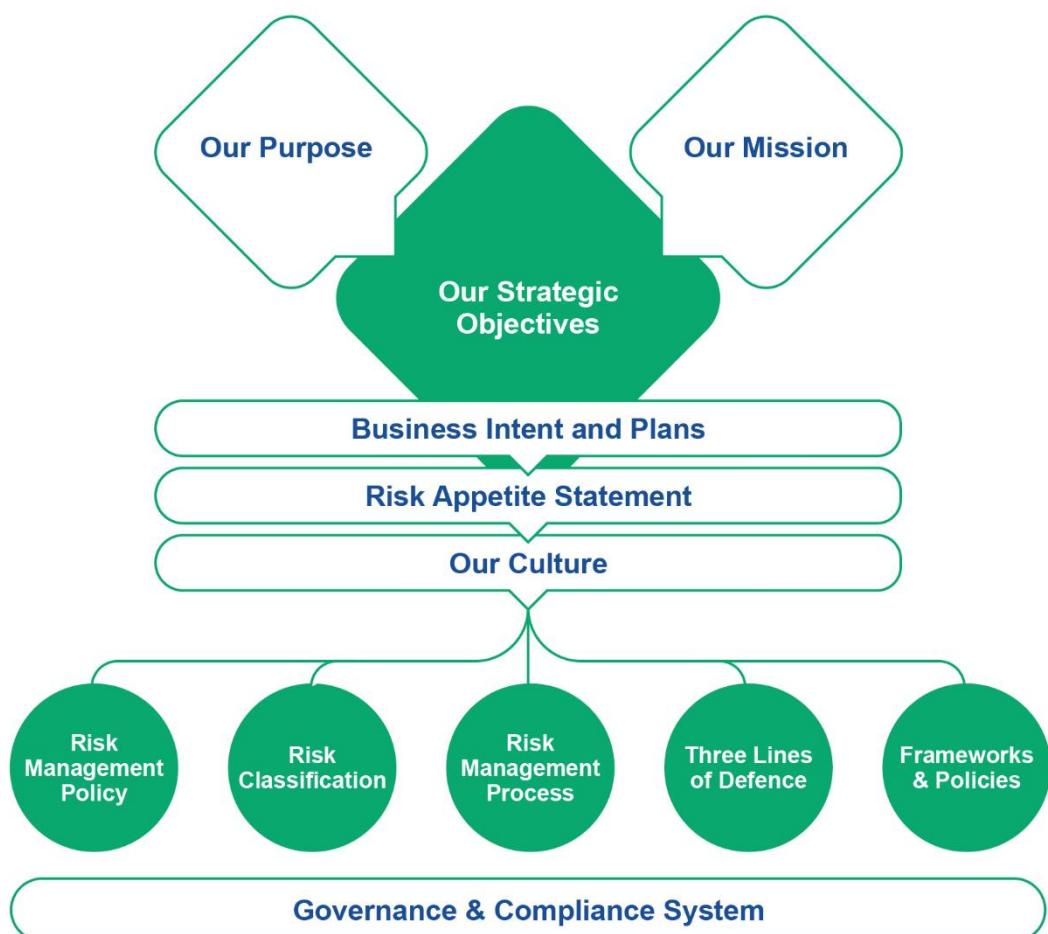
Note: icare's financial statements are general purpose financial statements which are prepared on an accrual basis in accordance with:

- Applicable Australian Accounting Standards (which include Australian Accounting Interpretations); and
- The *Government Sector Finance Act 2018*, the Government Sector Finance Regulation 2024 and the Treasurer's Directions issued under the *Government Sector Finance Act 2018*.

# Risk Management

icare's Risk Management Framework is the coordinated set of activities and methods used to control the risks that can affect our ability to achieve objectives.

The framework has been designed to reflect the principles of (iSO31000) evolving, inclusive, structured, customised, factual (best available information), human, continual improvement, and centred around those we serve for fair and empathetic service.



## Risk Classification

We have identified 9 major risks that impact icare. For each of these material risks we have developed an appetite statement, metrics and tolerances to monitor.

<b>1</b> Financial 	<b>2</b> Insurance 	<b>3</b> Regulatory 	<b>4</b> Strategic Partners 	<b>5</b> Cyber/ Data 
<b>6</b> Strategy 	<b>7</b> Other Operational Risks 	<b>8</b> Conduct 	<b>9</b> ESG 	

## Overview of Governance and Oversight Structure

	<b>Board Oversight</b>	<b>Board</b> Board Risk Committee Board Audit Committee People & Remuneration Committee
	<b>Executive Teams &amp; Governance Committees</b>	<b>Overall responsibility</b> Oversight of framework, policies, implementation and progress  <b>CEO</b> Group Executive Risk Committee, Group Executive Asset & Liability Committee and supporting committees: People & Communication, Risk & Compliance, Cyber Governance, Information / Artificial Intelligence Governance, Business Planning, Those We Serve, Workforce Planning and Transformation Steering Committees
	<b>Ownership</b>	<b>Implementing, monitoring &amp; reporting</b>  <b>Risk &amp; Governance</b> Individual Business Units Business Risk Teams
	<b>Review</b>	<b>Annual Three Yearly Or as required by significant changes to structure/processes</b>  <b>Business Risk Teams</b> Independent or Internal Audit