

## Chair's statement

# Continuity and growth



## Q&A

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**Philip Broadley**  
Non-Executive Chair

### What were your perceptions of Lancashire before taking up the role of Chair?

I was aware of Lancashire due to its FTSE listing, but my previous experience has not been directly in the P&C (re)insurance sector, so my knowledge of the business was somewhat limited.

However, as I began to meet the management team, and members of the Board, it quickly became clear what a great business Lancashire is.

I was immediately struck by the strength of the management team and their focus on diversification of income and tight capital controls.

The strong emphasis on quality and disciplined underwriting, and the efficient running of the business, really came across in my conversations with Alex, Natalie and Paul.

This all became very persuasive for me to accept the role, which is my first as a FTSE Chair.

Lancashire is a relatively easy business to understand, with a simple and effective structure and a clear strategy.

I bring a complementary skill set to the business through my broader financial industry experience beyond the P&C (re)insurance sector. That is not uncommon, and a Chair can bring value to the role through different insights.

### What has excited you most about Lancashire in your first year and have your expectations of the role changed?

The more I have got to know people across the Lancashire Group, the more I have enjoyed it.

It is an exciting time for Lancashire and the results for 2024 demonstrate that the growth and diversification strategy of the past five years has been the right one.

This last year has demonstrated that the business can now absorb large losses, such as the MV Dali / Baltimore bridge collision, and the weather-related events, and still generate returns for investors. In that context, the positive change in DBVS of 23.4% is an excellent result for the business and for our shareholders.

So, my expectations haven't changed – it's just better than I thought. I had a very thorough induction process, between November 2023 and March 2024, and I met more than 40 people from around the Group during that time.

What was clear was that there was cohesion across the business, with a focus on quality underwriting and maintaining a strong culture.

### How have the strategic priorities for the business developed in your first year?

The priority for the Board and the management team has been continuing to deliver what we said we would do and making the most of the underwriting opportunities that we see in the market.

The launch of the US business has gone very well, and we have seen that develop during the first eight months of its operations.

Lancashire has quickly established a strong US team, and we are planning for more progress and growth in the US over the next few years.

The Board is fully supportive of what the business is doing, and our priority is to maintain underwriting and pricing discipline.

The growth and diversification in the Group's underwriting, in particular longer tail casualty lines, has enabled us to grow the size of our investment portfolio and enhance our income in a better investment return environment.

The Board is pleased that the Group's underwriting operations and investment returns have made significant contributions to profitability over the year.

### How does the Board engage with company culture and how important is this to the business?

All members of the Board enjoy meeting people across the Group, and we take that engagement seriously.

I have been pleased to take part in town hall sessions and other events with employees to introduce myself, to discuss my career and background, and to hear feedback directly from people working in the business.

The Company events I have attended tend to feel less corporate than others I have been to, and that is because Lancashire has a uniquely open and meritocratic culture and one that is genuine, authentic and not forced.

The Directors place great value in listening to people informally and formally and enjoy those personal interactions. Lancashire is a relatively small organisation, and the Directors regularly have the opportunity to meet people across the business.

### How does the Board think about the Company's dividend policy and capital management decisions?

The Board takes a proactive approach to capital management and it's a regular topic of discussion at our meetings.

The profitable performance and improved resilience of the business during 2023 and 2024 enabled the Board to commit to increasing the Company's usual ordinary interim and final dividend by 50% to \$0.075 and \$0.15, respectively.

The Board's dividend policy is focused on ensuring that the Company has the capital it requires to support its underwriting plans and to remain resilient.

We actively debate how best to deploy our capital, and we are always open to returning capital when there is excess for our business purposes.

The Board was pleased to pay two exceptional special dividends during 2024 in total amounting to \$1.25 per common share. Full details of these dividends are set out on page 109.

For the full-year 2024, the Board declared a final ordinary dividend of \$0.15 per common share, subject to shareholder approval, and a special dividend of \$0.25 per common share.

In February 2025, the business reported on the impact of the devastating California wildfires.

As Natalie notes in her review on page 15, the business remains strongly capitalised and well-positioned to deliver attractive future returns.

### What are the Board's priorities for 2025?

The priority is really more of the same – and that is not a weakness.

The (re)insurance sector is not one in which you see rapid pivots and the Board understands that this is a long-term cyclical business.

The Board will be focusing on continuity and growth, where it makes sense, and continuing to be supportive of management in what they do.

There are further opportunities for Lancashire in the US in terms of capacity and pricing, and to accelerate growth in that market.

## Further strengthening our Board

During 2024, Lancashire appointed one Executive Director and three Non-Executive Directors. Please see page 68 for more information.



(Left to right): Non-Executive Directors Linda Ventresca, Bob Cox, and Nathalie Rachou, and Executive Director Paul Gregory with Chair Philip Broadley.