

Group Chief Executive Officer's review

Driving the business forwards

Q&A



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Group Chief
Executive Officer

How would you sum up Lancashire's performance in 2025?

Lancashire's performance in 2025 has been extremely strong.

We have continued to grow in line with the underwriting opportunity with gross premiums written increasing \$109.7 million to \$2,259.3 million and we delivered a very healthy profit of \$293.4 million.

Obviously, the year began with the devastating California wildfires so our combined ratio (undiscounted) of 93.1% is a good result in that context.

What we have achieved in 2025 shows that the work that we began in 2018 to refocus the business and become more diversified was the right strategy at the right time.

We are now able to use our capital more efficiently across a range of product lines and we have significantly reduced volatility in our earnings.

The performance this year resulted in a growth in DBVS of 20.9%.

Our strong underwriting and investment performance also meant we were able to return capital to our shareholders through both regular and special dividends.

This has always been part of our strategy and the business we have built in recent years has been focused on delivering strong long-term franchise value.

The capital position of the Group remains extremely robust as we go into 2026 and we will continue to take advantage of attractive underwriting opportunities.

During 2025, we also successfully completed our buy-out of underwriting capacity for Syndicate 2010, meaning we now have 100% capacity of both our syndicates, which offers us additional optionality within the Lloyd's platform.

I really want to thank everyone across the Group for their hard work and support in delivering these strong results this year and in helping drive the business forwards with such enthusiasm and commitment.

What are the challenges and opportunities for Lancashire in 2026?

Lancashire has evolved to be a very different business over the past 20 years. We are more diversified across products and geographies and that means we are more relevant to clients.

2026 will be a more competitive environment, but we have built a business to deliver more sustainable returns through market cycles. It is important to recognise that we are still in a great place when it comes to rate and going into 2026 the sector remains closer to the peak than to the trough.

Prior to 2018, it was important to be disciplined, but we believe in the underwriting cycle and knew that the market would harden and we would be able to build the next phase of the business, which is what we have done.

When we look to 2026 and beyond we see lots of opportunities.

In order to maximise these you will need a strong balance sheet and to be able to move quickly, which we have and we have shown we can do.



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Group Chief Executive Officer's Review *continued*

Lancashire is now 20 years old, how has the business developed during that time?

Back in 2005, following hurricane Katrina, the (re)insurance market was very dislocated and quite chaotic, so it was a great time to set up a company.

Lancashire's strategy in the early days was the same as it is today. If you start with underwriting, if you manage your capital base, if you focus on the best returns for your business, those really are the foundations of a great underwriting company.

That is what we have built on over the last 20 years.

Today we have more balance in our portfolio and that means we can make better use of our capital.

If you go back just a few years we had four core products and today we have close to 10, with around 50 sub-classes. That's a big change and it's brought enormous benefits.

We've also expanded across geographies and have grown our footprint the 'Lancashire Way' by understanding the specific underwriting opportunity and getting the right people.

Lancashire US is still relatively new. But it has had a fantastic start. We have employed some great people and, in 2025, we added an additional casualty product.

As I have said, we are always led by the underwriting opportunity and the US operation, and the launch of our Australian platform before that, are great examples of this.

We don't follow the trend and, while Lancashire looks and feels very different to when we started, our DNA remains the same. We couldn't have developed in the way we have without the support of our people, and we have never had such a breadth of talent across the whole Company in every location as we do now.

Lancashire received strong feedback from the 2025 employee survey. How do you define the core values of Lancashire's culture, and how do you maintain them?

Everything we do is grounded in the Lancashire Way (see page 12) and those values hold up a mirror to how we run the business.

There is something unique about Lancashire and that comes from our culture.

We have a deep level of trust with our employees. Of course, we expect high standards and hard work, but in return we offer people a fantastic environment in which to grow their careers.

As a management team we knew that as we grew the business, brought in new teams and opened new offices, it was crucial that we kept the Lancashire culture. That meant always employing people who share our values and who want to contribute to the success of the business.

During 2025, we held an event for all staff to celebrate our 20th anniversary. Bringing all our people together at one time is something we haven't done before. But what struck me most about that event were the strong relationships that people had with each other, whether they had actually met in person before or not.

The Lancashire culture is such an important part of who we are and we cannot be successful as a business without it being at the very core. Our all-staff surveys are an important tool for assessing our culture (see page 38 for more information).



Group Chief Executive Officer's Review *continued*

What initiatives are in place to develop people within Lancashire and ensure you have a strong bench of talent?

Our size is a real benefit when it comes to talent development. It means we can identify people early; whether that's at the beginning of their careers or people that have joined us from other companies and we see something special in them.

I'm always very pleased when we are able to promote people from within Lancashire to bigger and more important roles. We like to challenge people and to give them opportunities to develop but also to learn from others.

During 2025, 13 people took part in our mentoring programme, benefitting from the experience of others and that's something that we really value. A second cohort is planned for 2026.

What we have done is to create an environment where people want to come to work and we see talent development as being owned by senior leaders not just the HR team.

Our retention rate is very high and that says something about how we run the business, but we always need to maintain that momentum.

Obviously, there is a lot of talk about AI at the moment, but while AI has its benefits, it will not replace people's expertise.

You have been with Lancashire since the start. How would you describe your leadership style, and has it evolved during your tenure as CEO?

I don't try to be any particular 'type' of leader. You have to be authentic and we don't try to be something that we're not.

My background is in underwriting and so I understand the importance of managing the underwriting cycle which is crucial.

My role is to lead Lancashire through the different parts of that cycle and to seek to ensure we have the right people in the right roles to rise to challenges and maximise opportunities.

There are lots of people at Lancashire that have been here for many years; they like what we do and they like how we do it.

We are a relatively small business and that means in my role you do get to know people from across the Group very well. Hopefully you understand what motivates them and can create an environment that matches their ambitions.

I see communication and managing relationships as an increasingly important part of my role. As we have opened new offices and moved into new geographies it's been crucial that all our people feel part of one group and that they maintain the same standards and have the same priorities.

As you end this anniversary year, what is your message to stakeholders?

The message is quite simple and it's thank you.

Thank you particularly to our employees who work so hard and are so committed and have created the positive culture we have across the Group.

Lancashire is about everyone doing their job, having pride, and contributing to that culture.

I also want to thank everybody outside Lancashire who has worked with us and made the last 20 years so successful.

We've achieved so much from day one; to go from an office with a handful of people to where we are today is incredible and I look forward to many more successful years ahead.

