



Resilient strategy
Reducing volatility
Reinforcing returns

Conduit Holdings Limited
Annual Report and Accounts 2025

Conduit Re is a Bermuda-based, multi-line reinsurer.

Who are we?

Conduit Re is a Bermuda-based, multi-line reinsurer with global reach, supporting insurers and reinsurers with their property, casualty and specialty reinsurance needs.

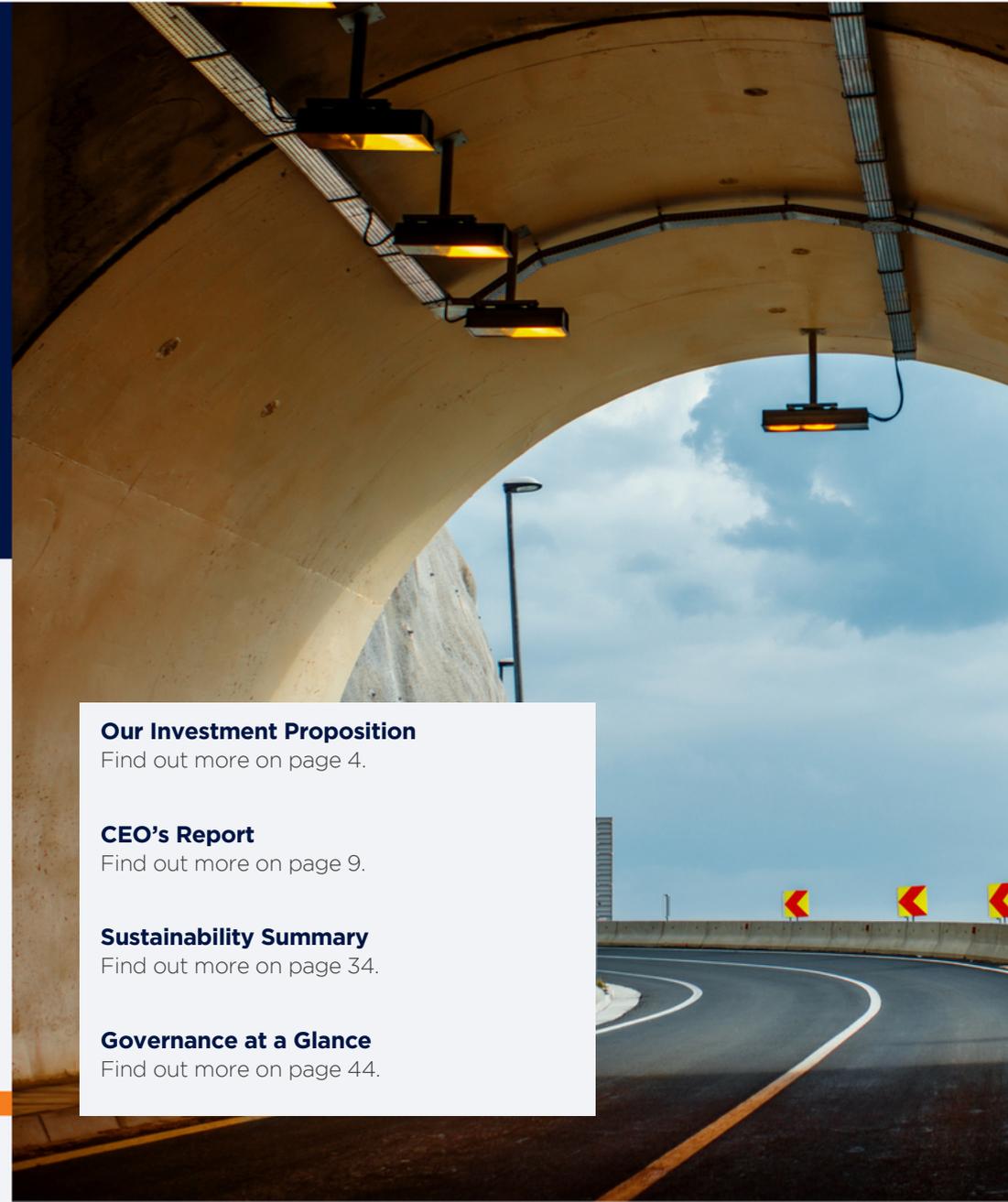
Insurers and reinsurers play a critical role in the global economy, enabling individuals and businesses to manage risk, protect their assets and provide services to customers.

We have a highly experienced team across our business focused on making dynamic decisions throughout the market cycle.

Our value proposition lies in our ability to navigate complexity and deliver equitable solutions for our long-term partners, across stand-alone to multi-class protections.

Our product range includes, but is not limited to, providing reinsurance for property, general third-party liability, professional liability, energy, marine and aviation risks.

With a well-capitalised balance sheet, we deliver financial resilience supported by a culture grounded in discipline and teamwork.



Our Investment Proposition

Find out more on page 4.

CEO's Report

Find out more on page 9.

Sustainability Summary

Find out more on page 34.

Governance at a Glance

Find out more on page 44.

Contents

In this report

Strategic Report

At a Glance	4
Our Strategy	5
Key Performance Indicators	6
Chair's Statement	7
CEO's Report	9
Underwriting Report	13
CFO's Report	19
Business Review – Finance	21
Enterprise Risk Management Report	25
People and Culture Report	32
Sustainability Summary	34
Partnership for a greener Bermuda	36
Section 172 Statement	41

Corporate Governance

At a Glance	44
Board of Directors	45
Introduction to Corporate Governance	50
Corporate Governance and Compliance with the UK Corporate Governance Code	53
Nomination Committee Report	58
Audit Committee Report	62
Remuneration at a Glance	68
Directors' Remuneration Report	69
Directors' Remuneration Policy and Policy Table	72
Notes to the Directors' Remuneration Policy	77
Annual Report on Remuneration	81
Directors' Report	99
Directors' Responsibilities Statement	104

Financial Statements

Independent Auditor's Report	106
Consolidated Statement of Comprehensive Income	112
Consolidated Balance Sheet	113
Consolidated Statement of Changes in Shareholders' Equity	114
Statement of Consolidated Cash Flows	115
Notes to the Consolidated Financial Statements	116
Additional Performance Measures	165
Glossary	167
Advisers and Contact Information	171



6.9%

increase in gross premiums written in 2025

11.1%

RoE for the year ended 31 December 2025



Strategic Report

In This Section

At a Glance	4
Our Strategy	5
Key Performance Indicators	6
Chair's Statement	7
CEO's Report	9
Underwriting Report	13
CFO's Report	19
Business Review - Finance	21
Enterprise Risk Management Report	25
People and Culture Report	32
Sustainability Committee Chair's Letter	34
Partnership for a greener Bermuda	36
Sustainability at Conduit	37
Section 172 Statement	41



Partnership for a greener Bermuda

We were delighted to sponsor the planting of over 130 native and endemic plants as part of the Bermuda Youth Climate Summit.

Read more



At a Glance

How we create value

Our key business objectives

- Building a leading reinsurance business focused on underwriting expertise.
- Maintaining a relatively conservative investment portfolio made up of predominantly fixed maturity assets.
- Delivering profitability and a mid-teens return on equity (“RoE”) across the reinsurance market cycle.
- Maintaining a strong balance sheet to support our business plans.
- Securing a sustainable business for the long-term benefit of our stakeholders.

Property

Proportional and excess of loss



—
Including catastrophe and non-catastrophe property business across US and international risks for personal and commercial lines.

Gross premiums written (\$m)

\$659.4m

Casualty

Proportional and excess of loss



—
Including general third-party liability, professional liability, financial institutions liability, directors and officers liability, medical malpractice and transactional liability.

Gross premiums written (\$m)

\$392.3m

Specialty

Proportional and excess of loss



—
Including aviation, energy, engineering and construction, environmental, marine, renewables, political violence and terrorism and whole account.

Gross premiums written (\$m)

\$191.3m

In numbers

Bermuda-based reinsurer
**BMA regulated –
Class 4 Licensed**

AM Best financial strength rating

A-
(Excellent)

Total shareholders' equity

\$1.10bn
as at 31 December 2025

2025 Gross premiums written

\$1.24bn

Our Investment Proposition



Targeted underwriting, managing volatility

- Pure treaty reinsurance focus.
- Dynamic cycle management across classes of business and geographies.
- Comprehensive retrocession protection with high-quality partners.
- Focused on managing underwriting volatility from peak and secondary perils.



Operational focus

- A single location and efficient corporate structure.
- An open and collaborative culture.
- Management team with proven industry experience across market cycles.
- Efficient cloud-based ecosystem to support pricing, analytics and exposure management tools.



Strong balance sheet

- Strong balance sheet that is well capitalised to support our underwriting teams.
- AM Best (A-) Excellent financial strength rating with “stable” outlook and “very strong” balance sheet.
- High-quality investment portfolio, with average credit quality of AA, contributing meaningfully to comprehensive income.

Our Strategy

A strategy for long-term sustainable returns

We partner with clients globally to provide **Property, Casualty** and **Specialty** treaty reinsurance. Operating from Bermuda with a global reach, we remain nimble with the ability to grow or contract selectively as conditions warrant throughout the market cycle. We aim to deliver long-term stakeholder value by focusing on:



Underwriting Discipline

Maintaining underwriting expertise in the classes we write with a disciplined approach to managing changing markets, with a focus on profitability.



Risk Management

Managing risk appropriately on both sides of the balance sheet; controlling exposure to peak and secondary perils to contain volatility within our risk appetite; and maintaining a dynamic response to the risk environment.



Capital Strength

Continuing to maintain a strong capital base, while strategically returning excess capital to shareholders.



Shareholder Alignment

Performance targets are designed to support strong, sustainable returns for shareholders.



Culture and Talent

Fostering a culture of transparency, collaboration and performance-driven promotion to attract and retain a strong team.

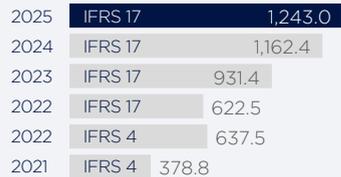


Key Performance Indicators

Our metrics for success

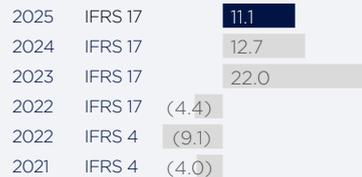
Gross premiums written¹ (\$m)
\$1,243.0m

In our fifth year of underwriting, Conduit has continued its growth in gross premiums written despite some market softening, driven primarily by growth of renewal business in the Casualty segment.



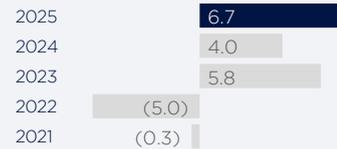
RoE (%)
11.1%

2025 was another active period for natural catastrophes and risk losses, including the California wildfires. While underwriting returns were more muted as a result, we recorded an RoE of 11.1% in 2025 supported by strong performance from our investment portfolio.



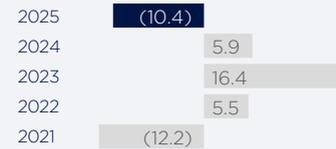
Total net investment return (%)
6.7%

Conduit's growing investment portfolio continued to produce strong returns in 2025, supported by stable book yields in the portfolio, a growing asset base and net unrealised gains due to a reduction in yields.



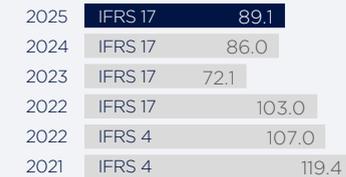
Total shareholder return (%)
(10.4)%

After producing positive total shareholder returns ("TSR") from 2022 to 2024, Conduit generated a negative TSR in 2025. Over the same period the FTSE 100 and FTSE 250 delivered a +21.5% and +9.0% TSR, respectively.



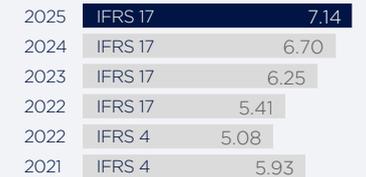
Combined ratio - discounted (%)
89.1%

Our discounted combined ratio of 89.1% is reflective of our exposure to the California wildfires and other risk losses, while Conduit and the industry also experienced a benign North Atlantic hurricane season.



NTAVS (\$)
\$7.14

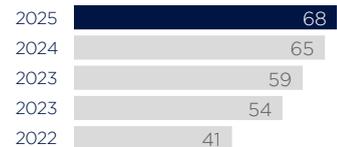
The increase in net tangible asset value per share ("NTAVS") was due to comprehensive income generated for the year, less dividends paid by Conduit during the year.



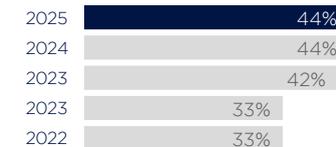
¹ Comparatives for 2022 have been restated on an IFRS 17 basis. Prior to IFRS 17 implementation the numbers were presented on an IFRS 4 basis. Gross premiums written exclude reinstatement premiums to ensure consistency with the IFRS 17 view of revenue.

Non-financial highlights

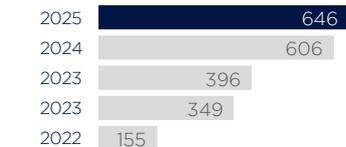
Number of staff
68



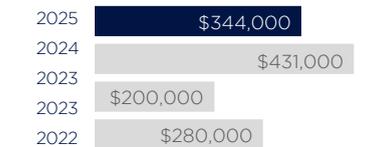
Board gender split
44% female



Total carbon emissions
646 tCO₂e



Total Conduit Foundation donations to charity
\$344k



Chair's Statement

Focused on improving returns for shareholders

“Neil and his team have worked tirelessly over the past year to reposition the business and its underwriting portfolio, to manage our net exposures more actively to reduce risk and improve our resilience.”



I am pleased to introduce Conduit's Annual Report and Accounts for 2025 in my capacity as Interim Chair, a role I assumed on 14 May 2025 following Neil Eckert's transition from Executive Chairman to Chief Executive Officer.

The past year has been demanding for Conduit. The California wildfires in January resulted in a material loss exposure at the start of the underwriting year and senior leadership changes added further pressure. These events tested the resilience of the business and required prompt, disciplined action from management and the Board.

The Board recognises the effect that this period has had on our financial performance, share price and investor sentiment. Although we delivered a reasonable RoE, our overall result did not meet the standards to which we hold ourselves. However, this period has also been a catalyst for meaningful and positive change.

Under Neil's leadership, the management team has acted with determination to reassess Conduit's risk appetite, rebalance the underwriting portfolio and strengthen exposure management across both peak and secondary perils. The risk management and reinsurance purchase strategy are now intended to manage both capital protection and earnings volatility better. As a result, the business is now entering the next phase of its development with a more resilient and better diversified underwriting profile

intended to reduce volatility through the cycle. The team worked extremely hard, interacting with brokers and key clients, contributing to a successful 2026 renewal season, supporting greater confidence in our outlook.

Although external conditions remain challenging, the underlying fundamentals of the reinsurance sector are sound. Conduit is well positioned to navigate softening prices and expanding market capacity, both of which reflect increasing competition in several of our key business lines.

Our financial foundations remain robust. The investment portfolio continued to grow as our business has scaled, and AM Best affirmed Conduit Re's financial strength rating of "A-" (Excellent) with a stable outlook. Conduit Reinsurance Limited's balance sheet, which AM Best assesses as "very strong", provides a solid platform from which we can pursue our strategic objectives.

The Board has remained focused on delivering long-term value for shareholders. We do not believe that the current share price reflects the strength of our balance sheet, the progress made in repositioning the business or the earnings potential ahead. In that context, we continued to evaluate a range of options to enhance shareholder returns and, during 2025, announced a \$50 million share Buyback Programme, which resumed in November following a pause during the peak Atlantic hurricane season.

Chair's Statement continued

Board composition was further strengthened during the year with the appointment of Nicholas Shott as a Non-Executive Director, effective 4 November 2025.

Nicholas brings deep capital markets experience from his career at Lazard and valuable listed-company board experience from Phoenix Group Holdings plc. His expertise will be instrumental as Conduit moves into its next phase of growth.

We also express our gratitude to Elizabeth Murphy, a founding Board member, who will step down at the 2026 AGM after making significant contributions to Conduit as Audit Committee Chair. In addition, Trevor Carvey, our former Chief Executive Officer, informed the Board of his intention to retire and stepped down from the Board on 11 April 2025.

As part of our Board succession planning, I am pleased to confirm that Nicholas Shott has succeeded me as Chair following my interim tenure, supporting continuity and stability as Conduit moves into its next phase of development. These transitions are being managed carefully to uphold the Board's commitment to a strong, diverse and effective governance structure.

Although 2025 was undoubtedly challenging, the actions taken during the year have strengthened Conduit's position for the future. The Board and management remain aligned on the priorities ahead: disciplined underwriting, prudent capital management and sustained focus on delivering long-term, stable returns for shareholders.

I would like to thank my fellow Board members and the Conduit team for their professionalism and commitment during a period of considerable change. I am also grateful to our brokers and cedants for their continued support, and to our shareholders for their engagement and patience as we work to strengthen the business. We look forward to building on the progress made in 2025 and to delivering sustainable value in the years ahead.

Rebecca Shelley

Interim Chair
25 February 2026

CEO's Report

Enhancing the execution of our strategy

“We closed the year delivering an RoE of 11.1%. While we continue to target stronger execution, we have comfortably covered our dividend, initiated a share buyback programme and made substantial progress in strengthening the management of our net exposures going forward.”



Introduction

2025 has been a transitional year for Conduit. In addition to managing a meaningful loss arising from the California wildfires, Conduit advanced a number of initiatives to support its continued development. We strengthened our leadership team and wider personnel base, enhanced our outwards retrocession coverage, started to rebalance certain areas of our portfolio and evolved our capital strategy now that we are at scale. Having marked our fifth anniversary, we are progressing into a more mature phase of our business cycle with an emphasis on sustainable, long-term returns. Our core underwriting strategy remains consistent, supported by an increased focus on execution and results to benefit all our stakeholders..

Much has changed since I assumed the role of Chief Executive Officer in May, following a brief period as interim CEO after Trevor Carvey left in April. Effecting change in a public company environment is challenging but we have not been shy of implementing significant changes while communicating openly with our stakeholders about the challenges we encountered. We have strengthened the business through this process, led by our strong underwriting and functional teams that are critical to delivering our cohesive culture and united vision for Conduit. Importantly, we continued to receive strong support from our clients and brokers throughout the year and during the 2026 January renewal season.

We remained profitable for the third consecutive year, although our financial performance in 2025 fell short of our expectations—primarily due to exposure to the unprecedented California wildfires in January. Over this three-year period, we have generated \$433 million of comprehensive income. These results have enabled us to maintain a stable dividend and initiate a share Buyback Programme. These actions underscore our commitment to disciplined capital management and shareholder value creation.

Overall, Conduit grew modestly to \$1.24 billion of gross premiums written in 2025. Our strategy will continue to emphasise segments of the market that we find most attractive, and we have started executing a shift towards excess of loss business from quota share. Operating from a single office in Bermuda allows us to maintain a nimble structure and a centralised view of market conditions and opportunities across our business. It also enables a relatively low-cost base for the organisation including benefitting from the current favourable tax dynamics.

CEO's Report continued

2025 performance

Managing a loss of the magnitude of the unprecedented January California wildfires early in the year was challenging. We took immediate steps to protect our results from further volatility related to secondary perils by purchasing additional retrocession cover. The wildfires alone contributed 14.5 points to our discounted combined ratio of 89.1% in 2025. The inwards and outwards portfolio adjustments we implemented following the wildfires will significantly reduce the net impact of a similar event in the future. We are in the business of risk and paying claims; however, our results would have been materially different had these changes been in place at the beginning of 2025.

The second half of the year was characterised by a relatively benign loss environment, notably with no significant US land-falling hurricanes. With this favourable backdrop and strong investment performance, our 11.1% RoE in 2025 outperformed the guidance we provided following our interim results of a mid-single-digit RoE.

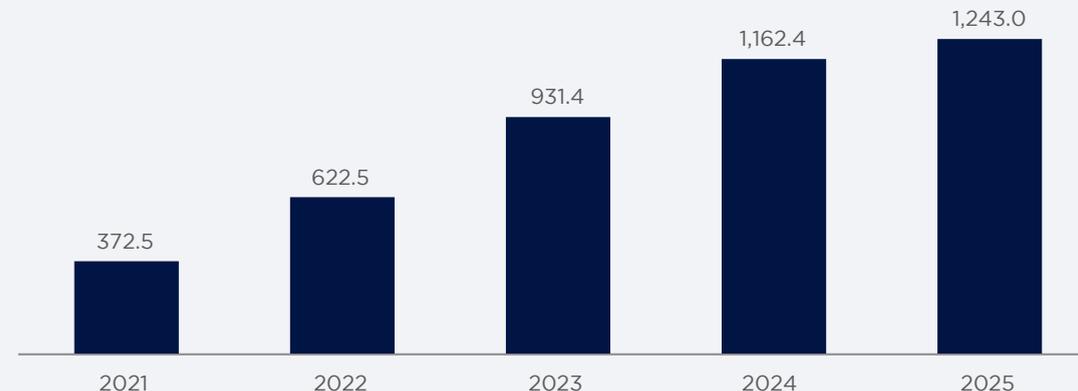
Our gross premiums written grew by 6.9% to \$1,243.0 million in 2025. This increase represents a natural slowdown from the growth rates we experienced in our early years of maturity. Our Casualty segment drove premium growth in 2025, supported by firm risk-adjusted pricing. Property and Specialty segments faced more competitive conditions and balanced overall growth.

As the market softens, our ability to deploy capital efficiently – or return it to shareholders – will be critical.

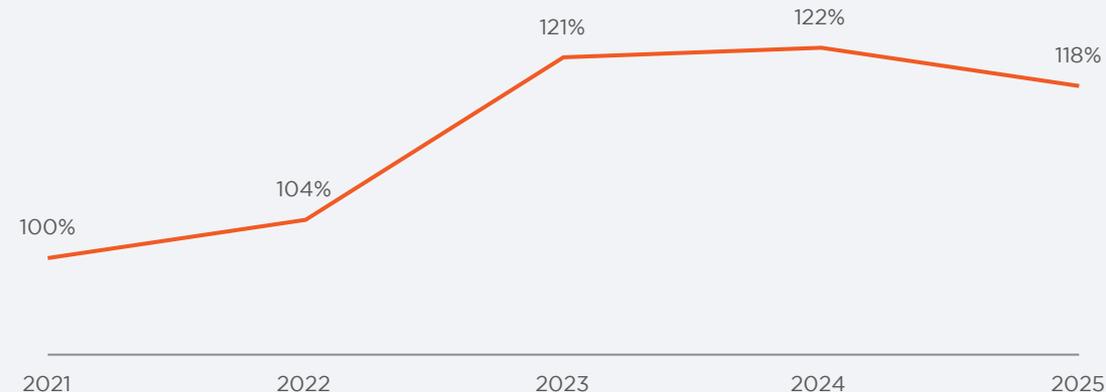
Our discounted combined ratio of 89.1% and reinsurance service result of \$109.9 million reflect our exposure to the California wildfires and several other risk loss events during 2025. Strong investment returns helped offset underwriting volatility during the first half of the year, resulting in comprehensive income of \$116.8 million or \$0.75 per share.

We closed the year delivering an RoE of 11.1%. While we continue to target stronger execution, we have comfortably covered our dividend, initiated a share Buyback Programme and made substantial progress in strengthening the management of our net exposures going forward. Conduit's tangible net asset value ("TNAV") per share increased from \$6.70 as at 31 December 2024 to \$7.14 as at 31 December 2025, after providing shareholders with \$0.36 per share or \$59.4 million in dividends during the year. Over the life of Conduit, we have now paid dividends of \$267.2 million or \$1.62 per share and we will continue to maintain a prudent capital management strategy.

Gross premiums written (\$m)



Cumulative risk-adjusted rate change



CEO's Report continued

Reinsurance market conditions

Since 2022, the industry has experienced a significant influx of capital, fuelled by strong retained earnings which is driving increased capacity and softening rates in many segments of the market.

Market conditions remain dynamic and pricing differs by class, but overall rates are softening with some coverages being extended or subject to reduced attachment points. Despite recent softening, rates are still approximately 18% above the level when we launched our business in 2021 and remain technically adequate in most classes.

Climate and loss patterns

In addition to the California wildfires, the US experienced significant severe convective storm activity, which collectively led to more than \$100 billion of insured catastrophe losses during the first half of the year. The second half of 2025 featured an Atlantic hurricane season that included three Category 5 strength storms. The US was, however, spared from any significant land-falling hurricanes, driving strong underwriting profits for the reinsurance industry.

Hurricane Melissa was a notable event late in the hurricane season due to the devastating impact on Jamaica and other countries in the Caribbean. While our exposure to the region is modest and the insured losses for the industry are manageable, Melissa was one of the most intense hurricanes on record to make landfall. This event, along with the scale of the California wildfires in

2025, should continue to remind the industry that climate change is undoubtedly driving more frequent and severe natural catastrophes. The insurance and reinsurance industry continues to play a critical role in protecting communities and assets that are vital to the global economy and are increasingly exposed to natural catastrophes.

Distribution and clients

Our underwriting and executive teams have decades of experience working with leading producers at the key broking firms and we have been very well supported by the industry.

We have worked incredibly hard with these companies to communicate our appetite clearly and ensure a strong and aligned flow of business as we enter 2026.

We are also placing a greater emphasis on sales and marketing efforts. Our underwriting team is marketing more than in previous years and we are working hard to deepen and broaden our relationships with key cedants. Feedback has been positive and we expect to see benefits as we rebalance the portfolio for the adjustments we have made to our risk appetite.

Outwards reinsurance and exposure management

Outwards reinsurance and exposure management is of paramount importance to every reinsurance company and will be critical as we focus on reducing our exposure to secondary perils. During 2025, we have continued to

strengthen our processes and added appropriate resources to support our exposure and risk management functions.

As disclosed in March, we purchased additional reinsurance protection focused on secondary perils, along with peak US wind, earthquake and aggregate cover. These additional reinsurance purchases following the California wildfires created an extra cost that impacted the 2025 bottom line.

Our future strategy includes having a stronger focus on the management of net exposures and volatility, particularly as we rebalance parts of the portfolio as the cycle softens. Critical to this is our outwards reinsurance coverage, and I am pleased to report that we have been able to renew our programme with the full inclusion of all secondary perils.

Capital management

Capital discipline remains a cornerstone of our strategy. With a more mature portfolio and less robust growth outlook, we are prioritising efficiency and prudence in capital deployment. We consider the expected returns available from underwriting at prevailing rates, as well as how we manage capital to maintain an efficient capital base. With a clean balance sheet and our shares trading at a discount to TNAV, our Buyback Programme is capitalising on the opportunity to repurchase stock at attractive prices. This initiative reflects our confidence in the intrinsic

value of Conduit and our commitment to enhancing shareholder returns.

We announced the initiation of a share Buyback Programme in May 2025. The Board has authorised the repurchase of up to \$50 million of shares by the AGM in May 2026. We felt it was prudent to pause this programme during the peak hurricane season and resumed the programme during November.

We have maintained a stable dividend, delivering an attractive yield to shareholders while preserving flexibility for deployment opportunities. Our regulatory capital ratios remain comfortably within our target range, and our AM Best rating was affirmed at "A-" (Excellent) with a stable outlook. These metrics demonstrate the resilience of our capital position and our ability to navigate evolving market conditions.

Investments

Our investment strategy remains consistent, with a focus on capital preservation and liquidity to support our underwriting operations.

As our business has matured, our growing \$2.2 billion investment portfolio continues to produce increasing income to support returns.

CEO's Report continued

People and culture

Conduit's ongoing strength lies in its people, their professionalism, expertise and shared sense of purpose. The Conduit team continued to grow during 2025, and we have enhanced senior management and the quality of talent throughout Conduit through new hires and promotions. We have made significant progress bolstering our team, although my belief is there is always room for improvement in any organisation.

At 31 December 2025 we had 68 employees, up from 65 employees at 31 December 2024. Our focus has been on building a team with a diverse background of technical skills and knowledge, as well as strong character and values.

We have welcomed several new colleagues in senior roles. This has included Stephen Postlewhite, our new Chief Underwriting Officer, and William Randolph, our new Chief Risk Officer – roles that are critical to the success of Conduit going forward. These colleagues are highly experienced and have brought fresh ideas and perspectives to our organisation that are having immediate impacts.

Our depth of talent has also allowed us to promote from within as several of my colleagues have taken on expanded or more senior roles. The ability to develop talent will build upon itself as we look to provide attractive career opportunities for all of our staff.

As we enter 2026, we are all looking forward to moving beyond our period of transition. We believe that our focus on enhancing a collaborative culture will drive stronger results across our business for the future.

1 January 2026 update

We have had a good January renewal season and have posted growth in Casualty classes as pricing has held up the best in that division, and we continue to like the pricing and terms and conditions in our account. In Property, we have initiated actions to adjust and rebalance the portfolio towards excess of loss from quota share. In Specialty, while we have observed pockets of softening in the market, we regard the portfolio overall as adequately rated with terms and conditions mostly holding.

As expected, the trend of price softening continued at renewals where we saw some fairly aggressive rate cutting late into the renewal season. These conditions put pressure on margins and we are actively adjusting our portfolio to reflect those pressures.

Market conditions have enabled us to purchase a more comprehensive retrocession programme than previously, which includes all perils and addresses earnings volatility and capital protection.

Outlook

The transition we started in 2025 has been all about establishing a stronger foundation for Conduit's future performance. The changes we have made reflect the collective efforts of our entire team and I am pleased with the progress achieved so far. The insurance cycle is driving a softening market but our focus on portfolio balance, prudent risk selection, a relatively conservative investment portfolio and capital management provide a strong foundation for sustainable returns.

As we look ahead, we will continue to keep a close eye on price adequacy across our portfolio and carefully consider our capital deployment options.

Closing

2025 was an exceptional year where our staff have worked above and beyond the call of duty. I would like to extend my sincere gratitude to our employees and Board of Directors following a pivotal year. This commitment to Conduit has been clear and has helped shape and strengthen our culture while we have continued to build a more resilient business for the future.

To our clients and brokers we work with throughout the year, thank you for your continued support of Conduit. We look forward to building and expanding our partnerships in 2026 and beyond.

And finally, to our shareholders, we thank you for your continued engagement, feedback, patience and support of Conduit. We remain focused on the future and generating more stable returns for shareholders. While we recognise the environment is becoming more competitive, we believe we are positioned to deliver on our objectives.

Neil Eckert

Chief Executive Officer
25 February 2026

Underwriting Report

Our portfolio optimisation is underway as we work to strengthen the management of our net exposures and reduce volatility



Gross premiums written

\$1,243.0m

(2024: \$1,162.4m)

Underwriting strategy

After four years of scaling the business into a hardening market, 2025 marked the start of a deliberate rebalancing of our portfolio. Market dynamics are shifting, and our nimble operating structure enables us to refine our strategy and portfolio mix through targeted adjustments. This flexibility allows our appetite and approach to evolve in tandem with changing conditions.

Our portfolio has been predominantly quota share as we have grown to over \$1.2 billion of gross premiums written in 2025. As markets have started softening and our portfolio has absorbed more attritional volatility than we would like, we are gradually rebalancing the portfolio and adjusting towards a greater focus on excess of loss business and exiting treaties which are driving this volatility. We believe this will help

dampen the impact of rate softening and allow us to control attritional volatility better within the portfolio when combined with effective retrocession purchases. We are committed to having a more comprehensive retrocession programme going forward to improve the management of our net exposure, especially as it relates to secondary perils and earnings volatility.

We have strengthened our underwriting teams with additional talent, in particular through the second half of 2025, and we are pleased to have welcomed Stephen Postlewhite as Chief Underwriting Officer in 2026. Stephen brings to Conduit a strong background working across critical underwriting functions and leading teams.

Our broker and client partners also remain essential to our strategy. We have consolidated

our strong relationships with these partners, and we plan to enhance our engagement and marketing efforts to continue to access the business we want to see.

Underwriting performance

Underwriting results in 2025 were dominated by the January California wildfires, which added 15.3 points to our undiscounted combined ratio for the full year. Aside from this devastating event, our underwriting performance was solid and reflected more benign loss activity and we ended the year with an undiscounted combined ratio of 101.5%. Following the wildfires, we secured additional retrocessional cover to broaden the protection of the portfolio for the remainder of the year, with a particular focus on secondary perils.

Gross premiums written by portfolio (\$m)



Underwriting Report continued

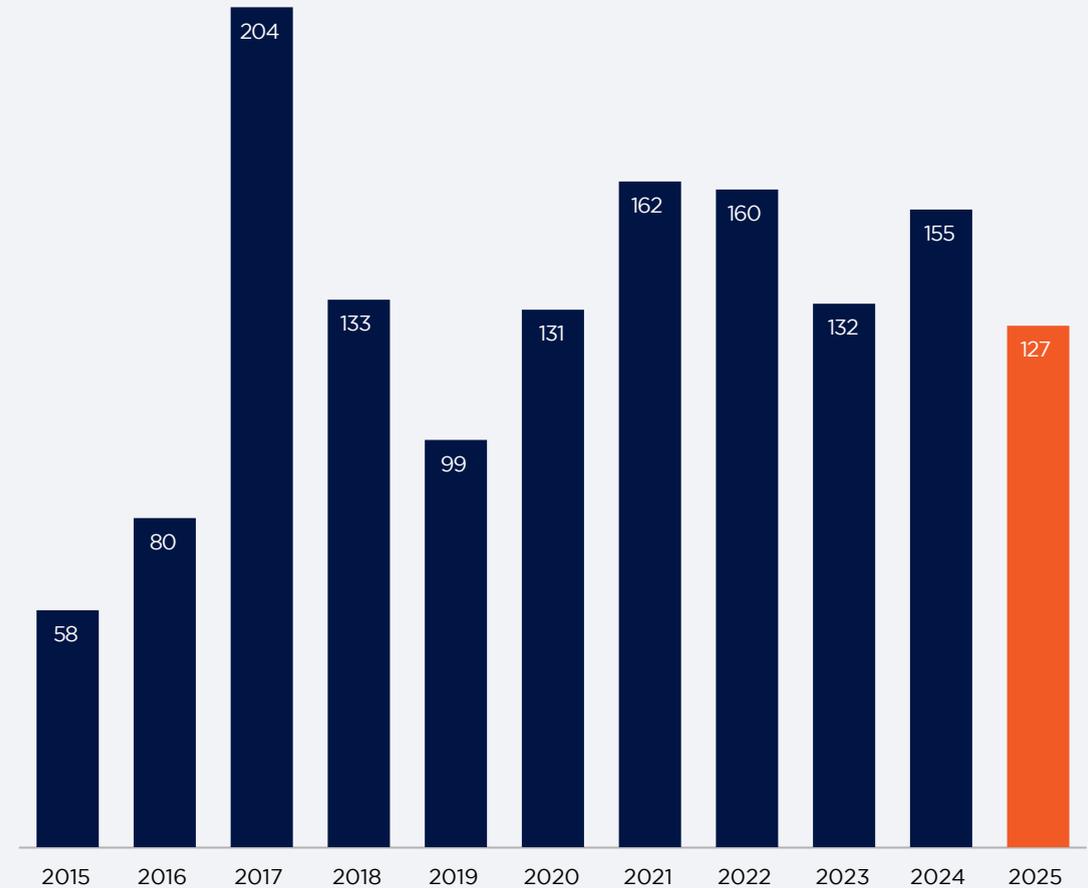
We delivered steady growth in gross premiums written across the portfolio during 2025, with strong increases in Casualty partly balanced by modest growth in Property and a slight decline in Specialty. This pattern of growth reflects the maturity of our business and the disciplined approach we continue to take developing our portfolio.

Although overall growth has moderated, we continue to view the market as adequately priced. Risk adjusted rates declined 3% across our portfolio during 2025, but remain well above the level when we commenced underwriting in 2021 and technical pricing remains adequate in most classes.

Casualty delivered the most significant contribution to growth during 2025, supported by modestly positive rates and our work to identify partners with strong claims management and underwriting discipline. In Specialty, our growth rate moderated as we remained highly selective in a softening market and stepping away from business with unfavourable terms. Property has also experienced some softening but remains price adequate.

In numbers...

Global insured losses from natural disasters (\$bn)



Data: Aon Catastrophe Insight.

Underwriting Report continued



Property

In Property, gross premiums written for the year ended 31 December 2025 were \$659.4 million (31 December 2024: \$645.1 million), an increase of 2.2% over the prior year. After several years of positive rate compounding, the property market began to experience some price softening during 2025, resulting in a slower growth rate.

The industry has continued to generate strong retained earnings and deploy capacity into attractive market conditions. Renewal negotiations were more competitive than in recent years, and our risk-adjusted rate change, net of claims inflation, in our Property segment was (5)% in 2025 (2024: 3%).

Our Property book remains adequately priced, despite this moderation, with sufficient margin. Rates remain 36% above the level that we started writing in 2021. Within our portfolio we have maintained a focus on accounts that are

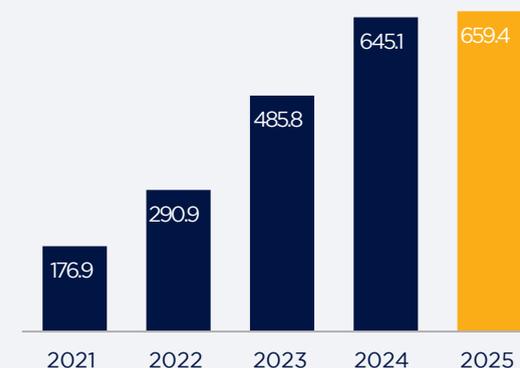
aligned with our profitability hurdles. During the year, we were able to increase line sizes on high-performing accounts and reduced exposure where pricing or structure no longer met our risk appetite.

We have started to make progress rebalancing and optimising our Property portfolio. This included new excess of loss placements and select quota share deals through 2025 and the 2026 January renewals. We have also come off or reduced several underperforming accounts. These actions support our strategic goal of moving toward a more even split between quota share and excess of loss business and reduced volatility.

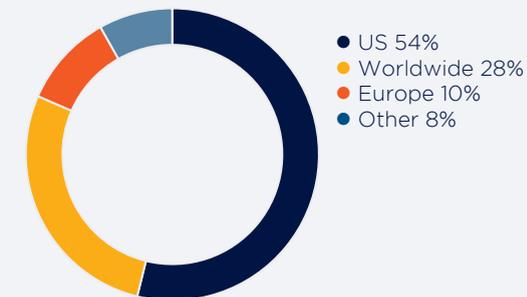
We enter 2026 with a more resilient renewing portfolio and an aligned outwards retrocession programme. Our focus is firmly on profitability, prioritising underwriting quality over top line growth as we navigate an increasingly competitive marketplace.

In numbers...

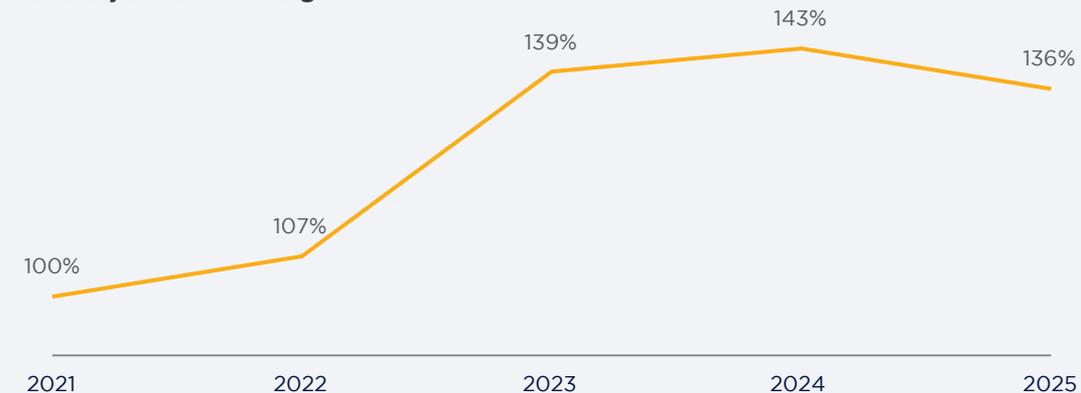
Gross premiums written (\$m)*



Geographic breakdown



Risk-adjusted rate change



* Gross premiums written exclude reinstatement premiums to ensure consistency with the IFRS 17 view of revenue. 2021 gross premiums written in the graph above, disclosed under IFRS 4, are also shown excluding reinstatement premiums for consistency.
 * Certain reinsurance contracts previously reported within the Specialty segment are now reported within the Property and Casualty segments to better align with Conduit's internal view of these contracts. Comparative periods have been re-presented in order to be consistent with the current period presentation.

Underwriting Report continued



Casualty

In Casualty, gross premiums written for the year ended 31 December 2025 were \$392.3 million (31 December 2024: \$318.9 million), an increase of 23.0% over the prior year. We experienced stronger growth in Casualty as pricing remained firm and we increased our support for existing partners that have demonstrated leadership managing through the cycle. This growth brings attractive diversification to our shorter tail lines of business.

Casualty growth was concentrated in US general third-party liability and excess and surplus lines, where disciplined underwriting and favourable pricing trends created attractive opportunities. Overall, the risk-adjusted rate change, net of inflation, in our Casualty division increased by 1% (2024: (1)%), with positive rate momentum in these preferred classes balancing softer conditions in other areas. Pricing has remained firmer in Casualty as the industry has continued to deal with reserve strengthening primarily for older accident years that pre-date Conduit.

Our approach remains selective given the long-tail nature of Casualty business and we are careful to support the right partners.

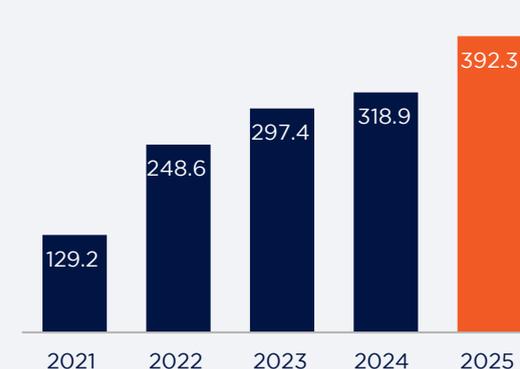
We continue to focus on validating cedant underwriting behaviour through detailed data reviews, electing to deepen our partnership with those exhibiting discipline. We actively manage our exposures and apply a consistent reserving approach that reflects the long-tail nature of the Casualty portfolio. We believe our Casualty reserves are appropriate.

Casualty is the one area of our portfolio where quota share business dominates the market and will continue to represent the greater majority of our Casualty segment.

Looking ahead to 2026, we expect the Casualty market to remain dynamic. Our focus will be on long-term partnerships, disciplined underwriting and selective diversification beyond the US market, ensuring the portfolio remains resilient and aligned with our objectives.

In numbers...

Gross premiums written (\$m)*



Class of business breakdown



Risk-adjusted rate change



* Gross premiums written now exclude reinstatement premiums to ensure consistency with the IFRS 17 view of revenue. 2021 gross premiums written in the graph above, disclosed under IFRS 4, are also shown excluding reinstatement premiums for consistency.
 * Certain reinsurance contracts previously reported within the Specialty segment are now reported within the Property and Casualty segments to better align with Conduit's internal view of these contracts. Comparative periods have been re-presented in order to be consistent with the current period presentation.

Underwriting Report continued



Specialty

In Specialty, gross premiums written for the year ended 31 December 2025 were \$191.3 million (31 December 2024: \$198.4 million), a decrease of (3.6)% over the prior year. This reduction reflects actively prioritising margin resilience over top-line growth in softening conditions. Abundant industry capacity continues to seek growth in specialty classes that do not correlate with peak peril exposures. Our risk-adjusted rate change, net of claims inflation, for the Specialty division was (5)% in 2025 (2024: 1%).

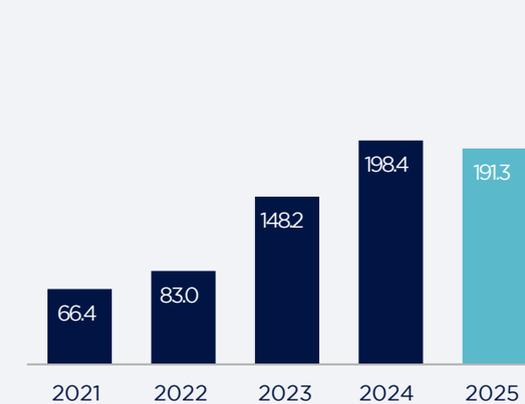
We renewed well-performing accounts, while tactically reducing line sizes where terms and conditions came under pressure. Submission flow was strong throughout the year, supported by new opportunities including multi-line arrangements and excess of loss placements beginning to gain traction. We continued to have a high decline rate and non-renewed select business. We remain focused on writing business that we believe will deliver long-term profitability, from cedants demonstrating appropriate risk management.

The specialty sector was impacted by several notable industry loss events during the year, including major airline and refinery incidents, which together represent some of the largest claims on record for their respective classes. Our exposure to these risk losses was manageable and none had a material impact on Conduit. We are well positioned to capitalise on any firming in rates that occurs in response to the loss activity in aviation and energy classes. To support growth where opportunities arise and ensure we continue to have strong underwriting practices, we have strengthened our Specialty team with additional resources during 2025.

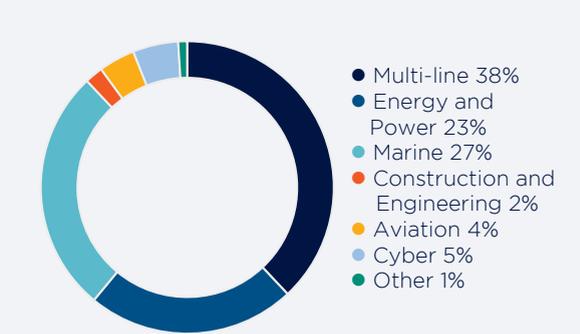
Overall, Specialty market conditions are expected to remain competitive but disciplined. Our focus will be on underwriting for profitability and selective growth in classes where we see attractive opportunities.

In numbers...

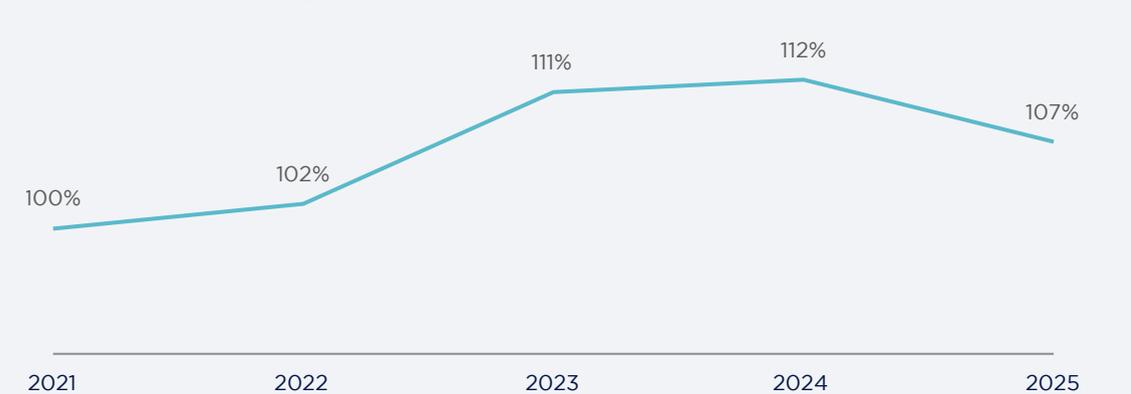
Gross premiums written (\$m)*



Class of business breakdown



Risk-adjusted rate change



* Gross premiums written now exclude reinstatement premiums to ensure consistency with the IFRS 17 view of revenue. 2021 gross premiums written in the graph above, disclosed under IFRS 4, are also shown excluding reinstatement premiums for consistency.

* Certain reinsurance contracts previously reported within the Specialty segment are now reported within the Property and Casualty segments to better align with Conduit's internal view of these contracts. Comparative periods have been re-presented in order to be consistent with the current period presentation.

Underwriting Report continued

Looking ahead

We expect market conditions will remain competitive as we enter 2026, with pressure on pricing and abundant capacity continuing to seek growth opportunities. Conditions remain dynamic across classes and geographies, but we view the market as still adequately priced following several years of rate increases. We believe we are well positioned to navigate the market environment with strong support from brokers and clients.

Repositioning our portfolio towards a greater share of excess of loss business will continue over the coming years. Most of this progress will be within our Property segment where we expect to achieve a more even balance of quota share and excess of loss business. Rebalancing in Specialty will be more modest and gradual, and our Casualty portfolio is expected to remain largely quota share. We expect the optimising of the portfolio, along with a more comprehensive retrocession programme, will better protect us from large secondary perils.

In this softening phase of the market cycle, we will deploy our capacity with discipline and endeavour to manage our capital efficiently, focused on net underwriting margin.

Neil Eckert

Chief Executive Officer

25 February 2026

CFO's Report

Focused on delivering more consistent returns

“A respectable RoE of 11.1% given the challenging loss environment we faced this year. As growth begins to moderate in our fifth year of underwriting, our focus is moving to portfolio optimisation and improving the resilience of returns going forward.”



Gross premiums written (\$m)

\$1,243.0m

increasing year-on-year by

6.9%

The California wildfires in January of 2025 gave the industry a bumpy start to the year. Industry loss estimates for that event are currently around the \$40 billion level, a meaningful event for something referred to as a secondary peril. Conduit, in particular, felt the effects of that event and experienced a larger loss than we would have liked for that type of event. Our undiscounted net loss, after reinsurance and reinstatement premiums, was \$119.1 million, a 15.3% impact on our undiscounted combined ratio. The rest of the year, which in total represented an industry loss of approximately \$127 billion, was relatively quiet for us, and we produced an RoE of 11.1%. While returns are lower than we would expect them to be, we have learned lessons around how our outwards programme responds and have taken steps to make it more robust.

Our loss ratio for the year, on an undiscounted basis, was 89.9% and our combined ratio, also on an undiscounted basis, was 101.5%. That compares to the prior year undiscounted loss and combined ratios of 84.4% and 97.1%. The prior year was another active year in terms of industry losses, with estimated insured catastrophe losses in excess of \$155 billion, in addition to risk losses throughout the year. The more significant events for Conduit last year were Hurricanes Helene and Milton, where we recorded an undiscounted net loss, after reinsurance and reinstatement premiums, of \$68.0 million, having a 9.4% impact on our undiscounted combined ratio.

On the income side, we continued to grow, albeit at a slower pace than previous years – very much in line with expectations in our fifth year of underwriting. Gross premiums written were \$1,243.0 million versus \$1,162.4 million in the prior year, a 6.9% increase compared to 24.8% growth in the prior year. While pricing is under pressure, it remains adequate in most of the classes of business that we underwrite and underwriting discipline across the industry appears to be holding for the time being.

On the investment side, we produced an investment return of 6.7% compared to 4.0% in the prior year. While we have a total return view of performance, 2025's investment return reflects a portfolio with strong income generation in addition to growing the assets under management and our investment leverage. Book and market yield at year-end were both 4.2%, versus 4.1% and 4.8% for the prior year-end. We have maintained a short duration, highly liquid, high-quality investment portfolio, with our primary investment aim being capital preservation and liquidity to support our underwriting activities.

Our reinsurance finance income and expense more than doubled year-on-year as the level of discount that we are carrying increases. The incurred losses in 2025 were also greater than in 2024 and that has an impact too.

CFO's Report continued

In December 2025, the Bermuda Government enacted the Tax Credit Act 2025, introducing substance-based tax credits designed to support entities demonstrating substantive economic presence in Bermuda. Conduit qualifies for these credits. We recognised tax credits of \$6.9 million which was recorded as a reduction in reinsurance and operating expenses. Further information on tax credits can be found in note 10 to the consolidated financial statements on page 147.

During the year, the Board authorised a \$50 million share Buyback Programme. We repurchased \$12.5 million or 2,667,154 shares under this authorisation, which remains in place until our next Annual General Meeting in May 2026. Our EBT also purchased a small amount of shares – \$3.0 million – to top up their holding following annual vesting of certain incentive schemes.

Lastly, as we look forward to 2026 and re-balancing our portfolio, we have more than enough capital to execute our plans and we have once again declared a final dividend of 18 cents per share, which will be paid in April 2026. We have continued to buyback shares and expect to request approval from shareholders at our AGM for a further share repurchase programme.

Elaine Whelan

Chief Financial Officer
25 February 2026

Business Review – Finance

Premiums

Gross premiums written

For the year ended 31 December:

Segment	2025 \$m	2024 ¹ \$m	Change \$m	Change %
Property	659.4	645.1	14.3	2.2%
Casualty	392.3	318.9	73.4	23.0%
Specialty	191.3	198.4	(7.1)	(3.6%)
Total	1,243.0	1,162.4	80.6	6.9%

¹ Certain reinsurance contracts previously reported within the Specialty segment are now reported within the Property and Casualty segments to better align with Conduit’s internal view of these contracts. Comparative periods have been re-presented in order to be consistent with the current period presentation.

During the year ended 31 December 2025, gross premiums written were \$1,243.0 million compared to \$1,162.4 million for 2024. We delivered strong growth in Casualty, modest growth in Property and a slight decline in Specialty gross premiums written. The growth in Casualty primarily reflects increases in general third-party liability business with preferred partners. Property growth has slowed throughout the year, reflecting softening prices and more competitive conditions. Specialty experienced a slight decline as we have reduced our growth in lines experiencing more pressure on pricing and terms.

Pricing

Following multiple years of compounding rate increases, pricing levels and terms and conditions softened in most classes of business. Certain Casualty lines continued to benefit from the market correction driven by reserve deterioration and loss emergence, primarily from pre-2020 years before Conduit commenced business. Market conditions across the Property and Specialty segments reflected increased competition following significant pricing increases and strong profitability for the industry over the past several years.

Conduit Re’s overall risk-adjusted rate change for the year ended 31 December 2025, net of claims inflation, was (3)% and by segment was:

Property	Casualty	Specialty
(5)%	1%	(5)%

Net reinsurance revenue

Year ended 31 December 2025	Property \$m	Casualty \$m	Specialty \$m	Total \$m
Reinsurance revenue	494.5	256.6	146.0	897.1
Ceded reinsurance expenses	(107.9)	(1.2)	(10.0)	(119.1)
Net reinsurance revenue	386.6	255.4	136.0	778.0

Year ended 31 December 2024 ¹	Property \$m	Casualty \$m	Specialty \$m	Total \$m
Reinsurance revenue	461.1	217.4	135.2	813.7
Ceded reinsurance expenses	(81.7)	(1.4)	(10.6)	(93.7)
Net reinsurance revenue	379.4	216.0	124.6	720.0

¹ Certain reinsurance contracts previously reported within the Specialty segment are now reported within the Property and Casualty segments to better align with Conduit’s internal view of these contracts. Comparative periods have been re-presented in order to be consistent with the current period presentation.

Reinsurance revenue for the year ended 31 December 2025 was \$897.1 million compared to \$813.7 million for 2024. The increase in reinsurance revenue relative to the prior year was due to continued growth in the business plus the earn-out of premiums from prior underwriting years.

Ceded reinsurance expenses for the year ended 31 December 2025 were \$119.1 million compared to \$93.7 million for 2024. The increase in cost relative to the prior year reflected additional limits purchased due to the growth of the inwards portfolio exposures, as well as broader outwards protections bought during the year related to secondary perils.

Business Review – Finance continued

Net reinsurance service expenses

Year ended 31 December 2025	Property \$m	Casualty \$m	Specialty \$m	Total \$m
Reinsurance losses and loss-related amounts	(305.9)	(187.3)	(130.0)	(623.2)
Reinsurance operating expenses	(41.3)	(15.5)	(8.4)	(65.2)
Ceded reinsurance recoveries	2.3	-	18.0	20.3
Net reinsurance service expenses	(344.9)	(202.8)	(120.4)	(668.1)

Year ended 31 December 2024 ¹	Property \$m	Casualty \$m	Specialty \$m	Total \$m
Reinsurance losses and loss-related amounts	(274.0)	(156.7)	(100.2)	(530.9)
Reinsurance operating expenses	(39.3)	(14.0)	(7.2)	(60.5)
Ceded reinsurance recoveries	(0.4)	-	3.4	3.0
Net reinsurance service expenses	(313.7)	(170.7)	(104.0)	(588.4)

¹ Certain reinsurance contracts previously reported within the Specialty segment are now reported within the Property and Casualty segments to better align with Conduit's internal view of these contracts. Comparative periods have been re-presented in order to be consistent with the current period presentation.

Net reinsurance losses and loss related amounts

2025 was another highly active period of natural catastrophe events and risk losses for the reinsurance industry, including the California wildfires, severe convective storms in the United States and several aviation losses, among others. The most significant event was the California wildfires which impacted the Los Angeles area in January 2025. Our undiscounted net loss attributed to the wildfires, net of reinsurance and reinstatement premiums, was \$119.1 million. The California wildfires contributed 15.3% to our undiscounted net loss ratio. Absent this event our undiscounted net loss ratio would have been 74.6%.

2024 was also an above average year of loss activity for the industry. Hurricanes Helene and Milton made landfall in the United States and there was also elevated activity across smaller and mid-size natural catastrophe and large risk events, such as the Baltimore Bridge.

Our discounted net loss ratio for the year ended 31 December 2025 was 77.5% compared with 73.3% for the 2024 year, while our undiscounted net loss ratio was 89.9% and 84.4%, respectively. The increase for the year ended 31 December 2025 was primarily related to the California wildfires.

Our undiscounted ultimate loss estimates, net of ceded reinsurance and reinstatement premiums, for previously reported loss events remained broadly stable. The inherent uncertainty in estimating the net liability for incurred claims gives rise to favourable or adverse development. During the year ended 31 December 2025 the favourable development in the discounted net liability for incurred claims for prior accident years was \$14.1 million (31 December 2024: \$4.3 million).

Our loss and reserve estimates have been derived from a combination of reports and statements from brokers and cedants, modelled loss projections, pricing loss ratio expectations and reporting patterns, all supplemented with market data and assumptions. We continue to review these estimates as more information becomes available.

Reinsurance operating expenses and other operating expenses

Year ended 31 December	2025 \$m	2024 \$m	Change \$m	Change %
Reinsurance operating expenses	65.2	60.5	4.7	7.8%
Other operating expenses	24.8	30.8	(6.0)	(19.5%)
Total expenses	90.0	91.3	(1.3)	(1.4%)

Year ended 31 December	2025 %	2024 %	Change (pps)
Reinsurance operating expense ratio	8.4	8.4	-
Other operating expense ratio	3.2	4.3	(1.1)
Total reinsurance and other operating expense ratio	11.6	12.7	(1.1)

Reinsurance operating expenses includes brokerage and operating expenses deemed attributable to reinsurance contracts.

Total reinsurance and other operating expenses were \$90.0 million for the year ended 31 December 2025 compared with \$91.3 million for the prior year. The reinsurance operating expense ratio was in line with the prior year, while the decrease in the other operating expense ratio was mainly due to

Business Review – Finance continued

the substance-based tax credits resulting from the Bermuda Tax Credit Act 2025, enacted during December 2025. Conduit has recognised tax credits of \$6.9 million (2024: nil) in the statement of comprehensive income with these credits treated as a reduction in reinsurance and other operating expenses.

Net reinsurance finance income (expense)

Year ended 31 December	2025 \$m	2024 \$m	Change \$m
Net interest accretion	(61.1)	(37.6)	(23.5)
Net change in discount rates	(16.1)	6.8	(22.9)
Net reinsurance finance income (expense)	(77.2)	(30.8)	(46.4)

The net reinsurance finance expense was \$77.2 million for the year ended 31 December 2025 compared with \$30.8 million for the prior year. The unwind of discount made up most of the expense in both years, increasing in 2025 in line with growing balance sheet reserves. There was some additional expense in 2025 related to the decrease in discount rates as we remeasured to those lower rates, while 2024 benefited from an increase in discount rates in the latter part of 2024.

Investments

We continue to maintain a relatively conservative approach to managing our invested assets, with a strong emphasis on preserving capital and liquidity. Our strategy remains maintaining a short-duration, highly-rated portfolio, with due consideration of the duration of our liabilities.

Our portfolio mix shows our conservative philosophy (more information on the portfolio mix is set out in the charts on page 24 and in the risk disclosures on page 124). Our asset allocation is dictated by our approved investment guidelines. There are no derivatives, equities or alternatives in the investment portfolio.

We currently have two portfolio categories – short-tail and long-tail – to match our underwriting categories and the differing obligations associated with different classes of business across our Property, Casualty and Specialty divisions. Liquidity preferences are monitored for each.

Conduit’s cash inflows are primarily derived from receipts for fulfilling coverage of reinsurance contracts, ceded reinsurance recovered from reinsurers and net investment income, plus the sale and redemption of investments. Cash outflows are primarily the settlement of losses and loss-related amounts, payments for ceded reinsurance contracts held, payment of other operating expenses, the purchase of investments and the distribution of dividends or other forms of capital returns. Excess funds are invested in the investment portfolio.

As part of our investment strategy, we seek to maintain a level of liquidity we believe to be adequate to meet our foreseeable payment obligations. We believe that our liquid investments and cash flow will provide us with sufficient liquidity to meet our obligations to settle losses. However, the timing and amounts of actual claims payments vary based on many factors, including large individual losses, changes in the legal environment and general market conditions.

Investment performance

The investment return for the year ended 31 December 2025 was 6.7% driven by net investment income from a growing portfolio, and unrealised gains due to a decrease in yields. For 2024 the portfolio returned 4.0% driven mainly due to net investment income.

Net investment income, excluding realised and unrealised gains and losses, was \$80.7 million for the year ended 31 December 2025 (31 December 2024: \$65.0 million), or an increase of 24.2%, driven by growth in cash and investment balances year-on-year. Total investment return, including net investment income, net realised gains and losses, and net change in unrealised gains and losses, was \$119.5 million (31 December 2024: \$66.1 million).

The breakdown of the managed investment portfolio as at 31 December is as follows:

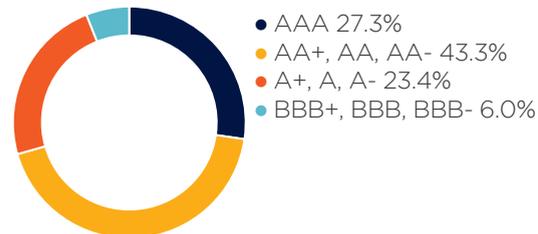
	2025	2024
Fixed maturity securities	88.3%	85.8%
Cash and cash equivalents	11.7%	14.2%
Total	100.0%	100.0%

Business Review – Finance continued

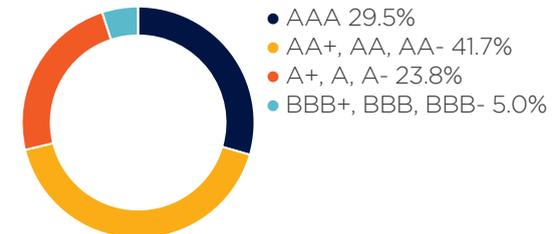
Key investment portfolio statistics for our fixed maturities and managed cash as at 31 December were:

	2025	2024
Duration	2.8 years	2.5 years
Credit quality	AA	AA
Book yield	4.2%	4.1%
Market yield	4.2%	4.8%

Cash and investments credit ratings for managed portfolio 2025



Cash and investments credit ratings for managed portfolio 2024



Sustainable environmental and social considerations are incorporated into our individual portfolio investment guidelines. We believe that, all other things being equal, it is less risky to own securities with strong sustainability ratings. More information about our approach to incorporate responsible business considerations to our investments is contained in the sustainability summary on page 34 and in our standalone Sustainability Report and ClimateWise Report.

Capital and dividends

Conduit remains well capitalised to achieve its objectives with a legacy-free balance sheet. Total capital and tangible capital available to Conduit was \$1.10 billion as at 31 December 2025 (31 December 2024: \$1.05 billion). Further information on capital management is set out in the risk disclosures on page 141 and in the financing arrangements on page 159.

Tangible net assets per share as at 31 December 2025 was \$7.14 or £5.30 (31 December 2024: \$6.70 or £5.35). Including dividends, tangible net assets per share increased 11.9% during 2025.

During 2025 the Conduit Board of Directors approved a share Buyback Programme of up to \$50.0 million. Shares purchased under this programme amounted to \$12.5 million for the year ended 31 December 2025.

Shares purchased by Conduit’s Employee Benefit Trust (EBT) during 2025 amounted to \$3.0 million (2024: \$9.4 million) and will be held in trust to meet future obligations under Conduit’s variable incentive schemes.

Further details of the share repurchase scheme are set out in the Directors’ Report on page 100 and in note 17 to the consolidated financial statements on page 160.

On 17 February 2026 Conduit’s Board of Directors declared a final dividend of \$0.18 (approximately 13 pence) per Common Share, resulting in an aggregate payment of \$29.2 million. The dividend will be paid in pounds sterling on 16 April 2026 to shareholders of record on 20 March 2026 (the Record Date) using the GBP/USD spot exchange rate at 12 pm UK time on the Record Date.

Conduit previously declared and paid an interim dividend during 2025 of \$0.18 (approximately 13 pence) per Common Share. Consequently, the full 2025 dividend is \$0.36 (approximately 26 pence) per Common Share in line with our stated dividend policy. Conduit’s dividend policy and information on the final dividend declared in respect of 2025 can be found on page 51.

There is no debt and there are no off-balance sheet forms of capital.

Enterprise Risk Management Report

Advancing our strategy through robust risk oversight

Risk Governance

The Board delegates oversight of the risk management framework to the Audit Committee of CHL and the Risk, Capital and Compliance Committee of CRL. Executive responsibility for risk management lies with the Risk Oversight Committee, chaired by the Chief Risk Officer.

The Risk Oversight Committee is mandated to oversee Conduit’s risk governance framework, capital management strategies, underwriting exposure accumulation and the governance around outward reinsurance purchases.

Its primary objective is to ensure the effective execution of our risk strategy, which is designed to ensure Conduit maintains a strong balance sheet within a robust control environment.

In 2025, we continued to build on our foundations and enhance the control environment in preparation for the attestation pursuant to Provision 29 of The UK Code. Material controls are being confirmed in line with The UK Code, and we are working diligently to facilitate the Board’s assurance on their effectiveness.

Conduit operates a “three lines of defence” model, underpinned by strong collaboration across all lines. Responsibility for identifying and assessing risks rests with functional leaders who have direct operational ownership and expertise. Risk Management, as part of the second line, provides consistent oversight, while Internal Audit delivers further assurance to the Board.

Risk Profile

We continued to actively manage our overall risk profile throughout 2025. Key risk metrics under the Bermuda Monetary Authority (“BMA”) framework remain strong. At year-end 2025, our BSCR coverage ratio is estimated at 252%, comfortably above our internal minimum threshold of 200%, compared to 271% at year-end 2024. The change in coverage ratio reflects continued capital deployment through premium and reserve growth, partially offset by modest surplus growth.

Looking ahead, we continue to monitor our underwriting exposure accumulations to maintain a prudent level of risk-taking through disciplined underwriting. As part of the 2026 business plan, our exposure to catastrophe events has been assessed through careful risk selection and strategic alignment of the inward and outward portfolios. We continue to incorporate updates from catastrophe vendor models into our risk modeling and, during the year, refined our view of risk related to secondary perils.

The Board reviews and approves the risk appetite statement, which defines not only our risk preferences but also the level of risk we are willing to assume at both event and aggregate

levels. Our 1 January 2026 North Atlantic Windstorm exposure is approximately \$110m at the 1 in 100 year return period and \$185m at the 1 in 250 year return period. In addition to monitoring PML across a comprehensive set of risk zones, including but not limited to North Atlantic Windstorm, US and Canada Earthquake and US Wildfire, the Board evaluates key risk-based performance metrics and stress scenarios to confirm the adequacy and resilience of the business plan as we advance our strategy for sustainable, profitable growth.

In addition to monitoring established risks, the Board and Management maintain a forward-looking approach to emerging risks. An emerging risk session is held at Board and Management levels at least annually. Potential new threats and opportunities are identified through various methods including external research and engagement with external experts. Actions arising from discussions on emerging risks are integrated into business planning and risk registers with risk mitigation strategies appropriately implemented.

William Randolph
Chief Risk Officer
25 February 2026

Enterprise Risk Management Report continued

Three lines of defence model

1st line

The primary responsibility for managing risk rests with all employees.

They identify, measure, mitigate and report risks as part of their daily activities. This includes ownership and management of risks on a day-to-day basis and applies to everyone at every level in the organisation, as all share responsibility for operational risk management.

2nd line

The Risk and Compliance functions, along with elements of the Actuarial function, form the second line of defence.

They support the first line by providing independent challenge, coordination, monitoring and advice. These functions maintain direct communication with the Boards and relevant Committees.

3rd line

Internal Audit acts as the primary function in the third line of defence, with additional assurance provided by external auditors and the independent loss reserve specialist.

Both internal and external auditors have access to the necessary business functions and report directly to the Audit Committee. Third-line reviews inform Risk and Compliance assessments, and findings are incorporated into evaluations of risk and control effectiveness. The third line reports to the Board and/or Audit Committee to provide independent assurance of an effective governance framework.

Enterprise Risk Management Report continued

Risk and relative appetite/preference	Mitigating actions	Board level monitoring	Commentary	Trend
Overall – capital adequacy				
<p>The risk that capital resources are insufficient to meet regulatory requirements, rating agency expectations or absorb stress events</p> <p>Low</p> <p>We maintain capital to support a minimum rating of A- by AM Best and to provide a surplus over the regulatory enhanced capital requirement of twice that prescribed as an early warning buffer by the BMA.</p>	<ul style="list-style-type: none"> Quarterly capital level monitoring across internal, regulatory and rating agency requirements. Capital planning and stress testing. Ongoing engagement with rating agencies. Early warning triggers and documented capital management action plan. Approved capital policy. 	<ul style="list-style-type: none"> Quarterly capital and solvency reporting against tolerances. Review of stress and scenario testing results. Approval of capital policy and dividend policy. Approval of all capital actions. Review of underwriting exposure and aggregation reports. Annual review of rating agency feedback and outlook. Annual CISSA reporting. 	<p>We maintain strong capital buffers above regulatory and rating agency requirements, supporting our strategic objectives and underwriting growth. Our solvency position remains within our target range, providing resilience against market volatility and inflationary pressures. AM Best affirmed our A- rating with a stable outlook, reflecting a period of leadership transition and the need for continued focus on governance and capital management to maintain rating strength and strategic flexibility.</p>	
Underwriting – premium				
<p>The risk that pricing fails to accurately reflect underlying exposures, resulting in misestimation of claims frequency or severity or premiums insufficient to cover potential losses</p> <p>High</p> <p>This is the risk we seek in order to generate return. The risk is managed by seeking a target portfolio based on our view of rate adequacy and target diversification, supported by event and/or aggregate retrocessional protections.</p>	<ul style="list-style-type: none"> Defined risk appetite and tolerances, including PML. Underwriting guidelines and authority limits. Actuarial and underwriting peer reviews. Use of retrocession to manage volatility and exposure. Underwriting Oversight Committee review and monitoring of underwriting performance. 	<ul style="list-style-type: none"> Regular underwriting and portfolio performance reports to the Board. Review of underwriting exposure and aggregation reports. Review and approval of risk appetite and underwriting limits. 	<p>We continue to pursue a diversified portfolio supported by retrocessional protections and disciplined underwriting. Overall, we continued to grow top-line in 2025 in our target classes. Competitive pressure and early signs of rate softening in certain property and specialty classes are emerging, which could temper growth opportunities.</p>	

Enterprise Risk Management Report continued

Risk and relative appetite/preference	Mitigating actions	Board level monitoring	Commentary	Trend
Underwriting – exposure and aggregations				
<p>The risk of excessive accumulation of catastrophe or liability exposures beyond defined appetite, leading to outsized losses</p> <p>Medium</p> <p>We underwrite catastrophe exposed reinsurance through our property and specialty classes, and business exposed to other aggregations, notably across casualty lines.</p>	<ul style="list-style-type: none"> • Defined exposure limits and ongoing monitoring. • Use of retrocession to manage volatility and exposure. • Post event reviews and resulting actions as necessary. • Risk Oversight Committee review and monitoring. 	<ul style="list-style-type: none"> • Review of underwriting exposure and aggregation reports. • Approval of exposure limits and retrocession strategy as part of business plan approval. • Review of scenario analysis and stress testing outcomes. 	<p>PML in 2025 increased from a combination of portfolio growth and outwards reinsurance structure changes. Looking ahead to 2026, despite planned modest growth in the portfolio we expect a reduction in overall net exposure and aggregations through enhanced alignment of the inwards portfolio and outwards protections having applied lessons learned from the California wildfire losses in 2025, lowering volatility across return periods.</p>	
Underwriting – reserve				
<p>The risk that reserves prove insufficient to meet ultimate claims obligations due to adverse development or inflationary trends</p> <p>Medium</p> <p>We underwrite a mix of classes including those where reserves take time to develop. We seek to minimise reserve risk through rigorous data analytics using both our own and third-party market data, and benefit from external independent loss reserve specialist review.</p>	<ul style="list-style-type: none"> • Monitoring of reserve movements and trends. • Quarterly management level reserving committee providing review and challenge. • Independent actuarial review twice yearly. • Reserving policy. • Major loss response policy. 	<ul style="list-style-type: none"> • Quarterly reserving reports to the Board and Audit Committee. • Review of independent actuarial results. • Approval of reserving policy. • Review of major loss event reporting. 	<p>Our Casualty portfolio continues to mature, bringing additional earned premium and associated reserves. Inflationary and social inflation trends continue to create uncertainty, but selective underwriting, enhanced actuarial reviews and portfolio analysis continue to mitigate this risk. Importantly, our reserves remain comfortably within the range confirmed by an independent actuarial review, reinforcing confidence in adequacy and balance sheet strength.</p>	

Enterprise Risk Management Report continued

Risk and relative appetite/preference	Mitigating actions	Board level monitoring	Commentary	Trend
Investment – market and liquidity				
<p>The risk that market volatility erodes asset values or liquidity shortfalls prevent timely settlement of claims</p> <p>Low</p> <p>Our primary aim is to protect capital and, consequently, we have a low appetite to expose our capital base to investment losses and a low appetite for volatility.</p>	<ul style="list-style-type: none"> Quarterly management level investment committee. Investment policy including defined limits and authorities for external investment managers. Defined investment risk preferences, appetite and risk and return objectives and tolerances. Regular stress and scenario testing around investment portfolio. Periodic strategic asset allocation reviews. 	<ul style="list-style-type: none"> Investment performance and liquidity reports. Review of market and liquidity scenarios and stress tests. Approval of investment policy and limits. Review of stress and scenario testing around investment portfolio. Periodic strategic asset allocation reviews. 	<p>Despite persistent market volatility and interest rate uncertainty, our positioning remains aligned with appetite and supports strategic flexibility. Our portfolio continues to deliver stable returns with minimal downside risk.</p>	↔
Credit				
<p>The risk that retrocessionaires, brokers or other counterparties default or fail to honour obligations</p> <p>Low</p> <p>We use reinsurance to provide protection and select reinsurers which provide limited credit risk.</p>	<ul style="list-style-type: none"> Approved reinsurer list with criteria on acceptable credit rating. Counterparty monitoring and limits setting. Expansion of approved reinsurer list to reduce concentration. Risk Oversight Committee review and monitoring. 	<ul style="list-style-type: none"> Counterparty exposure and credit quality reporting. 	<p>We select highly rated and collateralised counterparties to minimise credit risk and maintain strong retrocession security. Economic uncertainty and reinsurer consolidation are monitored, but counterparty quality remains strong and credit risk is steady relative to appetite.</p>	↔

Enterprise Risk Management Report continued

Risk and relative appetite/preference	Mitigating actions	Board level monitoring	Commentary	Trend
Operational and systems				
<p>The risk of loss arising from inadequate or failed internal processes, procedures, people, systems or external events disrupting business operations</p> <p>Low We seek to minimise our operational risk within the context of operating as a reinsurer. We seek to attract and retain high-quality staff and gain competitive advantage by use of high-quality and integrated systems.</p>	<ul style="list-style-type: none"> Control testing and quarterly control affirmation process. Cyber management programme and cyber incident response plan. Disaster recovery and business continuity plans. Regulatory and compliance adherence. Recruitment and selection policy. 	<ul style="list-style-type: none"> Operational risk and incident reporting. Review and approval of succession plans. Annual review of cyber code of conduct compliance. Annual CISSA reporting. 	<p>Leadership transitions during 2025 introduced additional execution risk to some operational processes. While these changes were managed effectively, they emphasised the importance of robust systems and clear delegation to maintain continuity.</p> <p>Our technology ecosystems have remained stable throughout the year, and several system upgrades continue to improve operational efficiency. Continuous assessment of our control environment has identified improvement areas which are being implemented.</p>	
Strategic				
<p>The risk of failing to execute the business plan or adapt to market changes, impacting long-term objectives</p> <p>Low We seek to manage risk by keeping a clear and focused strategy as a single balance sheet reinsurer.</p>	<ul style="list-style-type: none"> Strategic planning and annual business plan review. Regular town halls with employees. Succession planning. Identification of emerging risks, new threats and opportunities. 	<ul style="list-style-type: none"> Annual strategy session with the Board. Review and approval of business plan and ongoing reporting against plan. Monitoring of risk appetite alignment. Regular monitoring of emerging risks. 	<p>Our single balance sheet strategy remains intact, providing clarity and focus as we navigate evolving market conditions.</p> <p>The planned shift in our underwriting portfolio to achieve a more balanced mix of proportional and excess of loss business, combined with a softening market are key considerations in our evaluation of execution risk into 2026. This shift enhances diversification, stabilises earnings and positions us to capitalise on changing market opportunities through proactive engagement.</p>	

Enterprise Risk Management Report continued

Risk and relative appetite/preference	Mitigating actions	Board level monitoring	Commentary	Trend
Reputational				
<p>The risk of adverse stakeholder perception, negative media coverage or sustainability misalignment erodes confidence and brand integrity</p> <p>Low A focus on maintaining and enhancing brand and franchise value with support from the Sustainability Committee, established by the CHL Board.</p>	<ul style="list-style-type: none"> Proactive stakeholder engagement. Transparent communication procedures. Disclosure Committee. 	<ul style="list-style-type: none"> Stakeholder feedback and sustainability reports to the Board. Review of communications strategy and reputational risk indicators. Oversight by the Sustainability Committee and Board. 	<p>In 2025, reputational risk increased, influenced by greater media attention and management changes. These factors, together with underwriting portfolio refinement, led to increased interest from stakeholders. To address this, we placed emphasis on transparent communication regarding leadership transitions and maintained proactive engagement with external stakeholders.</p>	
Legal, regulatory and litigation				
<p>The risk of non-compliance with laws or regulations, or exposure to litigation resulting in financial or reputational harm</p> <p>Very low We seek to minimise our legal, litigation and regulatory risk by investing in our systems and people. We have no appetite for censure by regulators and tax authorities.</p>	<ul style="list-style-type: none"> Compliance plan and independent assurance. Proactive regulatory engagement. Ongoing legal and compliance training for all employees. Incident reporting and remediation tracking. 	<ul style="list-style-type: none"> Compliance and regulatory reports to the Board and Audit Committee. Review of legal developments and regulatory changes. Oversight of assurance activities and remediation progress. 	<p>The regulatory environment in Bermuda has remained steady in 2025. However, political developments in the US and other key markets continue to increase the level of uncertainty around trade and fiscal policy. While the external environment presents uncertainty, we maintain a strong compliance culture, reinforced by independent assurance and proactive regulatory engagement to ensure full adherence to applicable requirements.</p>	

People and Culture Report

Our people, our culture, our story.

“This year has seen an added focus on retaining and growing our talent through a year of transition.”



Introduction

At Conduit, our people are the foundation of our success and the driving force behind our disciplined and collaborative culture. We have thoughtfully built an inclusive team which reflects our values and a shared commitment to strive for excellence.

Our vision for Conduit’s culture is not just a set of values—it is how we operate every day. Our focus is to foster open communication, support continuous learning and hold ourselves accountable to high standards of professionalism and ethics. As we grow, we remain focused on preserving the entrepreneurial spirit and collaborative ethos that established Conduit.

2025 has been a year of transition for Conduit which has made the retention and development of our employees even more critical. Therefore, we have continued to invest in our people through inclusive hiring practices, support for learning and development opportunities, and cultivating a culture that encourages innovation in our ways of working and accountability across Conduit. Our approach to talent is underpinned by a belief that diverse perspectives and empowered individuals lead to better outcomes for our cedants, shareholders and communities.

Employee Engagement

As discussed in our Section 172 Statement on pages 41 to 42, Conduit has a Non-Executive Director responsible for oversight of engagement with the workforce, Malcolm Furbert, and more details are provided within this report.

Having a supportive and inclusive culture is important to us, and from 2022 to 2024 we conducted employee engagement surveys to track how employees were feeling about working at Conduit during our initial years of business. The results of these surveys were shared across Conduit as well as with Malcolm, who then provided his own observations on employee engagement to the Board. Additionally, Malcolm meets with a selection of employees across our workforce during the year and shares his insights from these meetings with the People and Culture team, the Executive Committee and the Board to supplement the insights gained from engagement surveys.

Given that 2025 has been a year of transition for Conduit, the Executive team and senior management have made sure they have been visible and approachable to staff through town halls, team gatherings and one-to-one meetings. In addition, Malcolm continued to hold his meetings with a selection of staff members. The feedback from these meetings endorsed the actions taken by the leadership team to support the evolving needs of our workforce.

People and Culture Report continued

Cultural transition: Listening to our people

As part of our ongoing cultural evolution, in 2025 we conducted a series of employee focus groups to explore how our values are understood and lived across the organisation. The People and Culture team held six focus group sessions with employees during the month of July and were delighted to have had 95% employee participation in these sessions.

The focus group sessions were designed intentionally to include cross-functional representation at each session and encourage open and respectful dialogue around the behaviours that best reflect our ideal cultural identity. Sessions provided our employees with a platform for dialogue which allowed team members to share feedback on not only Conduit's values but also the behaviours that best represent our values in practice.

These insights are informing updates to our internal communications, leadership development and performance assessment frameworks. We are committed to continuing this dialogue and fostering a culture which reflects the lived experience of our people.

Continuing to build-out our workforce

Given the changes experienced in the business during 2025, it was essential to review all business units and resources to ensure the teams had the appropriate staffing for a successful 2025 and beyond.

These reviews encompassed internal staffing level reviews for each team as well as role changes and promotions to ensure Conduit is aligned for success in delivery of the strategy.

During the year, Neil, previously our Executive Chairman, took on the role of CEO. We welcomed William Randolph as our CRO and Stephen Postlewhite to the team in late January 2026 as CUO. Additionally, we saw 13 staff members either promoted or moved into new roles more suited to their career aspirations during 2025 and welcomed new talent across every function of the business.

Learning and development

Conduit continues to demonstrate its commitment to our employees through supporting professional learning and development opportunities for all, including attendance at industry conferences and online training. At Conduit, we believe that supporting our employees' educational goals not only benefits their personal growth but also contributes to our collective success. This year, we have seen several of our team members advance their qualifications, with Conduit funding their exams and certifications. For some, this also included paid leave to support their studies.

Responsible Community Partner

We have embedded environmental, social and governance principles into our business

and operational activities. Conduit supports the community not only through monetary donations made via the Conduit Foundation to Bermuda-registered charities, but also through the year-round involvement of our employees in local charitable initiatives, as highlighted in our annual Sustainability Report and on our website.

These initiatives and community engagement programmes reflect our belief that sustainability and social responsibility begins with our people.

Heather Mello

Head of People and Culture
25 February 2026

Our values



Act Boldly & Challenge

We support each other to ask questions, challenge existing methods and stay curious. We are open to change and always look for better ways to do things.



Be Collaborative

We work together across teams, sharing information and building trust. Everyone takes responsibility and helps each other succeed.



Operate with Integrity

We do what we say and act honestly, treating everyone fairly and with respect. We own our decisions and learn from mistakes.



Celebrate Development

We learn and grow together, sharing what works and recognising progress. We use new ideas and technology to help everyone move forward.



Be Brave

We encourage each other to try new things and face challenges, even when there is uncertainty. Taking smart decisions helps us improve and build resilience.

A letter from our Sustainability Committee Chair

A letter from our Sustainability Committee Chair

“As Conduit celebrates its fifth anniversary, I am proud to reflect on the Company’s unwavering commitment to Bermuda’s community and environment.”



2025 sustainability highlights

Our key achievements are highlighted on page 37.

TCFD Reporting

We leverage our ClimateWise Report to meet our TCFD reporting requirements. Find out more on page 38.

As Conduit celebrates its fifth year since a successful IPO, I am proud to reflect on our unwavering commitment to Bermuda’s community and environment. It is clear to me that the progress made in a relatively short period demonstrates how deeply Conduit cares about connecting with and supporting the community in which it operates.

Immediately after launch, management established the Conduit Foundation to support local causes in Bermuda aligned with its priorities and the UN Sustainable Development Goals. Conduit committed to annual funding of the Foundation. Throughout 2021-25, The Conduit Foundation has donated over \$1.3 million to over 50 Bermuda-based charities through direct donations, sponsoring charitable events and matching employees’ donations. This is in addition to organising the Gala of Giving in 2023 and 2024, which, together with Bermuda peers, raised nearly \$800,000 for selected local charities.

These funds have made a real difference to charities working tirelessly across education, health, environmental stewardship and support for vulnerable populations. Some organisations have received consistent support throughout all five years, ensuring continuity where it matters most. Some examples of where a difference has been made from Conduit funds include:

- P.A.L.S. Cancer Care to purchase two nursing vans to provide home-based patient care visits along with funds to support their patient care programme expenses.
- Assisting HOME in their programme to support independent living for local rough sleepers.
- A bursary for the Bermuda College Foundation Vehicle Mechanics programme helping train students for jobs while supporting the transition to less polluting vehicles.
- Supporting the Bermuda National Trust to restore the boardwalk at Paget Marsh, which provides one of the only wheelchair-friendly access points to a nature reserve in Bermuda.
- Funds to enable children in Bermuda with dyslexia to receive support from the Core Reading Programme at the Reading Clinic.

Charitable giving is only part of the story. Organised initiatives for employees have included beach clean-ups, clearing invasive plants, planting native trees and shrubs, delivering hot meals to those less mobile every Friday and refurbishing a charity’s building damaged by hurricanes.

A letter from our Sustainability Committee Chair continued

Collectively, over the past five years, Conduit employees have donated an estimated 3,600 hours of their time to causes close to their hearts, supported by a volunteer allowance introduced in 2023 and Conduit-organised initiatives.

Equally important to me is Conduit's commitment to Bermuda's economy through local employment and talent development. As of 31 December 2025, Conduit employed 68 people, the majority of whom did not require a work permit.

Further, each summer, the team welcomes a new cohort of interns to gain professional skills and insight into Bermuda's (re)insurance market. In 2025, nine local students joined the team, a significant achievement for a company of Conduit's size. Over five years, 29 interns have participated in the programme, with three progressing to full-time roles, underscoring the success of our talent pipeline.

Through the Conduit Foundation, the team partners with the Association of Bermuda International Companies to provide multi-year scholarships. Currently, three Bermudian students are being sponsored by Conduit for university studies in Canada and the UK, supported by mentorship from senior leaders at Conduit.

By offering these opportunities, I believe Conduit is inspiring Bermuda's young talent to join the (re)insurance industry, equipping them with the knowledge and experience to thrive. In doing so, they are supporting both the sustainability of international business in Bermuda and the availability of jobs for local professionals.

I commend the Conduit team for their dedication to Bermuda's community, and look forward to continuing this journey together with ongoing initiatives to maximise our impact as a responsible company.

Lord Soames

Sustainability Committee Chair
25 February 2026

Case study

Championing biodiversity: Conduit’s partnership for a greener Bermuda

We were delighted to sponsor the planting of over 130 native and endemic plants as part of the Bermuda Youth Climate Summit.



As an island nation, Bermuda faces unique environmental pressures, including limited green spaces and biodiversity loss. These challenges underscore the importance of initiatives that restore ecosystems while engaging the community.

Through our Foundation, Conduit has supported the Bermuda Underwater Exploration Institute’s (“BUEI”) Youth Climate Summit since 2021. In 2025, we deepened this commitment by becoming a Champion Partner for their Trees for Scores initiative – a creative programme linking sports performance to environmental action. For every two goals in football and every 50 runs and ten wickets in cricket scored by Bermuda’s youth teams between August and November, one tree was planted for Bermuda’s future.

Conduit sponsored the planting of over 130 native and endemic plants at Sherwin and High Point nature reserves, managed by the Bermuda National Trust. Volunteers, including Conduit employees, came together to plant complete native ecosystems, including trees, shrubs and

ground cover, rather than planting individual trees. This approach maximises biodiversity, improves long-term survival rates, and enhances ecosystem resilience for generations to come.

The impact of this initiative is already visible. Nearly 400 plants have been added to Bermuda’s environment through collaboration with partner sponsors, creating accessible green spaces for local communities and engaging youth in environmental stewardship. These ecosystems increase the potential for local carbon capture, contributing to healthier air quality and offsetting some emissions. They also strengthen community ties through volunteer participation and sports-driven sustainability.

This project reflects our ambition to positively impact our stakeholders and our commitment to reduce our environmental footprint.

We are pleased to have partnered with BUEI and peer companies to contribute to a healthier, more resilient Bermuda and advance our vision of a sustainable future.



Native and endemic trees planted

130+

Sustainability Summary

Introduction

Sustainability is integral to Conduit’s strategy and long-term success. As a reinsurer, we operate in a sector directly exposed to climate-related risks, making responsible practices essential for resilience and value creation. More locally, we are committed to making a positive impact where we live and work.

Our approach focuses on transparency, minimising our environmental impact and supporting our stakeholders in light of climate change and societal issues.

Governance and approach

Sustainability oversight starts at CHL Board level, supported by management and our Sustainability Committee, which is attended by both Executives and Non-Executive Board members.

Each Executive Committee member has specific sustainability responsibilities embedded in their performance objectives.

Several sustainability related policies are in place at Conduit to support good practices. We have included on our website summaries of a number of these, of all which are reviewed regularly and updated as needed.

We also offer training to all employees on sustainability risks and opportunities, reinforcing our commitment to informed decision-making.

Underwriting

By providing coverage for climate-related events and transition risks, we help cedants manage volatility, reduce the global protection gap and support communities in adapting to climate change.

To minimise our impact, the impact of climate change and the related transition of our portfolio, we maintain strict underwriting standards. We do not actively seek sectors such as coal, Arctic drilling, oil sands, tobacco, gambling, controversial weapons and for-profit prisons, with mandatory peer review by the Chief Underwriting Officer or referral to the Executive Committee required for any portfolios that may include these exposures.

Investments

We have restrictions which mirror our underwriting approach embedded in mandates provided to our outsourced asset managers, all of whom are signatories to the UN Principles for Responsible Investment.

We support our employees to invest in personal residential solar panel infrastructure and electric cars by offering interest-free green loans.

Community partnerships

Through the Conduit Foundation, we actively support a range of local charities and community initiatives. In 2025, Conduit increased its donations to the Conduit Foundation to \$350,000 per year.

As a company, Conduit sponsors local charitable events, provides use of our office space for sponsored charities as needed and supports employees with time off to donate blood and participate in local charities’ annual drives.

Our employees also participate in organised activities such as beach clean-ups, charity impact days and weekly volunteering with Meals on Wheels throughout the year. In addition, each employee receives one day of paid volunteer leave annually to contribute to a cause of their choice.

Talent development

In 2025, we welcomed nine university students on our internship programme, one of whom has since joined Conduit full-time. This initiative reflects our commitment to developing skills and creating career opportunities within our industry.

More details on talent development can be found in the People & Culture Report on pages 32 and 33.

Carbon emissions

We disclose carbon emissions for which we are responsible, and for the fifth consecutive year since Conduit’s inception, we have maintained our commitment to offset our Scope 1 and 2, and select Scope 3, emissions. Offsets are carefully chosen to meet high-quality standards, including third-party verification and social impact benefits.

Certain emissions data is subject to limited assurance by KPMG. Their independent report can be found in our standalone Sustainability Report.

We also track emissions avoided through our green loans policy, with a long-term ambition for financed solar and electric vehicle initiatives to exceed our Scope 2 emissions.

Our emissions are disclosed on page 40.

Transparency and additional information

We publish to our website a standalone ClimateWise Report aligned with Task Force on Climate-related Financial Disclosures, with a disclosure reference table provided on the next page.

Further details are also included in our 2025 Sustainability Report and are available on our website.

Sustainability Summary continued

Below is a summary of our TCFD disclosures, which are intended to provide context alongside a reference to where each topic is explored in more depth. ClimateWise provides an industry-specific framework for TCFD reporting and is most meaningfully read as a standalone document, so it has not been reproduced in full in the Annual Report and Accounts. Our Sustainability Report is a free-form disclosure in which we add additional context and commentary, notably in relation to our associated metrics and the relevance of climate to each member of executive management. Both our 2025 Sustainability and ClimateWise reports are available to download on our website.

TCFD pillars	TCFD recommended disclosures	Disclosure status and reference to where disclosures have been made
<p>Governance Disclose the organisation’s governance around climate-related risks and opportunities.</p>	<p>A Describe the Board’s oversight of climate-related risks and opportunities.</p>	<p>See Principle 1 of our ClimateWise Report. The Board has held strategy sessions that have considered climate-related risks and opportunities and have established parameters within which management can operate. It receives regular reports and is also supported by the Sustainability Committee.</p>
<p>Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning where such information is material.</p>	<p>B Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>See Principle 1 of our ClimateWise Report and our Sustainability Report. Climate-related risk is integrated into various management policies. Each Executive Committee member has specific climate responsibilities as set out in our ClimateWise Report.</p>
	<p>A Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.</p>	<p>See Principles 1 and 3 of our ClimateWise Report. Climate-related risks and opportunities exist across our underwriting, investments and operations.</p>
	<p>B Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning.</p>	<p>See Principles 1 and 3 of our ClimateWise Report. Climate-related risks and opportunities exist across our underwriting, investments and operations that are relevant for our business, strategy and financial planning.</p>
	<p>C Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>See Principle 1 of our ClimateWise Report. Our planning time horizon and the short-tail nature of our insurance liabilities and asset portfolio limit the impact of a 2°C scenario on our business plan and short-term capital management.</p>

Sustainability Summary continued

TCFD pillars	TCFD recommended disclosures	Disclosure status and reference to where disclosures have been made
<p>Risk management</p> <p>Disclose how the organisation identifies, assesses and manages climate-related risks.</p>	<p>A</p> <p>Describe the organisation’s processes for identifying and assessing climate-related risks.</p> <hr/> <p>B</p> <p>Describe the organisation’s processes for managing climate-related risks.</p> <hr/> <p>C</p> <p>Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation’s overall risk management.</p>	<p>See Principle 1 of our ClimateWise Report.</p> <p>Our processes are integrated with our wider risk management framework described in the enterprise risk management report, as well as in in our Financial Condition Report which is available on our website.</p> <hr/> <p>See Principles 1 and 3 of our ClimateWise Report.</p> <p>Our processes are integrated with our wider risk management framework described in the Enterprise Risk Management Report, as well as in our Financial Condition Report which is available on our website.</p> <hr/> <p>See Principles 1 and 3 of our ClimateWise Report.</p> <p>Our processes are integrated with our wider risk management framework described in the Enterprise Risk Management Report, as well as in our Financial Condition Report which is available on our website.</p>
<p>Metrics and targets</p> <p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	<p>A</p> <p>Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <hr/> <p>B</p> <p>Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.</p> <hr/> <p>C</p> <p>Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.</p>	<p>See Principle 4 of our ClimateWise Report.</p> <p>Our metrics relate primarily to carbon neutrality and to our business partners’ commitments to climate matters.</p> <hr/> <p>Disclosed in this section of the Annual Report and Accounts.</p> <p>Further details can also be found in our ClimateWise Report.</p> <hr/> <p>See our Sustainability Report and Principle 4 of our ClimateWise Report.</p> <p>Our metrics relate primarily to offsetting Scope 1, 2 and select Scope 3 emissions (business travel including flights and hotels and employee commuting).</p>

Sustainability Summary continued

Carbon emissions

We have included in the table below our Scope 1 to 3 emissions for 2025 and 2024. We look to grow as sustainably as possible, with a focus on the average emissions per employee. For details on our methodology, our carbon offsets and our environmental commitments and priorities, please refer to Principle 4 of our ClimateWise Report which is available on our website.

Emission type ¹	Activity	Basis of measurement	2025		2024	
			Quantity	tCO ₂ e	Quantity	tCO ₂ e
Scope 1						
Direct	None		-	- ^Δ	-	-
Scope 2						
Indirect energy	Electricity	kWh	230,415		205,240	
	- location-based			154.2 ^Δ		152.4
	- market-based			154.2 ^Δ		135.2
Scope 3						
Indirect other	Business travel - air	Km	2,248,208	412.7 ^Δ	2,084,991	403.9
	Business travel - taxis ²	Spend		33.6 ^Δ		-
	Business travel - hotels	Nights	519	25.7 ^Δ	515	27.7
	Staff commuting	Km	188,143.0	20.6 ^Δ	191,907.9	21.6
Total gross emissions from our operations²						
	Gross emissions (location-based)			647.3 ^Δ		605.6
	Gross emissions (market-based)			647.3 ^Δ		588.4
	Carbon offset applied			(647.3)		(588.4)
	Net carbon impact from operations			-		-
Gross emissions per average employee						
	Average number of employees		64.2		63.5	
	Location-based			10.1 ^Δ		9.5
	Market-based			10.1 ^Δ		9.3
Gross emissions including our share of suppliers' emissions						
	Total gross emissions as per above market-based approach			647.3 ^Δ		588.4
	Share of suppliers' emissions ³ (purchased goods and services)			2,791.4		2,793.0
Grand total				3,438.7		3,381.4

¹ We are committed to continually improving our data collection and calculation process in line with the GHG Protocol guidance. If our methodology evolves in future years, our reported emissions may change.

² Estimated emissions for taxis have been calculated and presented for the first time in 2025.

³ For 2025 our methodology to calculate our share of suppliers' emissions was updated to use emissions intensities derived from CDP-reported data where available, and EPA EEIO factors for vendors who did not report to CDP. This is a new approach from 2024. We have recalculated and re-presented the comparative for 2024 to align to our new method.

^Δ KPMG performed limited assurance procedures inline with ISAE 3000 (Revised) and ISAE 3410 over these GHG disclosures. Their report is available in the appendix of the Sustainability Report.

Section 172 Statement and Stakeholder Engagement

Provision 5 of The UK Code requires boards to understand the views of key stakeholders and explain in the annual report how their interests, together with the matters set out in Section 172 of the UK Companies Act 2006, have been considered in Board discussions and decision-making. Conduit is a Bermuda-incorporated issuer and its directors are subject to duties under Bermuda company law. Although Conduit is not legally required to prepare a Section 172 Statement, the Board has chosen to do so as a matter of best practice in corporate governance.

The Board confirms that, during the year ended 31 December 2025, it discharged its duties to act in a manner that it believes promotes the long-term success of Conduit for the benefit of its members as a whole, while having regard to the matters set out in Section 172 of the UK Companies Act 2006. Further details on how these duties were fulfilled are provided in this statement.

Section 172 requires directors to have regard, among other matters, to:

- the likely long-term consequences of any decision;
- the interests of the company's employees;
- the need to foster business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of maintaining a reputation for high standards of business conduct; and

- the need to act fairly between members of the Company.

Stakeholder engagement

- In 2025, Conduit continued to prioritise engagement with key stakeholders to understand their perspectives and assess the potential long-term implications of strategic decisions.
- The Board considered broker and client relationships, shareholder and employee engagement, interactions with governments and regulators, rating agency engagement, environmental matters and Conduit's impact on and relationship with the local community. These factors were taken into account in the Board's discussions and decision-making throughout the year.

Brokers and clients

- Strong relationships with the reinsurance broking community and cedants are fundamental to Conduit's success. In reviewing Conduit's strategy and business planning, the Board received reports on broker and cedant engagement and noted the significant support provided to Conduit.

Shareholders

- In 2025, representatives of Conduit held over 200 meetings with investors, both one-on-one and via group calls. The Interim Chair, CEO, CFO, Deputy CEO and Head of Investor Relations met regularly with shareholders, including quarterly sessions to review trading

results and ad hoc meetings to discuss specific matters. Feedback from these engagements was presented to the Board on a regular basis and informed its discussions and decisions on strategy and business planning.

- The Board and management recognise the value of ongoing dialogue with shareholders and have adopted an active engagement strategy to understand their priorities, hear their expectations and share Conduit's views. The Board remains committed to being proactive, transparent and accessible, and shareholders are encouraged to raise questions at any time.
- Further information, including contact details, is available in the Investor Relations and Regulatory News Service section of the Conduit website (conduitreinsurance.com).

Employees

- Malcolm Furbert continued to serve as Conduit's Non-Executive Director responsible for workforce engagement. During the year, Malcolm met with the COO and Head of People and Culture to discuss employee engagement. The Board received reports on these discussions and on the activities of the People and Culture team, ensuring that workforce views were considered in Board and management decision-making.
- During 2025, the Head of People and Culture conducted detailed reviews of Conduit's people policies and procedures to ensure they remain robust, current and competitive within the market. The Board was kept informed of

recruitment activities, noting that headcount increased to 68 as at 31 December 2025.

- In 2025 employees completed compliance training, covering key topics including sanctions, information security and cyber risk, anti-money laundering, anti-terrorist financing, anti-bribery and corruption, conflicts of interest, and compliance with tax and regulatory guidelines. Training also included Conduit's Code of Conduct and whistleblowing procedures.
- Conduit prioritises transparent and open communication with employees. Regular "town hall" meetings were held throughout the year to provide updates on key company matters and performance. These sessions are designed to foster a culture of inclusivity and ensure alignment with Conduit's goals and objectives.

Government and regulators

- The Board recognises the importance of monitoring legal and regulatory developments and maintaining open, constructive engagement with all relevant authorities. Conduit's principal operating subsidiary, CRL, is licensed and supervised by the BMA. Members of the management team held quarterly meetings with the BMA throughout the year, and the Board received regular reports on governmental, legal, regulatory and supervisory matters, including communications arising from these meetings. This information was considered and incorporated into strategic decision-making and business planning.

Section 172 Statement and Stakeholder Engagement continued

- In 2025, Conduit renewed and, where necessary, expanded its reciprocal jurisdiction reinsurer (“RJR”) status in various US states, reducing the need for CRL to post collateral to support cedants in those jurisdictions.
- The Bermuda Corporate Income Tax Act 2023 was enacted in late 2023 and applies for fiscal years commencing from 1 January 2025. Conduit does not currently meet the criteria to fall within the scope of the corporate income tax regime and has no plans to do so. Conduit continues to monitor developments closely and, through its membership of industry associations such as the Association of Bermuda Insurers and Reinsurers (“ABIR”), provided feedback to the Bermuda Government on related legislation where appropriate. The related Bermuda Tax Credits Act became law in December 2025. Conduit has assessed the impact of this Act on its financial position. Further information is available in note 10 to the consolidated financial statements on page 147.
- The Bermuda Personal Information Protection Act 2016 (“PIPA”), which became effective on 1 January 2025, remained a key area of focus. CRL also reviewed its adherence to the BMA Code of Conduct, and regular training sessions were conducted to reinforce ethical behaviour and compliance standards.
- Under the new UK Listing Rules effective 29 July 2024, Conduit was automatically included in the Equity Shares (Transition) (“EST”) category. This change did not affect CHL’s regulatory obligations, as the EST rules

mirror those of the former standard listed segment. Conduit intends to move to the Equity Shares (Commercial Companies) (“ESCC”) category in due course.

- Provision 29 of the UK Code, effective for financial periods beginning on or after 1 January 2026, requires boards to review the effectiveness of material controls and report on risk management and internal control frameworks. Conduit commenced preparations during 2025 for the implementation of Provision 29 by conducting reviews of its controls to identify material controls for the purposes of the UK Code and providing training to directors and senior management.
- Bermuda’s new beneficial ownership framework came into force in November 2025. Conduit is exempt from these requirements as its shares are listed on the LSE.

Rating agencies

- CRL maintains an AM Best Financial Strength Rating of A- (Excellent) and a Long-Term Issuer Credit Rating of “A-” (Excellent). These ratings are critical to Conduit’s success and are a key consideration in Board decisions relating to capital adequacy, risk management and underwriting.
- Management kept AM Best regularly informed of developments within CRL and provided the Board with feedback from meetings and interactions with the agency.
- In September 2025, management delivered a comprehensive presentation to AM Best as part of its annual review. Subsequently, in

December 2025, AM Best affirmed CRL’s Financial Strength Rating of A- (Excellent) and Long-Term Issuer Credit Rating of “A-” (Excellent), and revised the outlook from “positive” to “stable”.

Our community and the environment

- As outlined in the sustainability summary on pages 34 to 40, environmental matters and community engagement have been central to Conduit since the business was established.
- The Board’s decision-making reflects an awareness that certain economic activities can have adverse consequences. As detailed in the sustainability summary from page 34, relevant sustainability criteria are incorporated into our decisions.
- Conduit offsets Scope 1 and Scope 2 emissions, and emissions caused by business travel, hotel nights, taxi usage and staff commuting.
- Conduit supports the community through initiatives such as the Conduit Foundation. The Foundation’s mission encompasses assisting organisations and outreach projects focused on environmental sustainability, diversity and inclusion, education and Bermuda’s vulnerable populations.

Principal decisions

- The Board reviewed a series of tactical measures to strengthen Conduit’s underwriting performance and risk profile. These included enhancing the outwards reinsurance programme and refining the portfolio to optimise net exposures. The Board also

reviewed the rationalisation of quota share arrangements, alongside an increased appetite for excess of loss business over time. These actions are intended to lower attritional loss exposure and improve diversification, supporting more consistent returns over time.

- To underpin these decisions, the Board endorsed targeted senior appointments across key functions, bringing additional expertise and fresh perspectives to Conduit.
- Reflecting continued confidence in the Group’s long-term objectives, the Board also authorised a \$50 million share Buyback Programme.
- In addition, the Board approved Conduit’s 2026 business plan, which incorporates the lessons learned from the events and experience of 2025, including the early-year wildfire losses and the organisational changes undertaken. The plan embeds a more disciplined approach to risk selection, tighter exposure management and a clear alignment between underwriting strategy, capital deployment and expected returns through the market cycles.

Neil Eckert
CEO
25 February 2026

Elaine Whelan
CFO
25 February 2026

Corporate Governance



Remuneration at a Glance

For a summary of Conduit's remuneration go to page 68.

[Read more](#) →

In This Section:

At a Glance	44
Board of Directors	45
Introduction to Corporate Governance	50
Corporate Governance and Compliance with the UK Corporate Governance Code	53
Nomination Committee Report	58
Audit Committee Report	62
Remuneration at a Glance	68
Directors' Remuneration Report	69
Directors' Remuneration Policy and Policy Table	72
Notes to the Directors' Remuneration Policy	77
Annual Report on Remuneration	81
Directors' Report	99
Directors' Responsibilities Statement	104



Governance at a Glance

Our 2025 Governance Report sets out the composition of our Board and explains how our Board governance framework operates, alongside the key areas of focus of Conduit's Board and Board Committees in 2025.



Board independence

67%

2024: 67%

Board meeting attendance

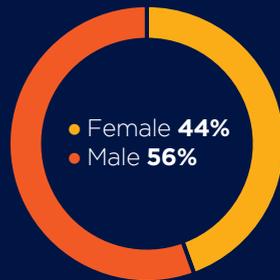
100%

2024: 97%

Board inclusion

In keeping with our commitment to diversity and inclusion, 44% of our Board are female professionals with a wide breadth of experience and expertise.

To view how we comply with The UK Code, please see page 53.



Introduction to Corporate Governance

Rebecca Shelley
Interim Chair

[Read more →](#)

Directors' Remuneration Report

Rebecca Shelley
Committee Chair

[Read more →](#)



Nomination Committee Report

Ken Randall
Committee Chair

[Read more →](#)



Audit Committee Report

Elizabeth Murphy
Committee Chair

[Read more →](#)



Board of Directors

Rebecca Shelley

Interim Chair and Non-Executive Director

Appointed: 24 July 2023

Skills and experience:

Rebecca Shelley brings extensive commercial and financial services experience to the Board, as well as her background of market-facing roles at listed companies. Having been Investor Relations and Corporate Communications Director at Norwich Union plc from 1998-2000, Rebecca moved to Prudential plc in 2000 as Investor Relations Director and then Group Communications Director with a seat on their Group Executive Committee.

From 2012 to 2016, Rebecca was the Group Communications Director of Tesco plc and a member of their Executive Committee. During this time she held positions on the board of the British Retail Consortium and was a trustee of the Institute of Grocery Distribution. In her final executive role Rebecca spent three years at broker TP ICAP plc as Group Corporate Affairs Director, and was a member of the Global Executive Committee. Rebecca currently serves as Board Chair and previously served as Chair of the Remuneration Committee of Sabre Insurance Group plc from 2017 to 2023.

External directorships:

Sabre Insurance (chair), Liontrust Asset Management and Hilton Food Group.

CHL Board Committee memberships:

Remuneration Committee (chair) and Nomination Committee.



Neil Eckert

Executive Director and Chief Executive Officer

Appointed: 7 October 2020

Skills and experience:

Neil Eckert is Chief Executive Officer and an Executive Director of CHL.

Neil is an entrepreneur with more than four decades of (re)insurance industry experience and has a proven track record in the industry having held various roles since 1980, many of which involved starting new enterprises.

Beginning as a reinsurance broker, he rose through the ranks to board member at Benfield, Lovick & Rees & Co. Neil then founded Brit Insurance in 1995 and remained its CEO until 2005, following which he served as a non-executive director of the company until 2008. He was co-founder and CEO of Climate Exchange Plc and founder of Aggregated Micropower.

External directorships:

Incubex Ltd, Ebix Inc., Boutique Modern Holdings Limited, Chalvington Management Limited, NCX Family Office, Chalvington Batteries Limited, Chalvington Properties Limited, 10 Avis Way Limited, Bellaroma Investments Limited, Bellaroma South West Limited, NCX Consultants Limited, Old Mill Park Limited, Neil Eckert Investments Limited, Education Opportunity Limited, GWCT Natural Capital Advisory Limited, Arkley (South West) Limited) Seago Yachting Limited, Ripe Village Stores, NCEX Limited, Wingrove House Limited and Titan (South West) Limited.

CHL Board Committee memberships:

n/a



Board of Directors continued

Elaine Whelan

Executive Director and Chief Financial Officer

Appointed: 14 January 2021

Skills and experience:

Elaine Whelan is the Chief Financial Officer and an Executive Director of CHL.

Elaine is an accomplished and experienced public company CFO who has worked in the insurance and reinsurance industry for over 25 years. She is a member of the Institute of Chartered Accountants of Bermuda and a member of the Chartered Professional Accountants of Bermuda and a member of the Institute of Directors. After qualifying as a Chartered Accountant, Elaine joined Coopers & Lybrand in Bermuda in 1997. From 2001 to 2006, she held a number of positions at Zurich Insurance Company, Bermuda Branch, ultimately as Chief Accounting Officer. In 2006, she joined the Lancashire Group as Financial Controller.

She subsequently performed various financial and management roles for the Lancashire Group, including as CEO, Lancashire Insurance Company Limited. From January 2011 to February 2020, Elaine was Group CFO, Lancashire Holdings Limited, and she was also a main board director from January 2013 to February 2020.

Elaine is responsible for all aspects of Conduit Re's financial management and reporting, is also a Director of CRL and a member of the Executive Committee.

External directorships:

Cameron Holdings Inc., Salthouse Property Inc. and Lomond Property Holdings Limited.

CHL Board Committee memberships:

n/a



Ken Randall

Senior Independent Non-Executive Director

Appointed: 18 November 2020

Skills and experience:

Ken Randall is a certified accountant and has worked in the insurance industry for more than 50 years. During the early 1980s, Ken was head of regulation at Lloyd's. From 1985 until 1991 Ken served as chief executive of the Merrett Group, which managed a number of prominent syndicates at Lloyd's.

In 1991, Ken left Merrett and, with Alan Quilter, set up the Randall & Quilter Group, whose principal subsidiary, the Eastgate Group, grew into one of the UK's largest third-party providers of insurance services with 1,300 employees. Eastgate was sold to Capita Plc in November 2000.

Following the sale of Eastgate, Ken and Alan refocused Randall & Quilter on to the acquisition of non-life legacy run-off portfolios and again developed an insurance-servicing business in London and the US. Initially, the Randall & Quilter Group's service offering focused on legacy portfolios and later developed a fast-growing programme management business in Europe and the US. Ken retired from Randall & Quilter in 2021.

External directorships:

Roosevelt Road Re Ltd, Renaissance Capital Partners Limited, Financial Guaranty Insurance Company (UK) Ltd and Leamington Insurance Advisors Ltd (Bermuda), W.T. Butler & Co Ltd.

CHL Board Committee memberships:

Audit Committee, Nomination Committee (Chair) and Remuneration Committee.



Board of Directors continued

Elizabeth Murphy

Independent Non-Executive Director

Appointed: 18 November 2020

Skills and experience:

Elizabeth Murphy has worked in the insurance and reinsurance industry for more than 30 years. Elizabeth qualified as a Chartered Accountant with Coopers & Lybrand in London and moved to work for them in Bermuda. She continued her career with ACE Tempest Reinsurance Ltd. as Chief Financial Officer from 1993 to 2000 and as Treasurer of ACE Limited for the next two years.

From 2002 to 2006, Elizabeth worked for Scottish Re Group Limited, as Chief Financial Officer and Executive Vice President. From 2006 to 2008 she was an executive director of Kiln Limited, chair of the compensation committee and non-executive member of the audit committee and also served on the board of SCPIE Holdings Inc. where she was a member of the audit committee and stock option committee. From 2009 to 2015 Elizabeth was an executive director and chief financial officer of Amlin Bermuda Ltd., Amlin AG and a member of the risk committee. From 2018 to 2024 she was a non-executive director of Bernina Re Holdings Ltd. and Bernina Re Ltd. and served on a number of committees.

External directorships:

n/a

CHL Board Committee memberships:

Audit Committee (Chair) and Nomination Committee.



Malcolm Furbert

Independent Non-Executive Director

Appointed: 18 November 2020

Skills and experience:

Malcolm Furbert is a corporate and regulatory lawyer with over 30 years' experience including as a corporate lawyer with one of Bermuda's leading law firms and over 15 years' diverse in-house legal counsel and management experience with Bermuda-based insurance and reinsurance companies (including American International Company Limited, Catlin Insurance Company Limited and XL Catlin), most recently as General Counsel and Head of Compliance & Regulatory Affairs for the Bermuda operations of XL Catlin, a Bermuda-based global re/insurance company (following the acquisition of the Catlin Group by XL Capital).

In these roles he provided general and transactional legal and regulatory advice and support to all business areas, and had oversight over the Bermuda compliance function. He also acted as company secretary to both regulated and non-regulated group companies.

He is a member of the Bar of England and Wales and the Bermuda Bar.

External directorships:

Somers Corporate Services Limited and Arden Reinsurance Company Ltd.

CHL Board Committee memberships:

Remuneration Committee and Nomination Committee.



Board of Directors continued

Michelle Seymour Smith

Independent Non-Executive Director

Appointed: 15 September 2021

Skills and experience:

Michelle Seymour Smith has over 30 years of experience in the insurance and reinsurance industry, with expertise in financial leadership, operational transformation and strategic growth.

Michelle began her career with Arthur Andersen in 1995. She held positions in the finance operations of Zurich Global Energy and XL Capital Ltd. In 2004, she joined Arch Reinsurance Ltd as Vice President, Controller. She performed several roles at Arch Re including Chief Financial Officer and Chief Operating Officer, building and overseeing the financial operations of the Bermuda-based insurance, reinsurance and mortgage divisions and their international reinsurance subsidiary division. She served as the Chief Transformation Officer of Arch Capital Group Ltd until 2019, leading a global programme to grow business and improve operational efficiency. Michelle is a member of The Chartered Professional Accountants of Bermuda and the Institute of Directors.

External directorships:

Transport Intermediaries Mutual Association Ltd., Bermuda Public, Accountability Board, Muuvment, Association of Bermuda International, Companies, Centennial Foundation, Prismic Life Reinsurance, Ltd, Prismic Life Holdings GP LLC and Prismic Life Holding LP.

CHL Board Committee memberships:

Audit Committee and Nomination Committee.



Stephen Redmond

Independent Non-Executive Director

Appointed: 14 May 2024

Skills and experience:

Stephen Redmond has worked in the insurance industry for in excess of 45 years and brings extensive insurance and reinsurance experience to the Board. Stephen commenced his career at General Accident before joining Eagle Star. During this time, he became one of the leading marine underwriters in the London Company market.

Stephen joined Württembergische Versicherung AG in 1999. From 2002-19 he served as managing director of Württembergische. In 2008 Württembergische formed Antares Syndicate 1274, where Stephen was active underwriter. Antares Managing Agency was subsequently formed in 2010 and Stephen served as managing director until the business was successfully sold in 2014. Stephen assumed the role of chief transformation officer for 2019-20.

Stephen is FCII qualified and has held the roles of chairman of The Institute of London Underwriters, and of the Joint Hull Committee. During his career Stephen has also been a member of numerous London Market Committees.

External directorships:

Asta Managing Agency Ltd.

CHL Board Committee memberships:

Remuneration Committee and Nomination Committee.



Board of Directors continued

Nicholas Shott

Independent Non-Executive Director

Appointed: 4 November 2025**Skills and experience:**

Nicholas Shott is an experienced non-executive director with a distinguished career spanning investment banking, media, and public service. He brings over 30 years of financial and strategic expertise to Conduit, having held senior leadership roles at Lazard, including Vice Chairman of European Investment Banking, Head of UK Investment Banking and as a member of Lazard's London Management Board. During his tenure, he advised major corporates on complex transactions and long-term strategy.

Earlier in his career, Nicholas held senior executive roles in the UK newspaper industry, including General Manager of the Evening Standard and Sunday Express, and Group Marketing Director at Express Newspapers.

He served from 2016 to 2025 as an Independent non-executive director at Phoenix Group Holdings, where he chaired the Remuneration Committee and the M&A Advisory Group and was a member of the Audit, Nomination and Sustainability Committees. His board experience is marked by a strong grasp of governance, remuneration, strategic advisory and regulatory oversight.

External directorships:

n/a

CHL Board Committee memberships:

Remuneration Committee and Nomination Committee.

**Greg Lunn**

General Counsel and Company Secretary

Appointed: 3 November 2020**Skills and experience:**

As General Counsel and Company Secretary, Greg Lunn leads Conduit's legal and compliance functions and provides governance and regulatory oversight to the Board and Executive Committee. With more than 25 years of senior in house experience in the global insurance industry, he brings deep knowledge of corporate, regulatory and transactional matters.

Greg previously served as Group General Counsel for Lancashire Holdings Limited. Prior to this role, he spent nearly ten years with the ACE Group (now Chubb) in a variety of senior legal and compliance roles across Europe and the UK.

At Conduit, Greg is responsible for maintaining the Group's governance framework, supporting regulatory compliance and ensuring clear and effective legal and corporate oversight. He also serves on the board of CRL and is a member of the Executive Committee.



Introduction to Corporate Governance

Strong governance and strategic oversight have guided Conduit through a year of transition

“Conduit is resilient and well positioned to deliver sustainable returns across future market cycles.”



Introduction

With a robust governance framework underpinning its oversight role and strategic objectives, the Board guided Conduit through a year of transition, marked by significant exposure to the California wildfires which occurred in January, followed by several leadership changes, including the appointment of Neil Eckert as Chief Executive Officer upon the retirement of Trevor Carvey, the previous incumbent. We also welcomed Nicholas Shott as an Independent Non-Executive Director. I assumed the role of Interim Chair in May 2025 to provide stability and continuity during this period of change.

The Board recognised the importance of selecting the right candidate for permanent Chair, in line with The UK Code and best practice for UK-listed companies. The process was supported by a professional search consultancy. Nicholas Shott was appointed as permanent Chair in February 2026. Throughout this process, the Board remains well positioned to lead the delivery of sustainable, long-term returns across market cycles.

Governance and compliance

The Board evaluates governance against The UK Code and monitors compliance with Bermuda law and regulations. Authority over material matters remains appropriately vested at Board level through a formal schedule of reserved matters, reviewed regularly. In 2025, alongside quarterly Board and committee meetings, the Board held education sessions on key topics, including changes to the UK Listing Rules, Market Abuse Regulations and updates to the UK Code, such as Provision 29.

Feedback from the 2025 Board effectiveness evaluation confirmed that, while opportunities for improvement remain, the boardroom environment continues to support open contribution, constructive debate and critical thinking. Directors noted strengthened engagement with management and overall improvements in reporting, while recognising that further refinement of clarity, conciseness and strategic signposting would enhance decision-making.

Introduction to Corporate Governance continued

Strategic oversight

In terms of strategic oversight and decision-making, the Board:

- Reviewed tactical adjustments to strengthen business resilience and reduce volatility.
- Reviewed the optimisation of the underwriting portfolio by increasing appetite for excess of loss business over time.
- Reviewed the enhancement of outwards reinsurance and retrocession coverage, particularly for peak and secondary perils, to improve the management of net exposures.
- Oversaw targeted senior appointments, including a new Chief Underwriting Officer, to reinforce underwriting discipline and strength of the organisation.
- Approved capital management initiatives, including the authorisation of a \$50 million share Buyback Programme and continued dividend payments, reflecting confidence in long-term objectives and balance sheet strength.
- Ensured all strategic decisions were taken with due regard to the principles and provisions of The UK Code and best practice for UK-listed companies.

Conduit's strategy, updated to reflect prevailing market conditions and tactical adjustments, was reaffirmed by the Board in 2025. The updated plan sets a three-year horizon and continues to prioritise disciplined underwriting, portfolio diversification and sustainable long-term returns.

Dividend policy and dividend payments

Conduit may pay dividends at such times and in such amounts as the Board determines appropriate and subject to the Board being satisfied that to do so will not prejudice CRL's ability to maintain at least an AM Best A- (Excellent) Financial Strength Rating and subject to applicable law and regulations.

Conduit expects to generate significant returns over time for its shareholders and to provide an ongoing dividend, recognising that some earnings fluctuations are to be expected. Conduit is currently targeting a dividend of approximately 5% to 6% of equity capital raised at the IPO, allocated between an interim and final distribution. On 17 February 2026, Conduit's Board of Directors declared a final dividend for 2025 of \$0.18 (approximately £0.13) per Common Share, which will result in an aggregate payment of \$29.2 million. This final dividend followed an interim dividend of \$0.18 (approximately £0.13) per Common Share declared on 29 July 2025.

Depending on Conduit's results and general market conditions, CHL may also from time to time consider the payment of special dividends and returns of capital to shareholders by way of share buybacks.

Special dividends (if any) are likely to vary significantly in amount and timing.

All dividends and returns of capital will be subject to the future financial performance of Conduit, including results of operations and cash flows, Conduit's financial position and capital requirements, rating agency considerations, general business conditions, legal, tax, regulatory and any contractual restrictions on the payment of dividends and any other factors the Board deems relevant in its discretion, which will be taken into account at the time.

Share purchases by Conduit's EBT

During 2025, Conduit's EBT continued with on-market purchases of Conduit's shares. Shares purchased are held in the EBT to meet future obligations under CHL's variable incentive schemes. Unless specifically directed by CHL, the Conduit EBT Trustee will abstain from exercising its voting rights over the shares held by the Conduit EBT at any general meeting of CHL. If CHL directs that the Conduit EBT Trustee may vote, CHL cannot direct the manner in which the Conduit EBT Trustee exercises its votes.

Further details of the share purchases are set out in the Directors' Report on page 100 and in note 17 to the consolidated financial statements on page 159.

Share buybacks

In May 2025, the Board approved a share Buyback Programme of up to \$50 million, to run until the May 2026 AGM. This Buyback falls within the limit previously approved by shareholders.

The Board will seek a renewal of shareholder authority to make share repurchases at the 2026 AGM.

Opportunities and risks

During 2025, global insured losses from natural and man-made catastrophes were approximately \$127 billion. Despite this, pricing conditions began to soften, particularly in the property and specialty sectors, although trends varied by class. Conduit continued to identify and pursue opportunities to deploy capacity into classes we believe are offering the most attractive return profiles.

While market behaviour has generally remained rational following several years of rate increases, a range of uncertainties and influencing factors persist. These include the potential impact of climate change, heightened geopolitical tensions, economic and social inflation, the availability of market capital, interest rate movements, regulatory developments, litigation trends, and the growing influence of alternative capital and insurance-linked securities.

Conduit remains well positioned to incorporate these factors into underwriting and reserving practices, intending to stay nimble with the ability to grow or contract selectively as conditions warrant throughout market cycles. However, as a reinsurer, exposure to major loss events is inherent in our business model. While we strive to manage volatility, underwriting results will always

Introduction to Corporate Governance continued

reflect market behaviour and the unpredictability of major loss events.

Further details of risk factors are provided in section 3 of the notes to the consolidated financial statements on page 124.

Stakeholder engagement

We place significant importance on stakeholder feedback as part of our governance considerations.

Employee engagement continued under the leadership of Heather Mello, Head of People and Culture, and Stuart Quinlan, Deputy CEO and COO, who worked with Malcolm Furbert in his capacity as non-executive director responsible for engagement to ensure open dialogue with staff.

Executives maintained regular quarterly meetings with the BMA to keep the regulator informed of business progress and developments.

The Interim Chair met with several shareholders during the year, while the CEO, supported by the Head of Investor Relations and frequently the CFO or the Deputy CEO, held numerous shareholder meetings. Conduit also hosted quarterly investor and analyst calls to provide updates and address questions.

Further details of our stakeholder engagement activities are set out in the Section 172 Report on page 41.

Purpose, values, strategy and culture

Our core values underpin everything we do and play a key role in shaping our strategy and supporting our objective of being a reinsurance business that delivers long-term stakeholder value. We expect all Conduit Directors and employees to consider and apply these values when making decisions, performing their duties and representing Conduit. For further details, please refer to our People and Culture Report on page 32.

In-camera sessions

In addition to the activities of each committee described in the respective reports, regular in-camera sessions of the independent directors, led by me (initially as Senior Independent Director and then as Interim Chair) were held at each scheduled Board meeting without management present.

Induction

All CHL Non-Executive Directors completed an induction programme covering their duties and responsibilities as directors of a company listed on the main market of the London Stock Exchange. Nicholas Shott, appointed to the Board in 2025, undertook a comprehensive induction process as part of his appointment.

The year ahead

In 2026 governance priorities include:

- Maintaining stability and retention of staff following leadership changes.
- Supporting execution of strategy and portfolio rebalancing towards excess of loss reinsurance.
- Monitoring business performance and market conditions in a softening environment.
- Completing Board succession planning, including appointing a permanent Chair and a replacement Chair of the Audit Committee.
- Enhancing Board reporting and Director education.
- Continuing to review and enhance Conduit's control environment, with particular focus on Provision 29, ensuring robust monitoring of the effectiveness of all material controls.
- Continuing to monitor changes in the corporate tax environment that may impact Conduit.

Rebecca Shelley

Interim Chair
25 February 2026

Corporate Governance and Compliance with the UK Corporate Governance Code 2024

The UK Code

On 29 July 2024, the FCA’s new UK Listing Rules came into effect. Conduit’s shares were automatically included in the EST category, which was introduced to allow existing standard segment companies to continue under current rules. Conduit intends to transition to the ESCC category on the Main Market of the London Stock Exchange in due course.

As a Bermuda-incorporated company listed in the EST category and admitted to trading on the LSE, Conduit is not required to comply with, or explain non-compliance with, The UK Code published by the FRC in January 2024 (which applies to this reporting period). Nevertheless, the Board has chosen to comply, or explain any non-compliance, as part of its commitment to the highest standards of corporate governance.

Compliance statement

The Board considers that, for the financial year ended 31 December 2025, Conduit complied with the provisions of The UK Code, except as follows:

- **Provision 10:** Until 14 May 2025, Conduit did not comply because Neil Eckert served as Executive Chair and was not independent at appointment, being a founder of Conduit. During this period, 67% of the Board (excluding the Chair) comprised independent Non-Executive Directors and the roles of Chair and CEO were held by separate individuals. Following the retirement of Trevor Carvey, Neil became CEO and Rebecca Shelley was appointed Interim Chair. Rebecca was

independent upon appointment as Interim Chair.

- **Provision 32:** During 2025, Rebecca Shelley held the roles of Interim Chair and Chair of the Remuneration Committee. This arrangement was temporary and reflected the Board’s priority to maintain stability and continuity during a period of leadership transition. Rebecca brings extensive governance and remuneration experience, which the Board considered critical at this time. The Remuneration Committee comprises a majority of independent Non-Executive Directors, each with significant committee experience, ensuring robust challenge and oversight of remuneration matters. The Board is satisfied that appropriate safeguards were in place and that Rebecca’s dual role did not compromise independence or decision-making integrity. The search for a permanent Board Chair has since concluded with the appointment of Nicholas Shott.
- **Provision 37:** Conduit does not comply with the requirement for all remuneration schemes to allow discretion to override formulaic outcomes. At inception, the Management Incentive Plan (“MIP”) was designed with absolute calibration and no discretionary element. The MIP was established prior to Conduit’s IPO in 2020, and no further MIP awards will be made. Malus and clawback provisions apply. Further details are available in the Directors’ Remuneration Report, Conduit’s IPO Prospectus and the 2020 Annual Report and Accounts.

Governance framework

Conduit maintains a streamlined corporate structure underpinned by a clear governance framework. The Board retains overall responsibility for the Company and has established three principal committees: Audit, Nomination and Remuneration. The terms of reference for these committees are available on Conduit’s website and are updated as required.

In addition, the Board has constituted a non-board advisory committee focused on sustainability and corporate responsibility matters. This committee is chaired by Lord Nicholas Soames, an experienced and independent industry figure who is not otherwise involved with Conduit as a Director or Officer.

The Audit Committee oversees the effectiveness of management’s processes for monitoring and reviewing risk management and internal control systems in relation to financial reporting. Further details are provided on pages 62 to 67.

Operating Conduit governance

For day-to-day operations, the CHL Board relies on the CRL operating company Board, which includes four Independent Non-Executive Directors (Ken Randall (Chair), Malcolm Furbert, Elizabeth Murphy and Michelle Seymour Smith), each of whom is also a Director of CHL and brings extensive board and operational experience in regulated reinsurance companies in Bermuda.

The CRL Board has established four sub-committees: Risk, Capital and Compliance; Audit; Strategy; and Underwriting. It also oversees an Executive Management Committee comprising the CEO and senior executives.

CRL operates a strict “three lines of defence” model. Second-line functions (such as elements of actuarial, risk and compliance) report to either the CRL Audit Committee, the CRL Risk, Capital and Compliance Committee, or the CRL Board. Third-line functions (Internal and External Audit and the Independent Loss Reserve Specialist) report to the CRL Audit Committee.

All Non-Executive Directors are encouraged to attend Board and committee meetings across Conduit as observers, particularly at CRL, reinforcing our commitment to open and transparent governance.

Policies and compliance

Conduit has a comprehensive suite of policies and procedures to strengthen governance and ensure compliance. These include the employee Code of Conduct, Whistleblower Policy and policies covering anti-bribery and corruption, anti-money laundering and counter-terrorism financing, anti-trust and competition, confidentiality, conflicts of interest, gifts and hospitality, discrimination and environmental, health and safety standards. All policies are accessible via the Conduit intranet and regular compliance training is provided to staff. Summaries of key policies are also available on Conduit’s website.

Corporate Governance and Compliance with the UK Corporate Governance Code continued

To support transparency and accountability further, Conduit engages an independent external specialist to provide a whistleblowing service, enabling employees to report concerns anonymously or otherwise by telephone or secure online submission.

Board composition

Conduit’s Board comprises a diverse blend of experience and expertise across insurance, financial services, accounting, regulation and governance. It oversees Conduit’s trading activities and its operation as a public company.

Biographical information for each Director, including experience, qualifications, and skills, is provided on pages 45 to 49.

Succession planning was a key focus for both the Nomination Committee and the Board in 2025 and will remain a priority in 2026. Further details are included in the Nomination Committee Report on page 58.

Non-Executive Director independence

The UK Code recommends that at least half the Board, excluding the Chair, should comprise independent Non-Executive Directors. The Board has determined that six out of nine Directors are independent Non-Executive Directors (Malcolm Furbert, Elizabeth Murphy, Ken Randall, Stephen Redmond, Michelle Seymour Smith and Nicholas Shott) are independent in character and judgement and free from relationships that could affect this independence. Rebecca Shelley was independent upon her appointment as Interim Chair.

Conduit has two Executive Directors (the CEO and CFO) and seven Non-Executive Directors, six of whom are independent.

Board meetings and attendance

The Board meets at least quarterly and more often dependent upon circumstances. It also receives additional updates on significant matters during intervening months when no formal meetings are scheduled. Further meetings are convened as required, including those relating to committee business. All Directors receive an agenda and supporting papers in advance of each meeting.

As part of its risk management framework, Conduit adheres to regulatory and tax operating guidance commonly applied to Bermuda-based groups. This guidance requires that the location of Board and committee meetings, as well as related decision-making, remains in Bermuda.

The number of Board and committee meetings attended by each Director during the year ended 31 December 2025, relative to the number of meetings held during their time in office, was as follows:

	Board	Nomination Committee	Remuneration Committee	Audit Committee
Neil Eckert	4/4	n/a	n/a	n/a
Elaine Whelan	4/4	n/a	n/a	n/a
Rebecca Shelley ¹	4/4	4/4	4/4	n/a
Malcolm Furbert	4/4	4/4	4/4	n/a
Elizabeth Murphy	4/4	4/4	n/a	4/4
Ken Randall	4/4	4/4	4/4	4/4
Stephen Redmond	4/4	4/4	4/4	n/a
Michelle Seymour Smith	4/4	4/4	n/a	4/4
Nicholas Shott ²	1/1	n/a	n/a	n/a

¹ Rebecca Shelley was appointed as Interim Chair on 14 May 2025.
² Nicholas Shott was appointed on 4 November 2025 to serve on the Board, and he was also appointed to serve on the Remuneration and Nomination Committees on 4 November 2025.

Corporate Governance and Compliance with the UK Corporate Governance Code continued

Board responsibilities

The Board leads and controls CHL, retaining ultimate authority for the management and conduct of its business, strategy and development. It is accountable for maintaining a robust system of internal controls and risk management – covering financial, operational and compliance matters – and for reviewing their effectiveness. The Board also approves any changes to Conduit’s capital, corporate or senior management structure, ensuring decisions are made within a clear governance framework.

To promote transparency and accountability, the CHL Board attends CRL Board-level and Underwriting Committee meetings and receives all minutes and records of subsidiary Board and committee meetings. Established procedures enable Directors to seek independent professional advice at the Company’s expense to support the proper discharge of their duties. Each Director also has unrestricted access to the General Counsel and Company Secretary to ensure strong governance and compliance across the Group.

The responsibilities of the CEO, Interim Chair and Senior Independent Director are clearly defined and separated, with full details available on Conduit’s website. This ensures clarity of roles and prevents undue concentration of authority, reflecting best practice in governance.

Corporate Governance and Compliance with the UK Corporate Governance Code continued

Chair	CEO	Senior Independent Director
<p>Ensures the effective running of the Board and supports the CEO in an advisory role in the execution of the CEO’s responsibilities (including with respect to sustainability matters), makes sure that the views of the Board and shareholders are taken into account.</p>	<p>Leads the executive management team in the day-to-day management of the Group to pursue Conduit’s commercial objectives and execute and deliver Conduit’s strategy, as approved by the Board.</p>	<p>Acts as a sounding board for the Chair, providing support in the delivery of the Chair’s objectives.</p>
<p>Ensures that the Board as a whole plays a full and constructive part in the development and determination of Conduit’s strategy and overall commercial objectives, with due consideration to Conduit’s responsibilities to its shareholders, its suppliers, clients, customers, employees and other stakeholders.</p>	<p>Ensures, with the executive management team, that Board decisions are implemented effectively and that significant decisions made by the executive management team are communicated to the Board in line with granted authority.</p>	<p>Is available to shareholders if they have concerns that contact through the normal channels of the Chair or other Executive Directors has failed to resolve or for which such contact is inappropriate.</p>
<p>Shapes the culture in the boardroom, encouraging all Directors to engage in Board and Committee meetings by drawing on their skills, experience and knowledge; and fostering relationships based on trust, mutual respect and open communication – both in and outside the boardroom – between Non-Executive Directors and the executive team.</p>	<p>Provides clear leadership, inspires and supports Conduit’s employees in all areas of Conduit’s business, including the development of ideas, products and operations. Ensures that there is effective communication by Conduit with its workforce, including with respect to governance matters.</p>	<p>Assists in the maintenance of the stability of the Board and Company, particularly during periods of stress.</p>
<p>Promotes the highest standards of integrity, probity and corporate governance throughout Conduit and particularly at Board level.</p>	<p>Manages Conduit’s risk profile, with the CRO and other members of the executive, in line with the extent of risk identified as acceptable by the Board, and ensures that appropriate internal controls are in place.</p>	<p>Being responsible for an orderly succession process for the Chair, working closely with the Nomination Committee.</p>

Corporate Governance and Compliance with the UK Corporate Governance Code continued

Board activities

In 2025, the Board maintained close oversight of Conduit’s core underwriting business while focusing on executive and non-executive succession planning. Meetings were held on both scheduled and ad hoc bases to address key matters, including the retirement of Trevor Carvey and other senior leadership changes, ensuring continuity and business growth throughout the year.

The Board received regular reports from management on financial and operational performance, human resources, technology, legal, compliance and governance. In May, strategy sessions reviewed market conditions, risk exposures and performance, and reaffirmed long-term objectives of sustainable growth and mid-teens RoEs across market cycles. Actions supported included reducing quota share exposure, increasing appetite for excess of loss business and enhancing reinsurance and retrocession for peak and secondary perils.

Further discussions during the year covered capital management, including approval of a \$50 million share buyback, continued dividends and consideration of moving from the EST listing category to ESCC and applying Provision 29 of the UK Code. All key decisions were approved at meetings held in Bermuda.

Board effectiveness

The Board undertakes an annual evaluation of its effectiveness, including its committees and individual Directors, to support continual improvement. Following the improvements implemented in 2024, the Board continued to embed enhancements to meeting management and the quality of materials, and strengthened its skills mix through the appointment of Nicholas Shott as an Independent Non-Executive Director. Succession planning also received considerable focus following the senior executive changes in the first half of the year.

For 2025, an internal effectiveness evaluation was conducted through an online questionnaire and individual interviews led by the Interim Chair. The review confirmed that the Board and its committees operated effectively during a demanding period marked by leadership transition and operational pressure. It also highlighted opportunities for further development, including dedicating more structured time to long-term strategy, strengthening leadership development and succession planning, improving the clarity, conciseness and timeliness of reporting, and refining the structure and prioritisation of Board discussions.

In 2026, the Board will continue to prioritise succession planning. Nicholas Shott has succeeded Rebecca Shelley as Chair of the Board, following her period as Interim Chair. A successor to Elizabeth Murphy will also be appointed ahead of her retirement from the Board at the 2026 AGM.

The Board will maintain its focus on developing executive management and their direct reports, supported by a more structured approach to strategic planning. Further improvements to the quality and consistency of reporting will also remain a priority to support effective oversight and decision-making.

Conclusion

The Board believes that it has applied the Principles of the UK Code in a manner that is consistent with Conduit’s values and objectives. We are committed to continuous improvement in our governance practices and will continue to review and enhance our approach to corporate governance.

Nomination Committee Report

2025 was a year of major leadership transition for Conduit

“The Nomination Committee helped the Board secure leadership stability during the transition and is now focused on implementing succession plans aligned with Conduit’s long-term strategic objectives”



Introduction

2025 was an exceptionally busy year for the Nomination Committee. In the first half of the year, several members of the senior management team departed, including Trevor Carvey, the CEO and an Executive Director, who retired. In response, Conduit implemented its emergency succession plan, with Neil Eckert moving from his role as Executive Chair to assume the position of CEO on an interim basis, as set out in the plan. Rebecca Shelley, then Senior Independent Director, became Interim Chair of the Board while the search for a permanent Chair commenced. This also led to my assuming the role of Senior Independent Director.

Given the scale of these changes within a short period, the Committee and the Board focused on stabilising the leadership of the business – an objective we believe has been successfully achieved. Although a search for a new CEO had commenced, we were pleased that Neil decided, relatively quickly, to take on the Chief Executive Officer role on an ongoing basis.

The Committee was also pleased to recommend Rebecca Shelley’s appointment as Interim Chair. We are grateful to Rebecca for agreeing to step into the role and provide continuity and stability at Board level.

The Committee and the Board are well aware that Rebecca, as Interim Chair, was not regarded as independent under the UK Code. This means that, as she continued as Chair of the Remuneration Committee, the Company did not have an independent Chair of that Committee during her tenure as Interim Chair. However, given the temporary nature of this arrangement, the Committee and the Board agreed to maintain it for the reasons explained in the Corporate Governance Report on page 50.

We engaged an independent specialist search firm, with no other connection to Conduit, to identify and assess candidates for Non-Executive Director roles. This process included the search for a permanent Chair, which has now concluded, and the search for a successor to Elizabeth Murphy as Chair of the Audit Committee, who has confirmed her intention to step down at the 2026 AGM after completing nearly two three-year terms.

While the search for a new Audit Committee Chair continued, the second half of 2025 marked further progress in delivering our Board succession plan.

Nomination Committee Report continued

In November, we were pleased to welcome Nicholas Shott to the Board. Although identified through Conduit’s own succession planning rather than by the independent search firm, his appointment otherwise followed the standard Non-Executive Director recruitment process. Following his appointment, he completed a comprehensive induction programme to support his effective integration into the Board. His suitability for the Chair role was assessed by the independent search firm alongside other candidates, and he was appointed Chair of the Board in February 2026. Nicholas is an experienced Non-Executive Director with more than three decades of leadership across investment banking, media and public service. He brings strong expertise in financial strategy, governance and regulatory oversight, having held senior positions at Lazard and served on several boards, including Phoenix Group Holdings.

Throughout 2025, the Nomination Committee continued to prioritise executive succession planning, particularly in light of the significant management changes during the year. The Committee has tasked management with reviewing and updating its approach to ensure that both executive and senior management succession plans remain robust and fit for purpose.

In doing so, the Committee remains mindful of Conduit’s size and structure: the business employs just under 70 people and operates from a single location in Bermuda, which itself

represents a small and highly-specialised labour market. This context creates challenges in balancing internal development and promotion opportunities with the need for external recruitment to maintain leadership depth and capability.

Nomination Committee membership

In 2025, the Nomination Committee comprised Ken Randall (Chair), Malcolm Furbert, Elizabeth Murphy, Stephen Redmond, Michelle Seymour Smith and Rebecca Shelley. Nicholas Shott joined the Committee in November 2025.

Independence and experience

All members of the Nomination Committee were Independent Non-Executive Directors (except for the Interim Chair, who was independent on her appointment as Interim Chair), each bringing many years of relevant experience as directors and/or within the reinsurance industry. Biographies appear on pages 45 to 49.

The Committee conducted its annual review of membership during the year. Based in part on the findings of the recent Board effectiveness evaluation, which included an assessment of the Committee’s work, I am satisfied that all current members remain independent and fully capable of discharging the Committee’s responsibilities.

Role and responsibilities

The Nomination Committee’s responsibilities are set out in its terms of reference, which are available on Conduit’s website. These duties include, but are not limited to:

- Ensuring succession plans are in place for the Board and senior management
- Overseeing director induction, training and development.
- Setting objectives and policy for Board and senior management diversity.
- Identifying and nominating candidates to fill Board vacancies.

Details of how the Committee discharged these responsibilities during 2025 are provided in the remainder of this report.

2025 meetings

The Nomination Committee is required to meet at least twice annually, or more frequently if circumstances demand. In 2025, in light of the significant changes in senior management, the Committee met formally on four occasions and held several additional information sessions to review developments. In addition to Committee members, attendees at these meetings included the CEO, the General Counsel and the Head of People and Culture.

Effectiveness evaluation

The Committee reviewed the results of the Board effectiveness evaluation for the period ending 31 December 2025, as described on page 57. The evaluation raised no concerns regarding the Board’s composition, diversity or how members work together, but highlighted the need to maintain focus on both Board and executive management succession planning, particularly in light of the leadership changes during the year.

No concerns were identified in respect of the independence, performance or external time commitments of the Non-Executive Directors.

Name	Appointed to the Committee	Maximum possible meetings	Meetings attended
Ken Randall	18 November 2020	4	4
Elizabeth Murphy	18 November 2020	4	4
Malcolm Furbert	18 November 2020	4	4
Stephen Redmond	14 May 2024	4	4
Michelle Seymour Smith	22 February 2022	4	4
Rebecca Shelley	24 July 2023	4	4
Nicholas Shott ¹	4 November 2025	0	0

¹ Nicholas Shott was appointed to the Nomination Committee on 4 November 2025 and was not eligible to attend any of the four meetings held in 2025.

Nomination Committee Report continued

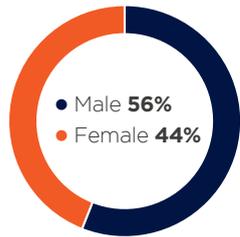
Board and Committee composition and succession planning

Delivering the Board succession plan remained a priority during 2025.

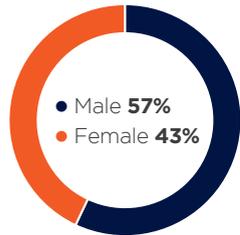
Work also continued on succession planning for key leadership positions across the organisation.

Elements of the emergency succession plan were implemented successfully in the first half of the year, and the Committee and the Board reviewed and updated the plan in the second half of 2025 to ensure it remains effective.

Board gender split



Executive Committee direct reports gender split



Director induction and training

An appropriate and comprehensive plan is in place for inducting new Directors and Conduit’s leadership team. Induction is tailored to the needs of each individual but includes meetings with the executive leadership team, department heads and advisers, technical briefings and office visits. Nicholas Shott participated in the induction programme during the process for his appointment to the Board.

The strategy and planning sessions held in May 2025 (and followed up in subsequent Board meetings) also contained a training aspect for Directors. Diverse topics were presented and discussed, including a review of a broker’s view of Conduit and approach to building the relationship, a review of the reinsurance market, Conduit’s current strategy and market positioning, threats and opportunities, Conduit’s approach to technology including the impact of artificial intelligence, and consideration of stock market perception of Conduit.

Diversity and inclusion

Management and the Board believe that valuing diversity and inclusiveness is important in enabling us to achieve our vision to create value for our customers, colleagues, business partners and shareholders.

Conduit’s Diversity and Inclusion Policy reflects our principles for recruitment and advancement at all levels of Conduit and underlines the fact that Conduit is committed to recruiting, retaining and developing people with diverse backgrounds and experiences at all levels of Conduit’s business, in a truly inclusive environment.

As an equal opportunities employer, Conduit does not tolerate discrimination or harassment of any kind in any aspect of employment. Conduit fully supports and celebrates differences, which could include but are not limited to race, age, gender, gender identity, sexual orientation, disability, beliefs, background (except as may be pertinent to the requirements of a role, such as educational qualifications or prior employment experience), socio-economic group, family or marital status, or nationality.

As at 31 December 2025, 44% of the Board was female.

Nomination Committee Report continued

The tables below set out data about the sex and ethnicity of the Board and executive management as at 31 December 2025, in the format prescribed by the UK Listing Rules.

Gender/sex diversity at 31 December 2025	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)		
			Number in executive management	Percentage of executive management	
Men	5	56%	2	5	83%
Women	4	44%	2	1	17%
Other categories	0	—%	0	0	—%
Not specified/prefer not to say	0	—%	0	0	—%

Ethnic diversity at 31 December 2025	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)		
			Number in executive management	Percentage of executive management	
White British or other White (including minority-white groups)	8	89%	4	5	83%
Mixed/Multiple Ethnic Groups	0	—%	0	0	—%
Asian/Asian British	0	—%	0	0	—%
Black/African/Caribbean/Black British	1	11%	0	1	17%
Other ethnic group, including Arab	0	—%	0	0	—%
Not specified/prefer not to say	0	—%	0	0	—%

Priorities for 2026

In 2026, the Committee will continue to prioritise Board succession planning, with a particular focus on appointing a new Audit Committee Chair.

The Committee will also finalise a long-term succession strategy for the executive management team and their direct reports, updated to reflect recent appointments. While not all members of the executive team are new to Conduit, the plan will ensure continuity and address medium- to long-term succession needs at both Board and senior management levels. This work will include tailored development plans to support leadership readiness and organisational stability.

Ken Randall, Chair

Nomination Committee
25 February 2026

Audit Committee Report

Focused on Assurance and Accountability

“We continued to challenge and support management to ensure that Conduit’s financial reporting and control framework are resilient, well-governed and positioned to meet the demands of an evolving regulatory landscape.”



Introduction

As Chair of the Audit Committee, I am pleased to present my report for the financial year ended 31 December 2025, detailing the Audit Committee’s activities during the year, how it has discharged its responsibilities and the key topics it has considered.

In 2025, we continued to oversee the adequacy and effectiveness of the Group’s internal control and risk-management systems in line with the Committee’s Terms of Reference, including preparations for the attestations required under Provision 29 of The UK Code. The Committee maintained its challenge of the control environment and the wider risk-management framework, drawing on assurance from the internal audit function.

Consistent with our responsibility to review and approve the annual report statements on internal control, risk management and principal and emerging risks, we assessed the Group’s progress in strengthening these systems and the supporting governance processes.

Although our primary focus remains the integrity of external financial reporting, controls supporting non-financial reporting continue to be an important area of attention.

Audit Committee membership

The Audit Committee membership is comprised of Independent Non-Executive Directors. For the full year 2025, the members were Elizabeth Murphy, Ken Randall and Michelle Seymour Smith.

The Audit Committee membership is the same for CRL, which strengthens governance and oversight of Conduit’s main operating subsidiary.

2025 meetings

The Audit Committee held four meetings during the year. Members of senior management and external and internal auditors were invited to present at each meeting. The Audit Committee also met privately with the external and internal auditors and in executive sessions with the CFO alone. The Chair of the Audit Committee also held regular meetings with the CFO and the external and internal auditors outside of the formal Audit Committee meetings.

Name	Appointed to the Committee	Maximum possible meetings	Meetings attended
Elizabeth Murphy	18 November 2020	4	4
Ken Randall	18 November 2020	4	4
Michelle Seymour Smith	15 September 2021	4	4

Audit Committee Report continued

There were no points of concern arising out of the Board’s performance review regarding the Audit Committee’s performance during 2025.

Independence and experience

All Audit Committee members are Independent Non-Executive Directors with recent and relevant financial experience and competence in accounting and/or audit, and all have competence relevant to the reinsurance sector in which Conduit operates. Detailed information on the Audit Committee members’ experience and qualifications is set out in the Directors’ biographies on pages 45 to 49.

Role and responsibilities

The Audit Committee is required to carry out duties in the areas listed below for CHL and Conduit as a whole, as appropriate:

- Monitoring the integrity of Conduit’s financial reporting and satisfying itself that any significant financial judgements and estimates made by management are sound.
- Monitoring the adequacy and effectiveness of internal control and risk management frameworks.
- Reviewing procedures for preventing and detecting fraud.
- Monitoring and reviewing the effectiveness of the internal audit function.
- Advising on the appointment of the external auditor and overseeing the relationship with the external auditor, including their independence and effectiveness.

More details around how these key responsibilities were performed are set out below:

- The Audit Committee’s terms of reference are available on Conduit’s website.
- The Audit Committee provided a report on its activities to the Board every quarter.

Audit Committees and the External Audit: Minimum Standard

The Financial Reporting Council (“FRC”) introduced this standard in 2023, which became effective in January 2025. The Audit Committee concluded that no material changes to its activities or practices were required, as the new requirements largely formalise existing best practice already embedded within the Committee’s approach.

Assessing the integrity of financial reporting

The Audit Committee reviewed Conduit’s quarterly trading updates, interim unaudited condensed consolidated financial statements and the annual audited consolidated financial statements for the purposes of recommending their approval by the Board. The Committee also reviewed and considered written analysis from management detailing areas of significant judgement and estimation in the preparation of the consolidated financial statements.

Throughout the year the CFO and the Audit Committee Chair met regularly by phone and in person to discuss matters related to the

preparation and presentation of Conduit’s consolidated financial statements, including the progress of the external audit.

The Audit Committee received reports from the external auditors on the consolidated financial statements, including an interim review report and a year-end audit results report. These reports were discussed with the external auditors at the Audit Committee meetings, both with management present and with the Audit Committee in private session. No significant external audit issues were identified.

The Audit Committee also received regular and ad-hoc reports on the following:

- Accounting treatment and policies in respect of underwriting business and investment activities.
- Loss-reserving developments and the reserving process.
- Recruitment and development within the finance, risk and actuarial teams.
- Accounting and financial reporting developments.
- The effectiveness of Conduit’s control environment and the integrity of external financial reporting.
- The oversight of corporate and risk culture through the reporting of the internal audit and risk management functions.
- Finance reports from CRL including with respect to BMA filings (via the overlap with the CRL Audit Committee).

- Significant judgements and estimates and going concern assessments.
- Management’s assessment of fraud risk.
- ClimateWise and Sustainability Reporting.

Oversight of the Internal Control and Risk Management Framework

The Board has ultimate responsibility for ensuring that Conduit maintains a robust framework of internal control and risk management. To assist the Board in discharging its obligations, the Audit Committee is tasked with overseeing of Conduit’s internal control framework with a focus on its adequacy and effectiveness. The Committee, in conjunction with the Risk, Capital and Compliance Committee of CRL, also ensures that a comprehensive risk management framework is in place and that the governance structure provides an appropriate level of independence for the risk management function. The Chief Risk Officer has direct access to the Audit Committee and may escalate matters requiring Board attention without management involvement.

Conduit’s Internal Control Framework sets out the principles and structure for maintaining effective internal controls across the organisation. It safeguards the integrity of financial reporting, enhances operational efficiency by embedding risk awareness into daily activities and supports regulatory compliance, in line with the Bermuda Insurance Code of Conduct and The UK Code. The framework incorporates clear control objectives, testing responsibilities and escalation procedures to ensure risks are appropriately

Audit Committee Report continued

mitigated. The framework is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable, not absolute, assurance against material misstatement or loss.

During 2025, the Audit Committee received quarterly reports from Conduit’s CRO covering:

- Conduit’s risk profile, capital position and capital adequacy.
- Underwriting exposure accumulation measured using PML.
- Compliance with risk appetite and tolerance metrics.
- Risk events and associated remediation plans.
- Updates on the control environment, including any control failures, control attestations and remediation progress for any deficiencies.

The Committee reviewed management’s assessment of the effectiveness of risk management and the control environment for 2025 and noted that several recommendations identified for improvement in the prior year have been implemented. While additional enhancements will be delivered during 2026, the Committee observed that work is progressing as Conduit prepares for attestation for Provision 29, due at the end of the year 2026. In this context, management, working closely with the Risk and Compliance functions, is making progress toward UK Provision 29 reporting with material controls being defined in line with the UK Code.

During 2026, material controls will be tested, and enhanced reporting will be provided to

the Audit Committee to share with the Board in support of their declaration of the effectiveness of material controls.

The Risk Management Framework facilitates the identification of emerging risks. All members of the Audit Committee actively participate in discussions on these risks. Actions arising from these discussions are incorporated into business planning and risk registers, with appropriate mitigation measures and oversight applied in line with the framework.

The Audit Committee reviewed the internal audit plan, including any amendments, and received regular reports on audits completed during the year together with management’s responses and the status of actions for improvement.

Further detail of the emerging and principal risks affecting Conduit, including those matters that have informed the Board’s assessment of Conduit’s ability to continue as a going concern, as well as the risk mitigation procedures in place to identify and manage them, can be found in the risk disclosures on page 124 onwards of the Annual Report and Accounts.

Reviewing compliance and fraud procedures and controls

The Audit Committee received regular compliance reports from the General Counsel, covering:

- regulatory interactions with the BMA, regulatory reporting and updates on the regulatory environment;
- corporate governance updates;
- the status of the compliance plan execution;
- compliance and regulatory training; and
- review of compliance policies, including anti-money laundering, anti-bribery and financial crime, conflicts of interest, whistleblowing, sanctions and Conduit’s Code of Conduct.

Along with the rest of the Board, the members of the Audit Committee participated in training covering the UK market abuse regulations and Conduit’s related disclosure processes, and the requirements of Provision 29 of the UK Code.

The Audit Committee continued to review and discuss amendments to The UK Code which will come into force from 1 January 2026, with particular focus on Provision 29 of the UK Code. Management will continue to monitor developing control reporting requirements and ensure adequate plans are in place to implement changes and report on compliance as required.

The Audit Committee received reports on the number of whistleblowing cases reported to Conduit’s whistleblowing service. The Audit Committee reviewed and approved updates to Conduit’s whistleblowing policy and procedure in 2025.

The Audit Committee also received a report from the CRO on the 2025 annual fraud risk

assessment, which set out management’s evaluation of fraud risks and the key controls in place to mitigate those risks.

Monitoring and reviewing the effectiveness of the internal audit function

EY Bermuda Limited (“EY”) serves as Conduit’s outsourced internal auditor. EY brings extensive and current experience in providing outsourced and co-sourced internal audit services to reinsurance businesses in Bermuda and internationally, and is considered to have the necessary skills and resources to deliver the internal audit function effectively. The internal auditor reports directly to the Audit Committee.

During the year, the Audit Committee monitored the execution of the internal audit plan and supported revisions to reflect changing business priorities and risks. Internal Audit provided quarterly written and oral reports, and the findings of each audit were presented and discussed at the Committee’s meetings. The Committee reviewed management’s responses, monitored the implementation of recommended enhancements and met privately with the internal auditors to ensure independence and transparency.

Having reviewed Conduit’s Internal Audit Charter in late 2024, further amendments were made to the Charter in early 2025 to ensure that it remained fit for purpose bearing in mind the latest guidance and codes of conduct.

Audit Committee Report continued

The Audit Committee also assessed the independence of the internal auditors and confirmed that no concerns were identified.

Overseeing the relationship with the external auditor

KPMG Audit Limited (“KPMG”) was originally appointed as Conduit’s external auditor in December 2020. At Conduit’s 2025 AGM, KPMG was reappointed as external auditors of Conduit until the conclusion of the 2026 AGM. The lead external audit partner is James Berry who was appointed at the same time as KPMG was appointed. In 2025 the Audit Committee assessed the fee arrangements with KPMG which are discussed in note 8 of the consolidated financial statements.

The Audit Committee met with KPMG regularly during 2025 (both in private session and with management present) and reviewed and approved the external audit work plan for the year ended 31 December 2025. The Audit Committee received written and oral reports from KPMG, which covered the progress of the audit, key matters identified and the views of KPMG on the significant judgements and estimates outlined below. KPMG also reported on matters such as their observations on Conduit’s financial control environment, developments in the audit profession, key upcoming accounting and regulatory changes and certain other mandatory communications. The Audit Committee continues to monitor developments, recommendations and legislative proposals

related to the quality and effectiveness of the external audit.

Auditor independence and objectivity

To assist in maintaining the external auditor’s independence and objectivity, Conduit has adopted a formal policy governing the engagement of the external auditor to provide non-audit services, taking into account the relevant ethical guidance on the matter. The policy describes the circumstances in which the auditor may be engaged to undertake non-audit work for Conduit. The Audit Committee oversees compliance with the policy and will consider and approve requests to use the auditor for non-audit work when they arise, if appropriate.

Except for the following non-audit services provided by KPMG during 2025:

- review procedures in relation to Conduit’s unaudited condensed interim consolidated financial statements for the six months ended 30 June 2025; and
- a carbon emissions disclosure engagement, comprising a review of the 2025 year-end reporting and the provision of limited assurance over certain disclosed greenhouse gas emissions,

KPMG did not provide any other non-audit services in 2025. Fees paid in respect of these non-audit services were minimal, and further details are disclosed in note 8 to the consolidated financial statements on page 147.

The Non-Audit Services Policy is available on Conduit’s website. The policy is reviewed annually by the Audit Committee.

The Audit Committee assesses the external auditor’s independence annually and, taking into account the limited scope, nature and value of the non-audit services noted above, has assessed KPMG as independent.

Auditor reappointment

Conduit is required to appoint auditors at every general meeting of Conduit at which consolidated financial statements are presented to shareholders. KPMG, acting as external auditor to Conduit in 2025, Conduit’s fifth year, has advised of its willingness to stand for reappointment in 2026.

The Audit Committee and the Board consider KPMG to have extensive experience auditing publicly traded reinsurance businesses. Having assessed their performance positively and having determined that they continue to be independent, the Audit Committee and the Board have concluded that KPMG’s appointment as auditors for 2026 would be in the best interests of Conduit and its shareholders. The resolution to reappoint KPMG at the 2026 AGM will propose that KPMG holds office until the conclusion of the next Annual General Meeting (“AGM”) at which accounts are laid before Conduit, at a level of remuneration to be determined by the Board.

Conduit is committed to maintaining the highest standards of independence and objectivity in the audit engagements. In compliance with applicable independence standards, Conduit adheres to stringent audit partner rotation policies which require a change of audit partner at least every seven years. Consequently, Conduit’s audit partner at KPMG will rotate off the Conduit engagement on completion of the 2026 financial year audit.

In addition, Conduit plans to conduct a tender process for the provision of its external audit ahead of its 2030 financial year end.

Significant areas of judgement and estimation

Annually, management provides the Audit Committee with an analysis of significant areas of judgement and estimation in the preparation of the consolidated financial statements plus an analysis of the appropriateness of preparing the statements on a going concern basis. As discussed in our accounting policies on page 116, the most significant estimates made by management are in relation to the undiscounted valuation of the liability for incurred claims and associated ceded reinsurance recoveries. Less significant estimates are made in determining the estimated fair value of certain financial instruments and the estimated premium cash flows used to determine reinsurance revenue recognised.

Audit Committee Report continued

Valuation of liability for incurred claims and associated ceded reinsurance recoveries

The valuation of the liability for incurred claims, including incurred but not reported (“IBNR”), involves a significant amount of judgement. As stated in our accounting policies, it is a complex process and it is reasonably possible that uncertainties in the reserving process and delays in cedants reporting losses to Conduit, together with the potential for unforeseen adverse developments, could lead to a material change in the estimated liability for incurred claims and associated ceded reinsurance recoveries. Judgement is exercised in estimating the future cash flows in relation to ultimate claims settlement and selecting the methodology to calculate a point estimate for the ultimate loss. The risk adjustment is estimated using a margin-based approach, calibrated to a targeted confidence interval range.

The Audit Committee receives a quarterly report on the liability for incurred claims, prior year development on the liability for incurred claims, and inflation considerations from Conduit’s Chief Actuary. The Committee reviews the reasonableness of Conduit’s loss reserves and challenges the methodology and judgements applied.

The Audit Committee also receives reports from the independent loss reserve specialist semi-annually. The Audit Committee was able to compare their evaluation of the liability for incurred claims with Conduit’s and understand

the differences which naturally arise between them.

The Audit Committee also received semi-annual reports from the external auditors on the reasonableness of the liability for incurred claims.

The Audit Committee focused in particular on:

- the reserving for natural-catastrophe and large-loss events, including the January 2025 California Wildfires and the methodology used for non-specific catastrophe losses;
- the use of selected attritional reserving ratios, given the lack of historical data for Conduit, the difference in management’s estimates versus the independent loss reserve specialist, noting that the differences are within a reasonable range;
- the process for estimating cash flow patterns and establishing the risk adjustment;
- the process for determining the confidence interval;
- the assessment and quantification of the impact of inflation on the liability for incurred claims; and
- the adequacy of disclosure on the uncertainties of the loss reserve estimates.

The Audit Committee was satisfied that all its queries were appropriately addressed and noted that there were no material differences between the liability for incurred claims calculated by Conduit’s Chief Actuary and the independent loss reserve specialist.

The Committee was therefore satisfied that the valuation of the liability for incurred claims and associated ceded reinsurance recoveries was appropriate.

Fair value of certain financial instruments

The asset types in which Conduit is invested are not complex with lower estimation uncertainty in determining fair value. The assets are highly liquid and are of high-credit quality. As disclosed in note 12, all of Conduit’s assets are Level (I) or Level (II) securities. There are no equities, hedge funds or derivative instruments.

Conduit’s investments are fair valued through the income statement (“FVTPL”). Conduit does not therefore have any judgement around impairment charges.

Expected premium cash flows used to determine reinsurance revenue recognised

Conduit’s quota share policies in particular are subject to estimates. Some management judgement is exercised in determining the initial ultimate premium cash flow estimates from which to establish the recognition of reinsurance revenue. The policies underwritten are largely mature and known to the underwriting team and therefore establishing an appropriate estimate is not deemed to be a significant risk. Management carries out regular reviews on these estimates to validate their reasonability.

Going concern assessment and longer-term viability statements

The Audit Committee reviewed and advised the Board on Conduit’s going concern and longer-term viability statements included in the Annual Report and Accounts and the assessment reports prepared by management in support of such statements. As part of this review, the Audit Committee assessed the methods, assumptions, judgements, business planning and stress testing underpinning the going concern assessment. The Audit Committee was satisfied with the level of analysis presented during the year, the related approach taken and statements made in Conduit’s key external reporting. More information on the going concern and viability statements can be found on page 116.

Annual Report and Accounts

The Audit Committee reviewed early drafts of the the Annual Report and Accounts in order to ensure that themes and points of importance from the Audit Committee’s perspective were identified and addressed in the report. The Audit Committee subsequently recommended to the Board for approval Conduit’s audited results and final Annual Report and Accounts together with the external auditor’s report. The Audit Committee advised the Board that, in its view, the 2025 Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess Conduit’s position and performance, business model and strategy.

Audit Committee Report continued

Priorities for 2026

I will step down from the Board at the 2026 AGM, near the end of my second three-year term, and a new Chair will be appointed. With this in mind, the Audit Committee's priorities for 2026 are:

- Working with the Nomination Committee and the Board to ensure a smooth succession for the Audit Committee Chair.
- Continuing to monitor the development of the internal control framework to support the Board in providing disclosures on material controls in compliance with Provision 29 of the UK Code.
- In support of the Board, maintaining oversight of management's processes for assessing and reviewing the effectiveness of risk management and internal control systems, supporting Conduit's commitment to continuous improvement.
- Collaborating with the external auditors, KPMG, on transition plans for the introduction of a new audit partner for Conduit in 2027.

Elizabeth Murphy, Chair

Audit Committee

25 February 2026

Remuneration at a glance

Remuneration at a glance

The Conduit Remuneration Policy is designed to drive a culture of high performance and create sustainable long-term value for shareholders. A summary of the 2025 remuneration outcomes for Executive Directors is provided opposite.



Gross premiums written

\$1,243.0m

2024: \$1,162.4m

RoE

11.1%

2024: 12.7%

Net tangible asset value per share

\$7.14

2024: \$6.70

Total net investment return

6.7%

2024: 4.0%

Combined ratio

89.1%

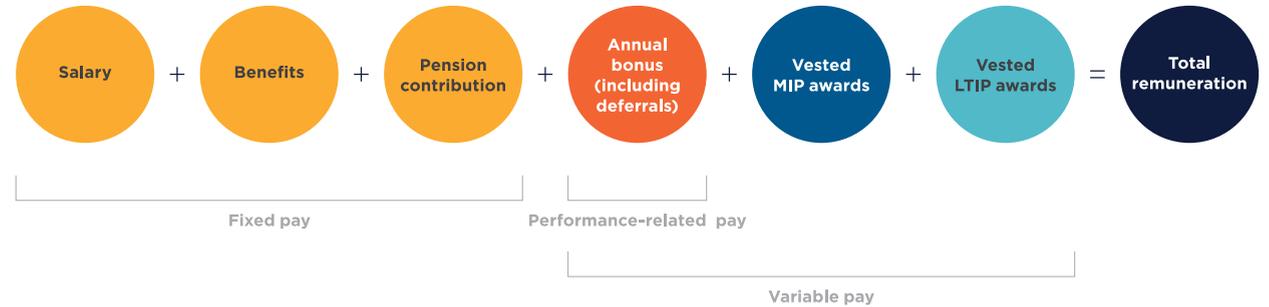
2024: 86.0%

Total shareholder return

(10.4)%

2024: 5.9%

Key components

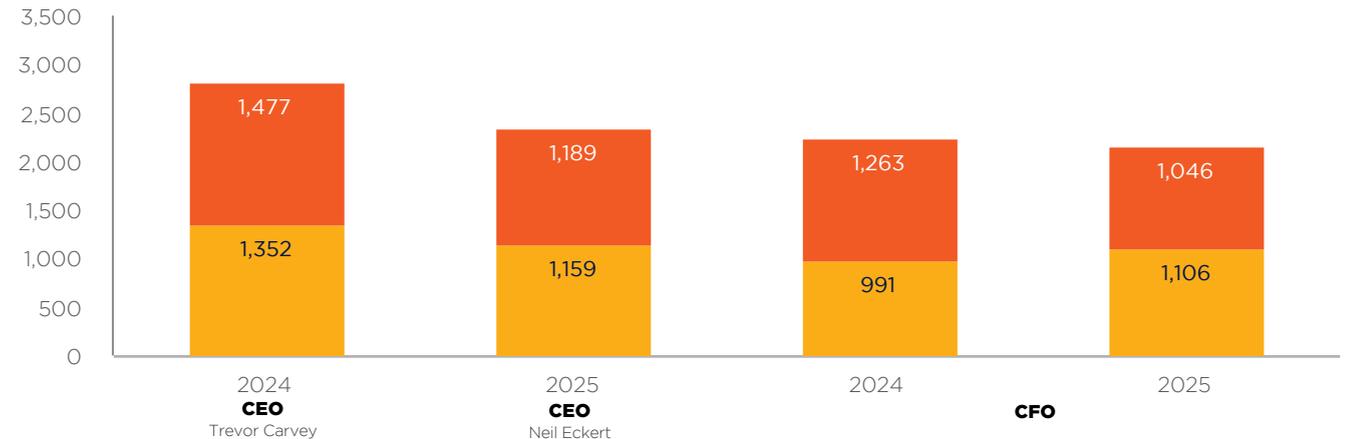


Outcome

Remuneration (\$'000)

The charts below set out the financial outcomes of the remuneration package of the Executive Directors for 2025 against the 2024 outcomes as noted in the single figure on remuneration on page 81. As there was a change in CEO during 2025, the figures below reflect the prior CEO for 2024 and the current CEO for 2025.

- Fixed pay
- Variable pay (including performance-related pay)



Directors' Remuneration Report

Driving sustainable shareholder value through resilient performance

“Our remuneration philosophy supports the delivery of sustainable performance and aligns executive reward with long-term value for shareholders, appropriately reflecting both business results and strategic resilience through the market cycle.”



Introduction

I present the Directors' Remuneration Report for 2025 which consists of three sections:

1. This introduction, which explains our approach to remuneration and summarises the key decisions made by the Committee during the year (pages 69 to 71).
2. The Directors' Remuneration Policy – this sets out the Remuneration Policy which was approved by a binding shareholder vote at the 2024 AGM and is in place for 2024 to 2026 inclusive (pages 72 to 79).
3. The Annual Report on Remuneration – this sets out in detail how we have: applied the Remuneration Policy in 2025; the remuneration received by Directors for the year; and how we expect to apply the Policy in 2026. This report, along with this Chair Statement, will be put to an advisory shareholder vote at the 2026 AGM (pages 69 to 98).

Performance for the year under review and impact on 2025 Executive Director remuneration

The overall result was comprehensive income of \$116.8 million or \$0.75 per share. RoE for the year was 11.1%. Annual bonuses for 2025 were based 75% on financial (RoE) targets and 25% on the achievement of personal and strategic objectives of each Executive Director. As set out on page 82, the Committee set the threshold, target and stretch levels of RoE required to be achieved for the financial part of the 2025 annual bonus.

The Remuneration Committee and the Board consider that Conduit's management delivered a reasonable performance in a year marked by unusually high levels and frequency of natural catastrophe losses across several sectors and geographies, including losses arising from the California wildfires. Although the outcome of that event was disappointing, management demonstrated the resilience of the business and the growing recognition of the Conduit Re brand in the market, together with an ability to implement timely tactical adjustments.

Remuneration outcomes for 2025 reflects an RoE that fell below our expectations, while also recognising the efforts of management to identify secondary peril exposures outside our risk appetite and to take appropriate corrective action to position the business more effectively for the future. The RoE achieved has resulted in a below-target payout of the financial element of the annual bonus.

Following Neil Eckert's appointment as CEO on 14 May 2025, the Committee set new personal performance goals for him in his capacity as CEO, rather than the goals that applied while he was Executive Chair at the start of the year. As he had been appointed Interim CEO on 31 March 2025, the Committee determined that these revised goals should apply for the whole of 2025. In addition, to reflect the change in CEO and new goals set for him, the Committee also determined that it would be appropriate to include similar

Directors' Remuneration Report continued

goals within the CFO's annual bonus. The updated bonus goals are summarised on pages 82 to 84. Having reviewed the performance of the CEO and CFO, the Committee determined the appropriate level of pay-out for the Executive Directors in line with the performance achieved by each Director. Details of the bonuses can be found on pages 82 to 85.

The Remuneration Policy requires up to half of any bonus to be deferred into shares, and these deferred awards are subject to malus and clawback provisions. Tranches of deferred bonus awards granted to Executive Directors and staff from prior-year bonuses continued to vest during 2025. Further tranches will vest in March 2026. Details of the Executive Directors' deferred share bonus awards are set out on page 86.

The Executive Directors, together with the former CEO, participate in the MIP, which was established ahead of Conduit's IPO in December 2020. Performance under the MIP is assessed by reference to growth in Conduit's market capitalisation, adjusted for dividends and any other returns of value to shareholders since Admission.

At the first performance-condition date, 7 December 2024, the required performance threshold was not met. As a result, no MIP shares were exchanged for Conduit Common Shares in 2024. The second performance-condition calculation date was 7 December 2025, the fifth anniversary of Admission. The performance

condition was again not met, and therefore no MIP shares were exchanged in 2025.

Proposed implementation of the Remuneration Policy for Executive Directors for 2026

The Committee has decided to increase the base salaries of the CEO and CFO by 3%, which compares with the average increase in salaries for the rest of the workforce.

No change is being made to the target and maximum opportunity under the bonus plan (which remain at 150% and 300%, respectively, of salary for both Executive Directors). As for 2025, 75% will be subject to financial performance based on RoE and 25% will be subject to personal performance towards delivery of key strategic objectives.

At the May 2024 AGM, shareholders approved the current Remuneration Policy, which allows for the making of long-term incentive awards to the Executive Directors under Conduit's Long-Term Incentive Plan ("LTIP").

In 2025, the Committee made an award under the LTIP to the CFO at 250% of salary, below the maximum allowed within the Policy of 300% of salary. The current CEO (who was then Executive Chair) did not receive an award.

The Committee believes that it is unlikely that the performance conditions under the MIP will be met in December 2026 or December 2027. Assuming

constant dividends and constant GB £ to US \$ exchange rates, and accounting only for the share buybacks up to the latest anniversary date of 7 December 2025, the share price would need to increase to approximately £6.78 by 7 December 2026 or to approximately £7.18 by 7 December 2027 for the performance condition to be met. Therefore it is unlikely that any value will be delivered to participants under the MIP.

As the Committee believes it is critical to the success of Conduit that both Executive Directors are incentivised to deliver over the longer term, the Committee concluded that both Executive Directors should receive awards under the LTIP in 2026 at 250% of salary (in line with the last award to the CFO and below the maximum allowed under the Remuneration Policy of 300% of salary).

Remuneration for Executive Directors

The Remuneration Report on the following pages contains detailed disclosures on the 2025 remuneration outcomes for the Directors as well as disclosure of details of the proposed implementation of the Remuneration Policy for the Executive Directors during 2026.

Changes to the Board

As detailed in the Nomination Committee Report on page 58 and Corporate Governance Report on page 50, there were changes to the executive leadership during the year. Trevor Carvey retired as Chief Executive on 31 March 2025. On the

same date, Neil Eckert stepped down as Executive Chairman and was appointed Interim Chief Executive Officer. He was subsequently appointed permanent Chief Executive on 14 May 2025. I was appointed Interim Chair on 14 May 2025 and served in that capacity for the remainder of 2025.

In accordance with the terms of his service agreement, Trevor Carvey received salary, benefits and pension in lieu of notice for the period during which he remained employed in 2025. In recognition of his decision to retire and his contribution to the establishment and development of Conduit since its incorporation in 2020, the Committee determined that he should be treated as a good leaver under the rules of the deferred share bonus plan. Full details of his retirement and associated payments are set out on page 87 of this report.

Directors' Remuneration Report continued

2025 meetings

The Remuneration Committee held four meetings during the year. Committee attendance at those meetings is shown in the accompanying table.

Role and responsibilities

The responsibilities of the Remuneration Committee include the following:

- Determining, in accordance with the principles and provisions of the Code, the policy for Directors' remuneration and setting remuneration for the Chair, the Executive Directors and the other members of the Executive Group.
- Considering whether the Remuneration Policy remains appropriate.
- Keeping under review the suitability of workforce remuneration and related policies.
- Considering and determining all elements of the remuneration of the Executive Group.

The Remuneration Committee's terms of reference, which also set out the Committee's reporting obligations and authority to carry out its responsibilities, were reviewed in 2025 and are available on Conduit's website. There were no points of concern arising out of the Board's performance review regarding the Remuneration Committee's performance during 2025.

Key activities in the year

- Working with the Nomination Committee and the Board as a whole, through a period of succession planning and appointment of key personnel and new Non-Executive Director.
- Reviewed Conduit's business plan and set appropriate RoE targets as disclosed on page 82.
- Reviewed total compensation for the Executive Group (which includes the Executive Directors).
- Reviewed overall bonus and reward arrangements for staff.

Summary

The Committee is committed to an open dialogue with investors and welcomes views on any part of our remuneration arrangements.

Rebecca Shelley, Chair

Remuneration Committee
25 February 2026

Name	Appointed to the Committee	Maximum possible meetings	Meetings attended
Rebecca Shelley, Chair	24 July 2023	4	4
Malcolm Furbert	17 November 2020	4	4
Ken Randall	17 November 2020	4	4
Stephen Redmond	14 May 2024	4	4
Nicholas Shott	4 November 2025	n/a	n/a

¹ Nicholas Shott was appointed to the Board on 4 November 2025, after the final Remuneration Committee meeting of the year. He was also appointed to the Remuneration Committee and the Nomination Committee on the same date.

Directors' Remuneration Policy

This section sets out the Directors' Remuneration Policy, which received a binding shareholder vote of approval at the 2025 AGM.

As a non-UK incorporated company, Conduit is not required to comply with the requirements of the provisions of the UK Companies Act 2006 and Schedule 8 of the UK's Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2008; however, it has chosen to do so voluntarily.

The Remuneration Policy was developed considering market best practice and The UK Code, noting that as a listed company whose shares are admitted to trading in the EST category under the UK Listing Rules, it complies with The UK Code on a voluntary basis, reflecting the Board's commitment to high standards of corporate governance.

The Remuneration Committee may make minor changes to the Remuneration Policy to support its operation or implementation (for example, for regulatory or administrative purposes), provided that any such change does not materially advantage any Directors, without obtaining shareholder approval for such changes.

Approach to senior executive reward

Conduit's approach to Senior Executive reward is shaped by the following key principles, where it is intended to deliver:

- Balancing short- and long-term goals – provide a package with an appropriate balance between short- and longer-term performance targets linked to the delivery of Conduit's business plan and the generation of sustainable long-term returns for shareholders.
- Shareholder alignment – ensure alignment of the interests of the Executive Directors, senior management and employees to the long-term interests of shareholders.
- Competitive remuneration – maintain a competitive package in order to attract, retain and motivate high-calibre talent to help ensure Conduit performs successfully.
- Fairness – take an active interest in the development of good practices to deliver fair remuneration at all levels of the organisation.
- Performance-focused compensation – encourage and support a sustainable, high-performance culture in line with the business plan and within the agreed risk profile of the business.

Alignment with The UK Code

In addition, the approach to senior reward is tested against the six factors listed in The UK Code:

- Clarity – the Remuneration Policy is designed to be simple and to support long-term sustainable performance so should be well understood by participants and shareholders.
- Simplicity – the Remuneration Committee is mindful of the need to avoid overly complex remuneration structures – the executive remuneration policies and practices are relevant to the continued development of the business and simple to communicate and operate.
- Risk – the Remuneration Policy is designed to ensure that inappropriate risk taking is not encouraged and will not be rewarded. Appropriate limits are set out in the Remuneration Policy. A balance of financial and non-financial targets is used, which is designed to be stretching but achievable to ensure the arrangements do not encourage excessive risk taking. The Committee retains discretion to override formulaic outcomes. There is a significant role played by equity in the incentive plans, with up to half of any annual bonus deferred into shares, the LTIP, the MIP and shareholding (including post-cessation) requirements. Malus and clawback provisions are in operation.
- Predictability – the Remuneration Policy contains appropriate caps for the different pay elements. The potential reward outcomes are set out in the illustrations provided, which clearly show the potential scenarios of performance.
- Proportionality – there is a clear link between individual awards, delivery of strategy and long-term performance. In addition, the significant role played by incentive/"at-risk" pay is designed to ensure that poor performance is not rewarded.
- Alignment to culture – the Remuneration Policy encourages performance that is aligned to the culture of Conduit and in accordance with accepted behaviours and values.

Directors' Remuneration Policy continued

Executive Director Remuneration Policy table

Base salary	
Purpose and link to strategy	Base salary is a key element to recruiting, retaining and incentivising executives of the right calibre to successfully execute Conduit's business strategy.
Operation	<p>Base salaries are reviewed annually, with any changes effective from 1 January. Exceptionally, an out-of-cycle review may be conducted if the Committee determines it is appropriate.</p> <p>When setting base salary levels, the Committee will take into account several factors including (but not limited to):</p> <ul style="list-style-type: none"> • The Director's role, skills and experience. • The economic environment. • Overall business performance. • Salary levels and pay conditions across the wider group. • Individual performance. • Market data for similar roles in comparable companies (including reinsurance company peers). • Changes to the size and complexity of the business.
Maximum opportunity	<p>There is no maximum base salary level.</p> <p>The process for salary review is consistent for all employees and increases for the Executive Directors are normally considered in relation to the wider salary increases across Conduit.</p> <p>Higher increases may be permitted where appropriate, for example, development in role or a change in position or responsibilities.</p>
Performance metrics	There are no formal metrics, although individual and group performance is taken into consideration as part of the annual review.

Benefits (including pension benefits)	
Purpose and link to strategy	Benefits support recruitment and retention and facilitate a healthy workforce.
Operation	<p>Pension benefits</p> <p>Conduit's pension schemes are based on defined contributions or equivalent cash in lieu or salary sacrifice, subject to applicable law and local market standards. For all staff, including Executive Directors, a cash allowance of up to 10% of salary is paid in lieu of the standard employer pension contribution, or a combination of pension contributions and cash allowance, totalling 10% of salary. Any changes in the workforce pension arrangements may be reflected in Executive Director remuneration.</p> <p>Other benefits</p> <p>Other benefits reflect normal market practice, are determined on a basis consistent with all employees, and are set within agreed principles. Benefits include, but are not limited to:</p> <ul style="list-style-type: none"> • Bermuda payroll tax and social insurance. • Medical, dental and vision insurance. • Life assurance. • Long-term disability scheme. • Gym and club membership. • Travel allowance. • Housing allowance for Bermuda-based Executive Directors. <p>Additional benefits may be provided as the Remuneration Committee considers appropriate and reasonable based on market practice. Executive Directors are included in the Directors' and Officers' Indemnity Insurance Policy.</p>
Maximum opportunity	<p>There is no maximum value of benefits; the value is set according to recruitment and retention needs, bearing in mind local market standards and requirements.</p> <p>Pension contributions for Executive Directors will normally be in line with the wider workforce, currently 10% of salary.</p>
Performance	None.

Directors' Remuneration Policy continued

Annual bonus

Purpose and link to strategy

To reward the achievement of financial results and key objectives over the financial year, which are linked to Conduit's strategic priorities.

To facilitate and encourage share ownership to align senior employees with CHL shareholders through the use of deferral into shares.

Operation

Annual bonus awards for the Executive Directors are based on the financial performance of Conduit and the performance against personal and/or strategic objectives of each Executive Director during the financial year, with performance measures and objectives set by the Committee at the beginning of the financial year.

At the end of the performance period, the Remuneration Committee will determine the actual bonus awards for each Executive Director. The Remuneration Committee aims to ensure that awards for Executive Directors are based on performance viewed holistically rather than on a formulaic outcome and has the discretion to adjust the formulaic outcome.

Up to 50% of any bonus earned will be deferred into shares, which normally vest over three years with one-third of the award vesting in each of the following three years. Participants may also be entitled to receive dividend equivalents which have accrued on unvested shares during the vesting period, such dividend equivalents to be paid at vesting.

Bonus awards are subject to malus and clawback provisions.

Annual bonus

Maximum opportunity

The maximum bonus achievable for the Executive Directors is 300% of base salary.

Performance metrics

The majority of the performance measures will be based on financial performance (for example, RoE). The financial component will normally comprise at least two-thirds of the overall opportunity. For 2024, the Committee has set the financial component at 75% of the overall opportunity, this was not changed in 2025.

A financial performance hurdle applies before any bonus is payable in relation to the financial component, which is reviewed annually. Where performance is deemed to be below a pre-determined hurdle, payouts for the financial component will be nil. 25% is payable for meeting the threshold performance required as set by the Committee in the financial metrics targets.

The Committee has the discretion to make an award under the personal performance component if the financial performance hurdle has not been met.

Directors' Remuneration Policy continued

LTIP	
Purpose and link to strategy	<p>Aligned to the main strategic objective of delivering superior returns to shareholders over the medium to long term.</p> <p>Creates alignment with shareholders and provides focus on performance and increasing the Company's value over the medium term.</p>
Operation	<p>Annual grant of performance shares which may be structured as conditional awards or nil-cost options. Dividend equivalents which accrue during the vesting period and, where applicable, during the post-vesting holding period, may be paid. The Committee considers each year who should participate and at what level to ensure that total compensation remains competitive in light of peer practice.</p> <p>Subject to performance conditions measured over three years and an additional two-year post-vesting holding period. Clawback and malus provisions apply.</p> <p>The number of shares awarded will normally be determined by reference to the five-day average share price prior to the date of the grant. The Committee can in its discretion in exceptional circumstances scale back the vesting outcomes, or impose additional vesting conditions, to awards. The Committee will use discretion on vesting only in exceptional circumstances.</p>

LTIP	
Maximum opportunity	<p>Executive Directors will have a maximum individual opportunity of up to 300% of salary in respect of any financial year.</p> <p>The Committee may make awards at a level below this limit.</p>
Performance metrics	<p>Vesting of awards will be subject to the achievement of performance conditions, measured over a three-year performance period.</p> <p>Any performance measures which have been selected will reflect the long-term strategy of the Company.</p> <p>Performance measures may include TSR, Net Asset Value ("NAV") growth, ROE, financial KPIs or any other performance measures that the Committee may deem appropriate at the time. The Committee will also determine the weightings of performance conditions of each award.</p> <p>A sliding scale of targets will be applied for financial metrics. No more than 25% vesting will be achieved for threshold performance.</p>

Directors' Remuneration Policy continued

Shareholding requirement

Purpose and link to strategy To ensure Executive Directors are aligned with shareholder interests.

Operation Each of the Executive Directors is required to build and maintain a shareholding in the Company of 300% of salary while in post.

At least 50% of any vested shares (net of tax) should be retained from the portion of any future bonuses which are paid in shares (post-tax and vested), long-term incentive awards and other share awards. There is a seven-year period from the date of IPO (or if later, the date of appointment as an Executive Director) in which to achieve compliance.

Post-cessation shareholding requirements apply which will require Executive Directors to retain for two years following cessation of their employment by Conduit the lower in value of:

- such number of shares on cessation that have a market value equal to the shareholding guideline in place at that time; and
- the number of shares they hold at that time.

Shares that are personally acquired by the Executive Director will be excluded from this post-cessation holding requirement.

Maximum opportunity None.

Performance metrics None.

Non-Executive Director remuneration

Fees

Purpose and link to strategy To provide an appropriate fee level to attract and retain Non-Executive Directors who have a broad range of skills and experience to oversee Conduit's strategy.

Operation Non-Executive Directors receive an annual fee in respect of their Board appointments together with additional compensation for further duties (for example, Board committee membership and chair roles).

The fees paid are determined by reference to market data and the skills and experience required by Conduit, as well as the time commitment associated with the role. Fees are normally reviewed at least every two years, but not necessarily increased. Non-Executive Directors are not eligible for participation in Conduit's incentive plans.

Travel and other reasonable expenses incurred by Non-Executive Directors while performing their duties for Conduit are reimbursed (including any tax where these are deemed to be taxable benefits). Non-Executive Directors are included in the Directors' and Officers' Indemnity Insurance Policy.

Maximum opportunity The amount of any remuneration payable to Non-Executive Directors shall be determined by the Board (excluding the Non-Executive Directors).

An aggregate remuneration limit applies under Conduit's bye-laws and shall not exceed \$1.3 million per annum (unless otherwise approved by the shareholders).

Performance metrics None.

Notes to the Directors' Remuneration Policy

Performance targets

The Committee aims to ensure that performance targets for the annual bonus and long-term incentive awards to Executive Directors are closely aligned to Conduit's short-term and long-term objectives. The Committee has determined the most appropriate performance measures and targets, considering Conduit's key priorities over both the short and long term.

Details are included in Conduit's Annual Report and Accounts each year, subject to limitations with regards to commercial sensitivity for the annual bonus (where general terms will be provided), and the full details are then disclosed following the end of the financial year in Conduit's next Annual Report and Accounts, again, subject to limitations with regards to commercial sensitivity for the annual bonus (if appropriate).

Malus and clawback

The Committee will have the discretion to reduce a bonus or long-term incentive award ("malus") or require repayment of a bonus award or require the return of shares received under the long-term incentive ("clawback") where it considers that there are exceptional circumstances. Such exceptional circumstances are limited to:

- material misstatement of results, financial or otherwise;
- error in the calculation of the bonus payable or the number of shares over which an award is granted or vests;
- corporate failure resulting in the appointment of a liquidator or administrator to Conduit;

- Conduit entering into a compromise or similar arrangement with its creditors;
- material failure of risk management and/or regulatory non-compliance resulting in serious reputational damage for Conduit; or
- unreasonable failure to protect the interests of employees and/or customers.

Clawback will apply for a period of three years following vesting/payment of an award.

In addition to the above noted circumstances for initiating malus and clawback provisions, there are two additional exceptional circumstances which are applicable under the terms of the MIP:

- material breach of any post-termination employment covenants; or
- fraud or a financial criminal act, which affects Conduit and carries a custodial sentence during the course of employment.

Committee discretions

The Committee operates under the powers delegated to it by the Board and operates the benefit and incentive plans in accordance with the relevant plan rules and any applicable legislation. The Committee retains a number of discretions to ensure effective operation of the benefit and incentive plans. These discretions are standard market practice and include (but are not limited to) the following:

- Selecting the participants in the plans.
- Determining the timing of payments/grant of awards.

- Determining the quantum of awards and/or payments (within the limits set out in the Remuneration Policy).
- Determining the choice of (and adjustment of) performance measures and targets for each incentive plan in accordance with the Remuneration Policy and rules of each plan.
- Determining the extent of pay-out based on the assessment of performance.
- Overriding formulaic annual bonus or long-term incentive award vesting outcomes, taking account of overall or underlying company performance.
- Determining whether and to what extent dividend equivalents should apply to awards.
- Determining whether malus and/or clawback shall be applied to any award in the relevant circumstances and, if so, the extent to which they shall be applied.
- Making appropriate adjustments required in certain circumstances, for instance for changes in capital structure (or any similar corporate event).
- Application of the holding period.
- Determining good leaver status for incentive plan purposes and applying the appropriate treatment.
- Agreeing to early payment of deferred bonuses to Executive Directors on an exceptional basis.
- Undertaking the annual review of weighting of performance measures and setting targets for the annual bonus plan from year-to-year.

The Committee can relax the share ownership requirement in exceptional circumstances and may alter the operation of the guidelines to reflect changing market practice, the expectations of institutional shareholders and/or such other matters as the Committee considers appropriate.

If an event occurs that results in the annual bonus plan or LTIP performance conditions and/or the targets being deemed no longer appropriate (e.g. material acquisition or divestment), the Committee will have the ability to adjust appropriately the measures and/or targets and alter weightings, provided that the revised conditions are not materially less challenging than the original conditions.

In addition, the Committee may exercise its discretion to make other non-material decisions affecting the Executive Directors' awards in order to facilitate the plans.

Any use of the above discretion would, where relevant, be explained in Conduit's Annual Report on Remuneration of Directors.

Legacy arrangements

For the avoidance of doubt, any commitments entered into by Conduit prior to the approval and implementation of the Remuneration Policy outlined in the policy table may be honoured, even if they are not consistent with the policy prevailing at the time the commitment is fulfilled.

Notes to the Policy Table continued

This includes the MIP, which was in place prior to the IPO and this Remuneration Policy. Details of the MIP can be found on pages 36 and 37 of the 2020 Annual Report and Accounts.

It may also include commitments to future Executive Directors where the terms were agreed prior to (and not in contemplation of) promotion to Executive Director, which includes satisfying awards of variable remuneration based on the terms agreed at the time the award was granted.

Service agreements – Executive Directors

Conduit’s policy is for Executive Directors to have service agreements which (i) may be terminated by Conduit forthwith “for cause” without any payment by way of compensation, damages, payment in lieu of notice or otherwise in certain circumstances including, inter alia, if the executive commits any act of gross misconduct or fraud or dishonesty, or commits any repeated misconduct or continued poor performance after due warning being given, and (ii) may be terminated by either party on six months’ written notice to the other party.

If such notice is served by either party, the Executive Director can continue to receive base salary, benefits and pension, per the terms of their service agreement, for the duration of their notice period during which time Conduit may require the individual to continue to fulfil their current duties or may assign a period of garden leave. Service agreements do not contain liquidated damages clauses.

Conduit may elect to make a payment in lieu of notice equivalent in value to a maximum of six months’ base salary and benefits, including pension contribution but excluding bonus (which would be considered separately in the appropriate circumstances), payable in monthly instalments, which would be subject to mitigation if alternative employment is taken up during this time. Alternatively, the Remuneration Committee retains discretion to provide this payment as a lump sum.

In some cases, an Executive Director may be determined a good leaver. Good leavers may receive an annual bonus payment, which will normally be subject to the satisfaction of the relevant performance criteria tested at the normal date and, ordinarily, the outcome will be calculated on a time pro-rata basis to date of departure. The Committee retains discretion on whether the whole bonus payable is paid in cash, or whether part of it is deferred either in cash or shares.

In the event of termination for cause (e.g. gross misconduct) the Executive Director will cease to perform their services immediately.

In addition, and consistent with market practice, Conduit may pay a contribution towards the Executive Director’s legal fees for entering into a statutory agreement, may pay a contribution towards fees for outplacement services as part of a negotiated settlement, or may make a payment to settle claims the Executive Director may have.

There is no provision for additional compensation on termination following a change of control. Payment may also be made in respect of accrued benefits, including holiday not taken.

In the event of a change of control or similar event, equity scheme awards may vest early subject to the rules of the applicable schemes including satisfaction of performance conditions and, normally, any bonus entitlement would be subject to pro-rating on a time apportioned basis.

The Committee may at its discretion determine that awards shall not be subject to time pro-rating or be subject to pro-rating to a lesser extent if it considers it appropriate in the circumstances. Alternatively, following an internal reorganisation which results in a change of control, awards may be rolled over into awards in the acquiring company.

Service agreements – Non-Executive Directors

Non-Executive Directors are typically expected to serve two three-year terms but may be invited by the Board to serve for an additional period.

In addition, in accordance with The UK Code, all Directors are subject to annual re-election at AGMs. Thus, any Non-Executive Director service term renewal is subject to Board review and AGM re-election. Notwithstanding any mutual expectation, there is no right to re-nomination

by the Board, either annually or after any three-year period.

Recruitment of Directors – approach to remuneration

Consistent with best practice, remuneration packages for any new appointments to the Board and senior employees (including those promoted internally) will be set in line with the Remuneration Policy which is in place for the period from 2024 to 2026 inclusive.

In setting base salaries for new Executive Directors, the Committee will consider the individual’s level of skills and experience. Where it is appropriate to offer a below-market salary on initial appointment, the Committee will have the discretion to allow phased salary increases over a period of time for a newly appointed Executive Director up to an appropriate salary for the appointment, even though this may involve increases in excess of those awarded to the wider workforce.

Benefits will be offered in line with the Policy. For both external and internal appointments, the Committee may consider it appropriate to pay additional reasonable short-term benefits, such as relocation allowances, and any other market best practice benefits relevant to the industry and marketplace norms at the time. This will ordinarily be for a reasonable but fixed period of time and will be disclosed on appointment. Pension will normally be in line with the wider workforce.

Notes to the Policy Table continued

Annual bonus will be determined in line with the Remuneration Policy and will be pro-rated in the year of joining to reflect the period of service. In setting the annual bonus, the Committee may set different performance metrics (to those of other Executive Directors) in the first year of appointment.

Participation in the LTIP would be in accordance with the information set out in the Remuneration Policy. Awards may be made on or shortly after an appointment, subject to prohibited periods. Different performance conditions may be set as appropriate.

For external appointments, the Remuneration Committee recognises that it may need to provide compensation for forfeited awards from the individual's previous employer. To the extent possible, the design of any buyout will be made on a broadly like-for-like basis and shall be no more generous than the terms of the incentives they are replacing, taking into account the performance conditions attached to the vesting of the forfeited incentives, the timing of vesting and the likelihood of vesting. For an internal appointment, any variable pay element or benefit awarded in respect of their prior role may be allowed to continue on its original terms.

The Committee may also use the flexibility provided (being best practice rather than a requirement) under the UK Listing Rules to make awards as provided for under UK Listing Rule 9.3.2 (2) without prior shareholder approval.

The terms of appointment for a new Non-Executive Director will be in accordance with the Remuneration Policy for Non-Executive Directors as set out in the Remuneration Policy table.

Executive Directors' external appointments

Executive Directors may accept external appointments as Non-Executive Directors of other companies, if the companies concerned are not competitors of Conduit, and the appointment will not adversely affect the performance of the Executive Director for Conduit, and with the specific prior approval of the Board in each case. Any fees receivable may be retained by the Executive Director concerned.

How shareholders' views are taken into account

The Committee considers the views of shareholders when reviewing the remuneration of Executive Directors and other senior executives, and takes into account published remuneration guidelines and the specific views of

shareholders and proxy agencies. The Committee consults with Conduit's key shareholders when considering any significant changes to the implementation of the Remuneration Policy and when the Remuneration Policy is being reviewed (typically ahead of an AGM binding vote on the Remuneration Policy). The Committee will consider shareholder feedback received before and after an AGM. The Committee values feedback from its shareholders and seeks to maintain a continued, open dialogue.

Broader employee context – consideration of employment conditions elsewhere in Conduit

In accordance with the Remuneration Committee's terms of reference, when setting remuneration for Executive Directors, the Committee reviews the pay and conditions across Conduit. Conduit aims to provide a market competitive package to all employees and the Committee considers executive remuneration in the context of the wider employee population.

The Remuneration Policy for Executive Directors is weighted more towards variable pay than for other employees, with a greater part of their pay therefore at risk to them and conditional on the successful delivery of Conduit's business strategy. The operation of the bonus scheme for the Executive Directors is consistent with Conduit's other senior employees. Bonus pools are determined based on financial performance against a target which is reviewed annually. Bonuses for more junior employees are calculated using a more formulaic approach. The operation of the LTIP for any Executive Director that participates is consistent with Conduit's other senior employees except that awards to Executive Directors must be subject to performance conditions.

While employees are not directly consulted on matters of Remuneration Policy for Executive Directors, the Committee liaises with the Head of People and Culture to ensure that there is an appropriate level of consultation between the Board, People and Culture and Conduit's employees on remuneration matters. The results of any employee feedback, whether direct feedback or as part of the employee engagement survey process, is reported to the Committee.

Director	Date of Appointment	Expiry of current term ¹
Elizabeth Murphy	18 November 2020	18 November 2026
Ken Randall	18 November 2020	18 November 2026
Malcolm Furbert	18 November 2020	18 November 2026
Michelle Seymour Smith	15 September 2021	15 September 2027
Rebecca Shelley	24 July 2023	24 July 2026
Stephen Redmond	14 May 2024	14 May 2027
Nicholas Shott	4 November 2025	4 November 2028

¹ Succession planning for Board positions is discussed on page 60. All Directors are put up for re-election annually at the AGM.

Notes to the Policy Table continued

Illustration of the Remuneration Policy

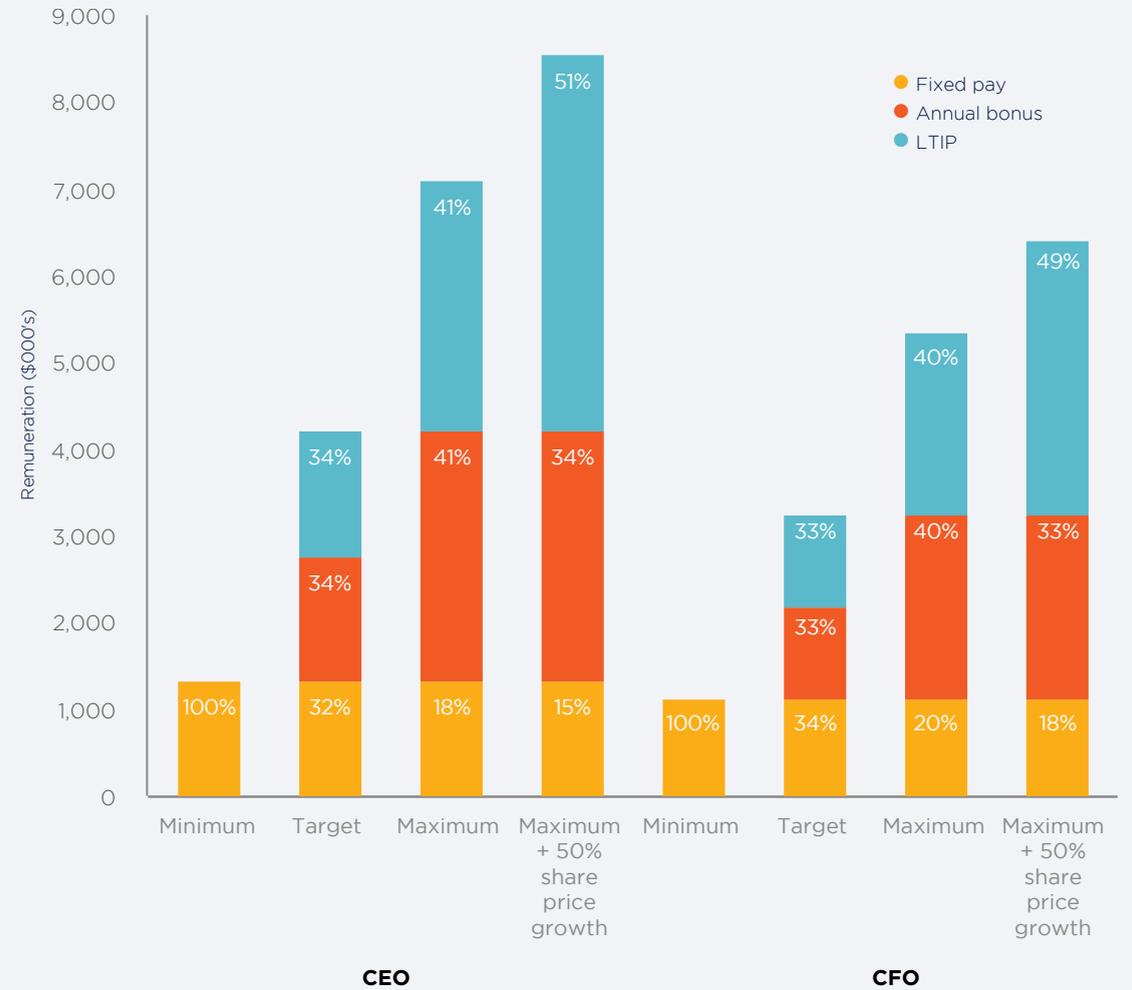
The chart below sets out the potential values of the remuneration package of the Executive Directors in line with the Remuneration Policy for 2025 under various performance scenarios.

Notes to Future Policy Illustration

- Minimum: Fixed pay (salary, benefits and pension).
- Target: Fixed pay and annual bonus at 50% of the maximum opportunity and LTIP at 50% of maximum.
- Maximum: Fixed pay and maximum achievable annual bonus and LTIP.
- Maximum with 50% share price growth: Fixed pay and maximum achievable annual bonus and LTIP at 1.5x maximum.

- Salary represents annual base pay for 2026.
- Benefits have been included based on the actual 2025 value of benefits (including housing allowances).
- Pension represents the value of the annual pension of 10% of salary contributed by Conduit.
- LTIP represents intended awards for the CEO and CFO in 2026.

Remuneration Policy Future Illustration



Annual report on remuneration

2025 Remuneration Report

This section summarises the Directors’ remuneration for the year ended 31 December 2025 and how the Remuneration Policy will be implemented for the year ahead. This report on remuneration together with the Remuneration Committee Chair’s Statement, as detailed on pages 69 to 71, will be put to an advisory vote at the 2026 AGM.

The following sections in respect of Directors’ remuneration have been audited by KPMG Audit Limited:

- Single figure of remuneration in respect of 2025.
- Non-Executive Director fees in respect of 2025.
- 2026 annual bonus payments in respect of 2025 performance.
- 2026 deferred bonus awards in respect of the 2025 annual bonus.
- Directors’ shareholdings and share interests.

Executive Directors’ single figure of remuneration

The table below sets out the total remuneration (in \$000) for Executive Directors for the year ended 31 December 2025.

Executive Director	Year	Salary	Benefits ¹	Annual bonus ²	LTIP ³	MIP ⁴	Pension or payment in lieu ⁵	Other ⁶	Total fixed remuneration	Total variable remuneration	Total remuneration
Neil Eckert ⁷	2025	857	216	1,189	-	-	86	-	1,159	1,189	2,348
	2024	590	1	979	-	-	59	-	650	979	1,629
Elaine Whelan	2025	684	353	1,046	-	-	68	-	1,105	1,046	2,151
	2024	652	274	1,263	-	-	65	-	991	2,254	3,245
Trevor Carvey ⁸	2025	731	268	-	-	-	73	-	1,072	-	1,072
	2024	891	372	1,477	-	-	89	-	1,352	1,477	2,829

Notes to single figure table:

- Benefits are comprised of the employee obligations which are paid by Conduit with respect to: Bermuda payroll taxes, Bermuda social insurance, medical, dental and vision coverage, life insurance, housing and other allowances paid or to be paid by Conduit in line with standard market practice in Bermuda. Neil Eckert, as CEO, became Bermuda-based from his appointment on 1 April 2025. Neil Eckert began receiving a housing allowance of \$17,500 per month (being the same rate payable to Trevor Carvey when he retired) as a result of his being Bermuda-based and securing accommodations from June 2025.
- Executive Director bonus awards are stated as the full value of the bonus award; up to 50% of bonuses awarded are payable as a deferred share award of an equivalent value.
- No LTIP awards were due to vest by reference to 2025.
- No awards vested under the MIP during the year.
- The Executive Directors’ pension provision is aligned to that of the rest of the workforce at 10% of pensionable earnings. Executive Directors may elect to take cash in lieu of pension, subject to compliance with applicable law.
- Dividend equivalents on deferred bonus awards which vested during the year have previously been included within the “Other” disclosure column with their value at the date of vesting, however these are not disclosable as the full value of bonus (including the deferral value) is disclosed annually.
- The data for 2025 for Neil Eckert covers the period from 1 January to 30 March during which he was Executive Chair, from 31 March to 13 May when he was Interim CEO and from 14 May to 31 December when he was CEO. From 1 April his salary was increased from \$619,910 to \$935,714 (being the salary of Trevor Carvey when he retired). Neil’s 2024 Pension or payment in lieu of pension has been re-presented to include funds due to Neil to make whole contractual pension payment entitlements which he had not received previously. Similarly, there were payments to Neil Eckert for 2023 (\$42,171), 2022 (\$40,942) and 2021 (\$39,750) which were omitted from the disclosures within those Annual Report & Accounts.
- The data for 2025 for Trevor Carvey covers the period from 1 January to 31 March when he ceased to be a director and employee as well as payments made from 1 April to 31 October 2025 as part of his loss of office retirement agreement.

Annual report on remuneration continued

Annual bonus

In line with the Remuneration Policy, annual bonus awards for the current Executive Directors were based on the financial performance of Conduit and the personal contributions of each current Executive Director, with the financial component making up 75% of the overall opportunity and 25% based on personal contribution and/or meeting strategic objectives.

The financial measure for 2025 was RoE. The following table shows the targets and the resulting level of payout for each current Executive Director.

Financial Performance (75%)

	Threshold	Target	Maximum	Actual	RoE pay-out	Financial element pay-out
RoE	9.0%	12.0%	17.0%	11.1%	77.5%	87.2%

Executive Directors’ performance objectives (25%)

The performance of each of the current Executive Directors were evaluated against their performance objectives for the year.

	Performance goals	Assessment
Neil Eckert		
Financial & operational performance	<ul style="list-style-type: none"> Maintain all key broker, customer and reinsurer relationships, including key rating agency relationships and maintain the company’s AM Best A- rating, at no lower than stable outlook. Achieve a minimum ROE of 8%, beating the analyst’s consensus of 6.5%, for 2025 through improved underwriting margins and stable investment returns. Reduce volatility for the 2025 financial year by purchasing additional reinsurance, particularly as it relates to secondary perils. Effective oversight of capital management and policy. 	<p>Neil demonstrated strong personal leadership in managing financial and operational performance throughout 2025. This is evidenced by the year-end underwriting results and the successful placement of additional reinsurance, particularly in relation to secondary perils.</p> <p>The Company achieved a year-end ROE of 11.1%, materially exceeding both the internal target and analyst expectations.</p> <p>Additional peak peril and aggregate protections were secured, including secondary perils cover, contributing to reduced volatility and enhanced capital resilience.</p>
Investor confidence	<ul style="list-style-type: none"> Focus on stabilising the business by Q4 2025, deliver two consecutive quarters of results with no material reserve strengthening and no negative earnings surprises post Q2, supported by quarterly investor communications with clear disclosures regarding portfolio changes and exposure management. 	<p>Performance in both Q3 and Q4 exceeded expectations, with no material reserve strengthening or earnings surprises. Neil played an active and visible role with investors throughout the year, providing clear and consistent communication. As a result, Conduit experienced a modest but meaningful improvement in its share price during H2, accompanied by strengthened shareholder support.</p>

Annual report on remuneration continued

	Performance goals	Assessment
Strategy execution and change leadership	<ul style="list-style-type: none"> Lead the executive team to execute the strategic plan, while actively communicating the vision and rationale for change across the business. Build an aligned and capable executive team, including identifying and hiring all critical leadership roles in underwriting and risk (CUO and CRO) by Q4 2025. Achieve a fundamentally changed culture within the business and retain and strengthen key management. 	<p>2025 involved substantial organisational change, during which Neil provided decisive leadership. Some evidence of this is the successful recruitment of both the CUO and CRO by Q4, delivering against a critical strategic objective. Broader cultural change is clearly evident, reflected in feedback received across the organisation.</p> <p>In addition to assuming the CEO role, Neil acted as Interim CUO and Head of Ceded. In these capacities he maintained stability across underwriting, preserved team cohesion, initiated cultural improvements in underwriting discipline, and secured a comprehensive and robust outward reinsurance programme.</p>
Governance, risk and resilience	<ul style="list-style-type: none"> Maintain robust governance and risk management, proactively identifying and addressing risks associated with organisational change. 	<p>Governance and risk management were key areas of focus during 2025. Significant progress was made in strengthening frameworks and addressing the challenges identified earlier in the year. While further development is required, the improvements achieved represent meaningful progress in enhancing organisational resilience.</p>
ESG, culture and people leadership	<ul style="list-style-type: none"> Continue to embed ESG principles and foster a high-performance, inclusive culture, acting as a visible role model for Conduit Re's values and supporting colleagues through uncertainty. 	<p>Neil continued to act as an active participant in ESG initiatives across both environmental and social themes, including meaningful engagement through the Protector Committee. Conduit concluded the year with strong staff retention, a notable improvement compared with the mid-year position, reflecting stabilisation and growing confidence across the workforce.</p>
Elaine Whelan		
Financial reporting & operational performance	<ul style="list-style-type: none"> Deliver timely, accurate, and transparent financial reporting in line with public company requirements, while ensuring operational resilience and supporting the company's transformation agenda. Maintain key rating agency relationships and maintain the company's AM Best A- rating, at no lower than stable outlook. Achieve a minimum RoE of 8%, beating the analyst's consensus of 6.5%, for 2025 through stable investment returns and appropriate oversight and contribution to the 	<p>Elaine demonstrated exceptional performance in delivering timely, accurate and transparent financial reporting fully aligned to public-company standards. Her leadership of the rating agency engagement programme resulted in a successful outcome, representing a major achievement for 2025.</p> <p>As reflected in the CEO assessment, the Group achieved a year-end ROE of 11.1%, materially outperforming both internal targets and analyst consensus.</p>

Annual report on remuneration continued

	Performance goals	Assessment
Investment strategy & ESG integration	<ul style="list-style-type: none"> Manage the Group’s investment portfolio in line with the approved investment strategy, producing stable returns and incorporating ESG principles where possible across the portfolio. 	Elaine delivered an excellent investment performance, achieving a return of 6.7%, a significant increase from 4.0% in 2024. ESG principles were appropriately incorporated across the portfolio, ensuring alignment with Conduit Re’s investment philosophy and risk appetite.
Finance team leadership & culture	<ul style="list-style-type: none"> Provide effective leadership and management of the finance and investments and treasury functions of Conduit; contributing to the finance and investment strategies. Demonstrate leadership through fostering a culture of high performance, collaboration, and adaptability through change. 	The finance, investment and treasury functions continue to benefit from Elaine’s highly effective leadership. She has built and maintained a motivated, high-performing team with clear objectives, a strong sense of accountability, and an adaptable approach to evolving business needs.
Executive & strategic contribution	<ul style="list-style-type: none"> Support the CEO and contribute to the business strategy as a member of the executive team; offering solutions that drive efficient operation of the company, ensuring alignment with business strategy. Support on investor relations activities throughout the year and contribute to key stakeholder and market relationships, including rating agencies. 	Elaine made substantial contributions beyond her core remit, including in risk, operations and capital. She provided strong strategic partnership to the CEO and broader Executive team and engaged consistently with key stakeholders. Elaine played a prominent role in investor relations, attending in-person meetings and maintaining availability for remote discussions with leading investors as required.

Annual report on remuneration continued

As a result of the performance assessment outcomes, the Committee determined bonuses for the current Executive Directors as follows:

	Financial element pay-out (% of weighted element)	Personal element pay-out (% of weighted element)	Actual bonus pay-out (% of maximum)
Neil Eckert	87.2%	51.6%	46.3%
Elaine Whelan	87.2%	65.6%	50.9%
Trevor Carvey ¹	n/a	n/a	n/a

¹ Trevor Carvey ceased to be an active employee on 31 March 2025 and therefore was not eligible for a 2025 performance bonus.

In accordance with the Remuneration Policy, bonus awards are subject to a maximum of 300% of base salary. Up to 50% of bonuses awarded are payable as a deferred share award of an equivalent value (with the number of shares calculated using the average of the share price at the close of the market over the five days prior to the day that the award is granted). These awards vest under the terms defined in the deferred shares bonus scheme rules; i.e., over three years with one-third of the award vesting (including dividend equivalents) in each of the following three years. The Committee considers this to be an appropriate structure with the deferral serving as a retention mechanism over the three-year period. Deferral over three years is also in line with the expected duration of Conduit's claims reserves.

	Actual bonus pay-out (% of maximum)	Maximum opportunity (% of salary)	Actual bonus pay-out (% of salary)	Outcome \$	Cash bonus paid (50%) \$	Bonus deferred into shares (50%) \$
Neil Eckert	46.2%	300	138.8%	1,188,759	594,380	594,379
Elaine Whelan	50.9%	300	152.8%	1,045,606	522,803	522,803
Trevor Carvey	n/a	n/a	n/a	n/a	n/a	n/a

Annual report on remuneration continued

Scheme interests awarded during the year
Deferred Share Bonus Plan (“DSBP”) awards

All Conduit employees, including Executive Directors, are eligible to participate in the DSBP. Under the Remuneration Policy, up to 50% of an Executive Director’s annual bonus is deferred into shares under the DSBP. Details of the DSBP awards made to current and former Executive Directors during 2025, in respect of their 2024 annual performance bonuses, are set out below.

	Award Type	Grant date	Number of awards granted during the year	Face value of awards granted during the year ¹ (\$000)	% vesting annually (not subject to performance conditions)
Neil Eckert	Deferred Bonus	25 March 2025	103,620	489	33.33
Elaine Whelan	Deferred Bonus	25 March 2025	133,780	632	33.33
Trevor Carvey	Deferred Bonus	25 March 2025	156,407	739	33.33

¹ The awards were calculated using the five-day average closing share price and FX rate preceding the award date, being \$4.72 using the pound sterling to US dollar FX conversion rate of 1.2963.

² Trevor Carvey was still an active employee and Executive Director at the time of this award, under the Scheme Rules, Trevor Carvey will be entitled to the awards full vesting at the vesting dates.

Long-term incentive plan (“LTIP”)

Awards granted to Executive Directors under the CHL LTIP during the year (each of which is subject to performance conditions measured over the applicable performance period) are set out below.

Further information on the operation of the LTIP is provided in the Remuneration Policy table on pages 73 to 76.

	Award level ¹ (% of salary)	Grant date	Number of awards granted during the year ²	Face value of awards granted during the year ³ (\$000)	% vesting at threshold performance
Neil Eckert	-	-	-	-	n/a
Elaine Whelan	250	25 March 2025	362,267	1,711	25
Trevor Carvey	-	-	-	-	n/a

¹ Neil Eckert and Trevor Carvey did not receive an LTIP award in 2025.

² The LTIP awards granted during the year were valued using the five-day average closing share price and corresponding FX rate prior to grant, resulting in a valuation of \$4.72 per share (based on a GBP:USD rate of 1.2963).

³ Vesting will occur only if the performance conditions are met over the period ending 31 December 2027, with awards becoming exercisable in the first open period following the release of the 2027 year-end results.

Annual report on remuneration continued

Performance conditions attached to LTIP awards¹

Growth in Net Asset Value (NAV) per share – 75% weighting²

	Vesting %	2024	2025
Maximum performance	100%	13%	13%
Threshold performance	25%	5%	5%
	Nil	<5%	<5%

Absolute Total Shareholder Return (TSR) – 25% weighting³

	Vesting %	2024	2025
Maximum performance	100%	13%	13%
Threshold performance	25%	5%	5%
	Nil	<5%	<5%

¹ Vesting for performance between threshold and maximum will be determined on a straight line basis for both performance conditions.

² The NAV performance condition will be measured on an annual basis, with the award effectively split into three. In each year, performance will be measured against the target range established for that year, to determine the level of vesting in respect of one-third of the total award. Actual vesting will only occur after completion of the full three-year performance period and is subject to continued employment of the Executive Director at the time of vesting. Year-end shareholders’ equity includes the comprehensive income (loss) for the financial year adjusted for dividends declared. Intangible assets are excluded from shareholders’ equity to calculate the net tangible asset value per share.

³ Absolute TSR will be measured over the full three-year period of the award, rather than each individual year within the period.

Payments for loss of office

Retirement arrangements for Trevor Carvey

Trevor Carvey retired from Conduit as CEO on 31 March 2025 (the “departure date”), being the date his employment ceased. His post-termination restrictive covenants, as set out in his service agreement, continued to apply. For the period from January to March 2025 he received his regular salary, benefits and pension contributions in accordance with his service agreement, as shown in the Single Figure Table on page 81. The details of Trevor Carvey’s retirement arrangements are included in the section below.

In accordance with the terms of his retirement arrangements, Trevor Carvey received the following payments in lieu of his six-month notice entitlement:

- \$ 496,648 in respect of salary.
- \$ 49,665 in respect of pension contributions.
- \$ 193,028 in respect of benefits, including housing allowance, flight allowances and medical cover. Trevor Carvey remained active on the Company’s Group Health Scheme until he left Bermuda in July 2025.

Trevor Carvey did not hold any awards under Conduit’s LTIP. He did, however, hold awards under the DSBP and the MIP. The Committee determined that he should be treated as a good leaver under both plans, in recognition of his retirement and his contribution to Conduit since its incorporation in 2020. Accordingly: his DSBP awards (including accrued dividend equivalents) will vest in full with no pro-rating, and his MIP awards will be pro-rated to the departure date in accordance with the MIP rules. Details of Trevor Carvey’s DSBP and MIP awards are set out on pages 89 and 91 respectively.

Payments to past Directors

No payments were made to past Directors during the year except agreed fees in respect of the period during which they served as Director (as set out in the fees paid table below).

Annual report on remuneration continued

Non-Executive Directors

The Non-Executive Director fees have been determined in accordance with the Remuneration Policy set out on page 76.

Non-Executive Directors’ basic fee is \$85,000 per annum, with additional annual fees payable in respect of membership of Board Committees of \$15,000 per committee and \$25,000 for appointment as Chair of a committee (and \$15,000 for appointment as Senior Independent Director). The Non-Executive Directors do not participate in incentive schemes. A fee of \$25,000 per annum is also payable in respect of Non-Executive Director appointment to the CRL Board.

During 2025, the Remuneration Committee received advice regarding Non-Executive Directors fees which will inform the review of fees planned to take place in 2026.

For the year ended 31 December 2025 under the terms of their appointments the Non-Executive Directors of CHL were paid the following fees:

Aggregate fees paid (including in respect of CRL) \$000

Non-Executive Director	2025	2024
Sir Brian Williamson ¹	-	45
Malcolm Furbert	140	136
Elizabeth Murphy	150	146
Ken Randall ²	175	161
Michelle Seymour Smith	140	130
Rebecca Shelley ³	245	130
Stephen Redmond ⁴	115	73
Nicholas Shott ⁵	18	—
Total	983	821

1 For 2024, fees include pro-rated fees which reflects Sir Brian Williamson stepping down from the Board and Board Committees with effect from 15 May 2024.

2 Ken Randall was appointed as Senior Independent Director on 14 May 2025 and remained in this role for the duration of 2025. Fees were pro-rated for the relevant appointments.

3 Rebecca Shelley was appointed as Interim Chair on 14 May 2025 and acted in this position for the remainder of 2025. Rebecca remained the Chair of the Remuneration Committee during her time as Interim Chair. Rebecca received both her Interim Chair fee and her fee for Chair of the Remuneration Committee during 2025. Fees were pro-rated for the relevant appointments.

4 Stephen Redmond was appointed to the Board on 14 May 2024. Fees for 2024 were pro-rated from the date of his appointment.

5 Nicholas Shott was appointed to the Board on 4 November 2025. He was also appointed to serve on the Nomination and Remuneration Committees. Fees for 2025 have been pro-rated from the date of his appointment.

The aggregate remuneration paid for the year ended 31 December 2025 by way of fees for all the Non-Executive Directors was \$982,831, made up of \$882,831 in respect of CHL and \$100,000 in respect of CRL.

Annual report on remuneration continued

Details of Executive Directors awards under the LTIP and DSBP

Details of the awards for Executive Directors under the LTIP and DSBP are below, including awards made during the year.

	Scheme under which award was granted	Grant date ¹	Awards held at 1 January 2025	Awards granted during the year	Awards vested during the year ²	Awards held at 31 December 2025
Neil Eckert	DSBP 2022	25 March 2022	31,916	-	31,916	-
	DSBP 2023	24 March 2023	17,557	-	8,776	8,781
	DSBP 2024	22 March 2024	121,593	-	40,534	81,059
	DSBP 2025	25 March 2025	-	103,620	-	103,620
			171,066	103,620	81,226	193,460
Elaine Whelan	DSBP 2022	25 March 2022	37,133	-	37,133	-
	DSBP 2023	24 March 2023	22,605	-	11,300	11,305
	DSBP 2024	25 March 2024	143,170	-	47,723	95,447
	LTIP 2024 ³	21 June 2024	248,123	-	-	248,123
	DSBP 2025	25 March 2025	-	133,780	-	133,780
	LTIP 2025 ³	25 March 2025	-	362,267	-	362,267
		451,031	496,047	96,156	850,922	
Trevor Carvey	DSBP 2022	25 March 2022	50,095	-	50,095	-
	DSBP 2023	24 March 2023	26,500	-	13,247	13,253
	DSBP 2024	25 March 2024	195,788	-	65,262	130,526
	DSBP 2025	25 March 2025	-	156,407	-	156,407
		272,383	156,407	128,604	300,186	

1 The vesting dates for the DSBP awards are subject to CHL not being in a closed period and are as follows:

2 2022 award (for 2021 performance bonus) - vests 33.33% per year over a three-year period, being 25 March 2023, 25 March 2024 and 25 March 2025.

3 2023 award (for 2022 performance bonus) - vests 33.33% per year over a three-year period, being 24 March 2024, 24 March 2025 and 24 March 2026.

4 2024 award (for 2023 performance bonus) - vests 33.33% per year over a three-year period, being 25 March 2025, 25 March 2026 and 25 March 2027.

5 2025 award (for 2024 performance bonus) - vests 33.33% per year over a three-year period, being 25 March 2026, 25 March 2027 and 25 March 2028.

6 Vested awards are included in the Executive Directors' shareholdings disclosed on the following page.

7 Elaine Whelan's LTIP awards were calculated based on 250% of her base salary, which is below the maximum award level permitted under the provisions of the Remuneration Policy.

Annual report on remuneration continued

Directors' shareholdings

Details of the Directors' interests in Common Shares are shown in the following table. Executive Directors are required to build and retain a holding of CHL shares equivalent to at least 300% of their base salary.

Executive Director	Beneficially owned as at 1 January 2025	Beneficially owned as at 31 December 2025	as at 31 December 2025		Guideline % of base salary	Guideline met
			Share awards not subject to performance conditions DSBP (unvested ¹)	Share awards subject to performance conditions LTIP (unvested ²)		
Neil Eckert ³	744,676	829,402	193,460	-	300%	No
Elaine Whelan	323,185	477,841	240,532	610,390	300%	Yes
Trevor Carvey ⁴	605,557	884,161	300,186	-	300%	Yes

1 Share awards under the DSBP are calculated as up to 50% of the annual bonus award, with the number of shares calculated using the average of the share price at the close of the market over the five trading days prior to the day that the award is granted. See page 86 for details.

2 Awards granted under the LTIP to Executive Directors have performance conditions attached. At the time of vesting, the final vesting details will be disclosed.

3 Neil Eckert's beneficially owned Common Shares include 51,216 shares held by his spouse, Nicola Eckert. He met the shareholding guideline as at 1 January 2025. Following his appointment as CEO, he became non-compliant due to the higher salary applicable to that role. He has until 1 April 2032 to achieve compliance.

4 Trevor Carvey's beneficially owned Common Shares include 4,022 shares owned by his spouse, Catherine Carvey. At the time Trevor Carvey ceased to be an employee and Director of the Company his shareholdings were 884,161. As a retired Executive Director, Trevor Carvey is required to remain compliant with shareholding guidelines for two-years post-cessation of his employment with Conduit.

Non-Executive Director ¹	Beneficially owned as at 1 January 2025	Beneficially owned as at 31 December 2025
Malcolm Furbert	8,000	8,000
Elizabeth Murphy	15,000	15,000
Ken Randall	55,000	55,000
Michelle Seymour Smith	20,000	20,000
Rebecca Shelley	4,088	4,088
Stephen Redmond	25,000	25,000
Nicholas Shott ²	-	24,891

1 Non-Executive Directors do not receive an annual bonus and therefore do not participate in the DSBP.

2 Nicholas Shott was appointed to the Board on 4 November 2025. Beneficially owned shares for Nicholas Shott includes shares purchased by Deverill Consultancy Limited and William Shott, both being Persons Closely Associated ("PCA") with Nicholas Shott.

Annual report on remuneration continued

Management Incentive Plan (“MIP”)

As previously disclosed, a share incentive plan, the MIP, was put in place prior to Admission for Neil Eckert and Trevor Carvey (the founders of Conduit) and other senior managers who are expected to make key contributions to the success of Conduit from Admission. Upon appointment in January 2021, Elaine Whelan was awarded options over MIP Shares as disclosed below.

The table below sets out the respective MIP Share allocations for each of the Executive Directors at 31 December 2025:

Name	USD MIP Shares	GBP MIP Shares	Percentage of MIP
Neil Eckert	45,000	45,000	45%
Trevor Carvey ¹	30,000	30,000	30%
Elaine Whelan ²	5,000	5,000	5%
Total	80,000	80,000	80%

¹ Trevor Carvey will be entitled to his awards under the MIP, which will be pro-rated to the departure date at the time of vesting.

² Elaine Whelan’s MIP award is in the form of a nil-cost option over MIP Shares.

No additional MIP awards can be granted. The MIP was facilitated by subscription for shares in Conduit MIP Limited (“CML”) (a direct subsidiary of CHL, which is an intermediate holding company of CRL). Under the MIP, Executive Directors and other senior managers invited to participate subscribed for MIP Shares or were issued nil-cost options over MIP Shares in CML. Half of the MIP Shares are denominated in pounds sterling (“GBP MIP Shares”) and half in US dollars (“USD MIP Shares”).

As disclosed in the 2024 Annual Report and Accounts, the first relevant anniversary date for calculation of the performance condition under the MIP was 7 December 2024 and at the time the performance condition was not met, therefore no awards under the MIP vested or were exercised in 2024.

The second relevant anniversary date for calculation of the performance condition under the MIP was 7 December 2025. Again in 2025, the performance condition was not met, and therefore no awards under the MIP vested or were exercised in 2025.

Tranches of MIP awards that do not meet the performance condition will roll forward for assessment at the next relevant anniversary date which is 7 December 2026. Subject to the terms of the MIP, if the performance condition is satisfied at the relevant time, the MIP Shares will be exchanged automatically for Common Shares of CHL for an aggregate value equivalent of up to 15% of the excess of the Market Value of CHL over and above the Invested Equity (“the Growth”). This equates to 7.5% of the Growth based on calculations in pounds sterling for the GBP MIP Shares and 7.5% of the Growth based on calculations in US dollars for the USD MIP Shares.

If (1) the performance condition is satisfied for either or both of the GBP MIP Shares or the USD MIP Shares on each of the fourth, fifth, sixth and seventh anniversaries of Admission and (2) no takeover of CHL or sale or liquidation of CML has taken place before any of those dates, one quarter of the relevant MIP Shares (delivering 1.875% of the Growth to the relevant shares) (each a Tranche) will be automatically exchanged for such number of Common Shares of CHL as have an aggregate value (at the closing share price for the trading day immediately prior to the date of the exchange) equal to 1.875% of the Growth at the date of the exchange. Whenever the performance condition has not been satisfied on the relevant anniversary date in respect of a Tranche, those MIP Shares which might otherwise have been exchanged will not be exchanged and will automatically exchange at the next anniversary date on which the performance condition is satisfied. If the performance condition is satisfied, any MIP Shares that have not automatically been exchanged for Common Shares of CHL before that date will on the effective date of any takeover of CHL or sale or liquidation of CML be exchanged (delivering the remainder of the 7.5% of Growth for each of the USD MIP Shares and the GBP MIP Shares).

Annual report on remuneration continued

If on the seventh anniversary of Admission, the performance condition is not satisfied, all MIP Shares to be exchanged for Common Shares of CHL on that date will be redeemed for 1 pence (sterling) in aggregate. Similarly, on a takeover of CHL or sale or liquidation of CML, if the performance condition is not satisfied, all of the MIP Shares will be redeemed for 1 pence (sterling) in aggregate. MIP Shares are subject to customary leaver provisions and malus/clawback principles.

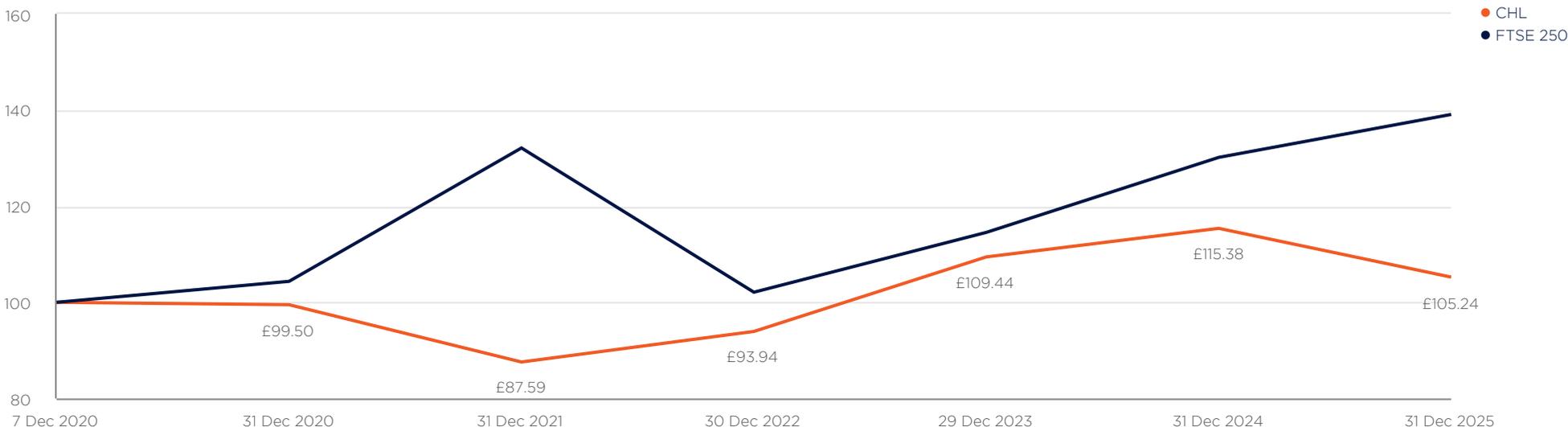
The performance condition for the MIP is the compound annual growth rate achieved by CHL’s shareholders on the date of the relevant exchange of MIP Shares for Common Shares of CHL must be equal to or greater than 10% per annum. The performance condition is measured by reference to (1) any growth in CHL’s market capitalisation, (2) any dividends paid to common shareholders and (3) any other returns of value to common shareholders. The performance condition is calculated on the initial capital raised at Admission then (and from the date of any future equity investment in Conduit on that equity) to the date of the relevant exchange. It also takes into account the timing of any prior returns to holders of Common Shares. The performance condition will be calculated separately in US dollars for the USD MIP Shares and pounds sterling for the GBP MIP Shares.

Assuming constant dividends and constant GB £ to US \$ exchange rates, and accounting only for the share buybacks up to the latest anniversary date of 7 December 2025, the share price would need to increase to approximately £6.78 by 7 December 2026 or to approximately £7.18 by 7 December 2027 for the performance condition to be met.

Performance graph and table

This graph below shows the value of £100 invested in CHL compared with the value of FTSE 250 (excluding Investment Trusts) since Admission.

CHL relative to FTSE 250 (7 December 2020 – 31 December 2025)



Annual report on remuneration continued

CEO single figure of remuneration

The table below shows the pay information of the CEO (in \$000).

	Neil Eckert 2025 ¹	Trevor Carvey 2025 ²	2024	2023	2022	2021	2020
CEO total remuneration	\$1,004	\$358	\$2,829	\$3,830	\$1,699	\$2,649	\$606
Actual bonus as a % of maximum	46.2	n/a	55.3	100	19	59	n/a
Actual share award vesting as % of the maximum	n/a	n/a	n/a	n/a	n/a	n/a	n/a

1 Neil Eckert was appointed CEO effective 31 March 2025 upon the retirement of Trevor Carvey. For the purposes of this table, reported figures do not match the Single Figure of Remuneration table on page 81 as the remuneration for Neil Eckert has been pro-rated for only his time in office as CEO for 2025. This figure also does not include the payments made during 2025 to Neil Eckert in relation to prior year back-dated contractual pension contributions.

2 Trevor Carvey was the CEO from 2020 until he retired as CEO and Executive Director on 31 March 2025. For the purposes of this table, his numbers have been pro-rated to account for only his time actively in office as CEO for 2025 and do not include any of the payments disclosed on page 87 relating to his loss of office payments.

3 Trevor Carvey and Neil Eckert do not hold any awards under the LTIP and there has been no vesting under the MIP and therefore have no vesting to report.

Relative importance of the spend on pay

The table below shows Conduit's expenditure on employee pay compared with distributions to shareholders for the period under review.

	Percentage change 2024 v. 2025	2025 \$m	2024 \$m	2023 \$m	2022 \$m	2021 \$m	2020 \$m
Distributions to shareholders	- %	59.4	59.4	59.3	59.3	29.7	n/a
Total employee pay	11.8 %	46.6	41.7	31.8	22.3	19.0	n/a

Annual report on remuneration continued

CEO pay ratio

All of Conduit’s employees are based in Bermuda, with fewer than 250 employees globally. As a result, there is no legal requirement to publish a CEO pay ratio.

However, Conduit voluntarily reports the CEO pay ratio in line with its commitment to high standards of corporate governance. The CEO pay ratios have been calculated using Conduit’s total employee base as at 31 December in each respective year since 2022.

	Calculation method	2025 ¹	2024	2023	2022
25 th percentile Total Pay Ratio	A	13:1	14:1	24:1	14:1
Median Total Pay Ratio	A	8:1	9:1	15:1	9:1
75 th percentile Total Pay Ratio	A	5:1	6:1	9:1	4:1

¹ For 2025, the remuneration for the CEO used to calculate the CEO pay ratio is the remuneration paid to Neil Eckert for the year.

The table above sets out the single figure of remuneration for the CEO as compared with the single figure of remuneration of employees at the 25th percentile, median and 75th percentile.

Conduit uses methodology A and defines the population as all Conduit employees employed at the close of the financial year, excluding contractors, to calculate the total annual remuneration. Total annual remuneration is defined and calculated on the same basis used for the Executive Directors in the single figure of remuneration. This methodology was selected as it is considered the most accurate calculation method for the ratio calculations.

	25 th percentile pay ratio		Median pay ratio		75 th percentile pay ratio	
	Total remuneration (\$)	Base salary (\$)	Total remuneration (\$)	Base salary (\$)	Total remuneration (\$)	Base salary (\$)
2025	182,887	121,193	298,610	183,322	460,649	283,395
	13:1	7:1	8:1	5:1	5:1	3:1
2024	197,390	156,818	301,378	222,789	498,036	275,000
	14:1	6:1	9:1	4:1	6:1	3:1

Annual report on remuneration continued

Percentage change in remuneration

Given that Conduit was incorporated on 7 December 2020 and was therefore listed for less than a month in 2020 following Admission, a year-on-year comparison in remuneration for 2020 versus 2021 is of limited use. As previously noted, market-loss events and mark-to-market unrealised losses on investments had a negative impact on remuneration in 2022 as disclosed in the single figure of remuneration disclosure (presented in thousands) in the 2022 Annual Report and Accounts. The year-on-year percentage changes in remuneration for the Executive Directors and fees for Non-Executive Directors is disclosed below. The percentage change in remuneration for employees of Conduit represent all the total employee compensation costs, inclusive of equity-based compensation charges, for the respective years as disclosed in note 7 of the financial statements on page 145.

Percentage change in remuneration table

	2025 ⁴			2024 ⁴			2023 ⁴			2022 ⁴			2021
	Salary/ fees	Benefits	Bonus	Salary/ fees	Benefits	Bonus	Salary/ fees	Benefits	Bonus	Salary/ fees	Benefits	Bonus	
Executive Directors													
Neil Eckert ^{1,2}	45.3	21,500.0 ³	21.5	5.0	4.4	-38.1	3.0	-9.5	415.0	3.0	-3.0	-66.6	n/a
Elaine Whelan ⁵	4.9	28.8	-17.2	5.0	10.9	-32.1	3.0	1.6	370.9	8.9	13.8	-63	n/a
Non-Executive Directors													
Malcolm Furbert	2.8	n/a	n/a	4.8	n/a	n/a	0	n/a	n/a	0	n/a	n/a	n/a
Elizabeth Murphy	2.6	n/a	n/a	4.4	n/a	n/a	0	n/a	n/a	0	n/a	n/a	n/a
Ken Randall	8.6	n/a	n/a	4.0	n/a	n/a	0	n/a	n/a	0	n/a	n/a	n/a
Michelle Seymour Smith ⁶	2.8	n/a	n/a	4.8	n/a	n/a	1.7	n/a	n/a	312.5	n/a	n/a	n/a
Rebecca Shelley ⁷	87.9	n/a	n/a	182.9	n/a	n/a	46.1	n/a	n/a	n/a	n/a	n/a	n/a
Stephen Redmond ⁸	58.4	n/a	n/a	72.6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nicholas Shott ⁹	18.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Former Executive Directors													
Trevor Carvey ¹⁰	-18.0	-28.0	-100	5.0	6.2	-42.0	3.0	6.3	449.3	3.0	3.5	-67.9	n/a
Employees of the parent company	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Employees of the Group	14.8	22.5	-18.5	14.4	69.9	4.6	14.2	26.5	252.1	52.0	55.4	-59.3	n/a

1 From 1 January to 30 September 2023, Neil Eckert was employed via service agreements split between CHL and CRSL, to delineate his duties. All salary and benefits payable through CRSL as a result of this arrangement were converted from US dollars into pounds sterling for each monthly payroll. These conversions are reflected in the 2024 year-on-year percentage change for Neil. From 1 October 2024, Neil's service agreement was wholly with CHL as CRSL was closed.

2 Neil Eckert was appointed CEO effective 31 March 2025, after the retirement of Trevor Carvey. His numbers have been pro-rated and reflect both his time as Executive Chair and his time in office as CEO for 2025.

3 This increase is driven by Neil's change in role and becoming Bermuda-based, with the main change being the introduction of a Housing allowance of \$17,500 per month.

4 Previous year increases in benefits have been restated as they previously incorrectly included dividend equivalents on deferred bonus awards.

5 Elaine Whelan was appointed on 14 January 2021, and her pay and benefits for 2021 were pro-rated. This accounts for the above noted 8.9% base salary change from 2022 against the pro-rated 2021 year.

6 Michelle Seymour Smith was appointed to the Board on 15 September 2021. Her fees for 2021 were pro-rated for her time as a Director and the year-on-year percentage change for 2022 reflects a full year against the pro-rated prior year.

7 Rebecca Shelley was appointed to the Board on 24 July 2023. Her fees for 2023 represent her time as a Director. Rebecca Shelley was appointed SID from February 2024 and Chair of the Remuneration Committee from May 2024, and her fees reflect these additional appointments in 2024. On 14 May 2025, Rebecca Shelley was appointed as Interim Chair. Her fees paid for 2025 are presented pro-rated to reflect her additional appointment in 2025.

8 Stephen Redmond was appointed to the Board on 14 May 2024. His fees paid for 2024 are presented pro-rated to reflect his time served as a Director.

9 Nicholas Shott was appointed to the Board on 4 November 2025. His fees paid for 2025 are presented pro-rated to reflect his time served as a Director.

10 Trevor Carvey retired as CEO and Executive Director on 31 March 2025. His numbers do not include any of the payments disclosed on page 87 relating to his loss of office payments.

Annual report on remuneration continued

External advisers

Since 2022, the Committee has retained Alvarez & Marsal Holdings LLP (“A&M”) as its specialist remuneration adviser. A&M has no other connection with Conduit or with any individual Director. It is a member of the Remuneration Consultants’ Group and a signatory to its Code of Conduct, which requires that advice be objective and independent. The Committee is satisfied that the advice received during the year met these standards. Fees paid to A&M in 2025 totalled \$105,825.45 (2024: \$87,531), on a time-and-materials basis.

Statement of shareholder voting

The 2024 Annual Report on Remuneration was submitted to a vote of shareholders at Conduit’s 2025 AGM held 14 May 2025. The current Remuneration Policy was submitted to a vote of shareholders at Conduit’s 2024 AGM held on 15 May 2024. Disclosure of the voting results at the relevant AGM’s is presented below.

	Vote to approve 2024 Annual Report on Remuneration (at the 2025 AGM)		Vote to approve Remuneration Policy (at the 2024 AGM)	
	Total number of votes	% of votes cast	Total number of votes	% of votes cast
For	126,162,140	99.36	96,719,933	81.77
Against	818,400	0.64	21,559,064	18.23
Total	126,980,540	100.0	118,278,997	100.0
Abstentions	-		9,066,625	

Annual report on remuneration continued

Implementation of Remuneration Policy for 2026

We disclose here the remuneration approach implemented for Executive Director and senior management remuneration in 2026. Given Conduit’s location in Bermuda, the primary talent markets where employees are sourced is in Bermuda, Europe and the US, which means that there may be times where these markets will dictate the remuneration and benefit provisions to ensure Conduit remains an employer of choice to the candidates being sought.

Salary increases across Conduit

When setting salaries for the Executive Directors for 2026, market conditions and benchmarking, along with retention risk were factored into the decisions. Increases of 3.0% were applied for the CEO and CFO.

Across the wider workforce for Conduit, base salary increases for staff eligible for the 1 January 2026 review were 3.0%. When including adjustments for promotions or market alignment, for the eligible workforce population excluding Executive Directors, the average increase salary increase was 3.2%.

All salary increases are with effect from 1 January 2026 and for Executive Directors are as follows:

Executive Director	2026 salary	2025 salary
Neil Eckert ¹	\$963,785	\$935,714
Elaine Whelan	\$704,768	\$684,241

¹ The 2024 Annual Report and Accounts stated a 2025 salary of \$619,910 which he received for January to March 2025. Upon appointment as CEO, Neil Eckert’s remuneration package was adjusted in-line with the retired CEO’s package at the time of retirement. The 2025 salary disclosed above reflects Neil’s CEO full-time salary.

Housing allowances

Housing allowances (which apply to the Bermuda-based Executive Directors only) remain unchanged from the prior year for the CEO and the CFO:

Executive Director	2026		2025	
	Monthly housing allowance	Annual housing allowance	Monthly housing allowance	Annual housing allowance
Neil Eckert	\$17,500	\$210,000	\$17,500	\$210,000
Elaine Whelan	\$15,000	\$180,000	\$15,000	\$180,000

Bonus target and maximum parameters

Current bonus target and maximum opportunities for the Executive Directors also remain unchanged from the prior year. They are as follows:

Executive Director	2026		2025	
	Bonus target	Maximum bonus	Bonus target	Maximum bonus
Neil Eckert	150%	300%	150%	300%
Elaine Whelan	150%	300%	150%	300%

For the 2026 bonus scheme for Executive Directors, 75% will be subject to financial performance based on RoE and 25% will be subject to personal performance towards delivery of key strategic objectives. The target RoE generated by the annual business plan process is considered when setting the appropriate targets for calculating the financial element of target bonuses, with actual bonus payments calculated subject to a range of RoE levels. A minimum RoE financial performance hurdle applies before any bonus is payable. The Remuneration Committee believes that these targets are suitably challenging for Conduit’s operations. Details of the targets will be disclosed retrospectively in next year’s Annual Report on Remuneration. Up to half of any bonus award will be deferred into Common Shares. Consistent with best practice, malus and clawback provisions will apply.

Annual report on remuneration continued

Other benefits

Other market-typical benefits for Executive Directors working in Bermuda have been provided, including normal health and welfare benefits, housing allowances and travel allowances, and Conduit's payment of the employee's obligations for Bermuda payroll taxes and social insurance.

Pension

The Executive Directors' pension provision for 2026 continues to be aligned with that of the broader workforce at 10% of pensionable earnings. Executive Directors may elect to take cash in lieu of pension, subject to compliance with applicable law.

Long-term incentives

Executive Directors participated in the MIP, which was put in place pre-IPO and no further awards will be made under this.

As set out in the Remuneration Committee's Chair Statement, it is intended that awards under the LTIP will be made in March 2026 to the CEO and CFO at 250% of salary (in line with the previous award to the CFO and below the maximum of 300% of salary allowed under the Policy).

The two financial performance conditions relevant to the long-term incentive awards are noted on page 87.

Committee discretion with regards to LTIP vesting

If any year within the award-vesting assessment produces a return that the Committee believes is significantly worse than competitors and reflects poor management decisions, the Committee will use its discretion to determine the extent to which any relevant element of the LTIP award shall vest fully (or to any lesser extent) based on the performance over the full three-year period.

Non-Executive Director Fees

The Non-Executive Directors' basic fee will remain at \$85,000 per annum for 2026, however there is a planned review of fees to take place in 2026, in line with the Policy to review Non-Executive Director fees at least every two years. Additional annual fees are payable to Non-Executive Directors in respect of membership of Board Committees of \$15,000 per committee and \$25,000 for appointment as Chair of a committee (and \$15,000 for appointment as SID) will also remain the same. The Non-Executive Directors do not participate in incentive schemes. A fee of \$25,000 per annum is also payable in respect of Non-Executive Director appointment to the CRL board.

Directors' Report

The Directors of CHL present their report for the year ended 31 December 2025. This report includes the additional information required to be disclosed under the DTR of the UK FCA. Certain information included in the Strategic Report, the Corporate Governance Report, the Audit Committee Report, the Nomination Committee Report and the Directors' Remuneration Report is incorporated by reference into the Directors' Report in addition to the following topics.

Overview

CHL was incorporated in Bermuda on 6 October 2020 under registration number 55936 and has three subsidiaries incorporated in Bermuda: CML, an incentive-related entity (registration number 56057), CRL, the main operating company of Conduit (registration number 55937) and CSL, a services company (registration number 56189).

Conduit Reinsurance Services Limited (CRSL), a services company registered in England (registration number 12947450) and wholly-owned by CHL, ceased operation on 30 September 2024 and was dissolved by way of a members voluntary striking-off procedure which was completed on 14 January 2025.

All of CHL's Common Shares are admitted to the EST category of the Official List of the UK FCA and admitted to trading on the LSE's main market for listed securities.

Principal activity

Conduit's principal activity, conducted through its main operating subsidiary CRL, is to provide reinsurance products and services to its clients worldwide.

Principal risks and financial internal controls and risk management

Conduit's principal risks and a description of the risk management framework and governance are set out in the Enterprise Risk Management Report on pages 25 to 31; information regarding financial internal controls and risk management is set out in note 3 of the consolidated financial statements.

Board of Directors

The Directors of the Company who served during the financial year and through to the date of this report are listed on page 54.

Biographies are set out on pages 45 to 49.

Dividends

On 29 July 2025, the Board declared an interim dividend of \$0.18 (approximately £0.13 pence) per Common Share resulting in an aggregate payment of \$29.7 million to shareholders.

On 17 February 2026, Conduit's Board of Directors declared a final dividend for 2025 of \$0.18 (approximately £0.13) per Common Share, which will result in an aggregate payment of \$29.2 million to shareholders.

Insurance and indemnification

Conduit purchases insurance to cover the Directors and officers against their costs in defending themselves in civil proceedings taken against them in that capacity and in respect of damages resulting from the unsuccessful defence of any proceedings.

The bye-laws of the Company also provide that the Company shall, to the extent permitted by law, indemnify the Directors in respect of their acts and omissions and that the Company shall advance funds to Directors for their defence costs. The indemnity provisions set out in the bye-laws were in force during the financial year. Insurance and indemnity arrangements will not provide cover where the Director has acted fraudulently or dishonestly.

Recent developments

Recent developments are discussed on page 164.

Stakeholder engagement

A review of the Company's engagement with stakeholders is set out in the Section 172 Statement on page 41.

Directors' Report continued

Diversity and inclusion

A discussion of Diversity and Inclusion is set out in the Nomination Committee Report on page 60 to 61.

Compliance with the Code

A review of the Company's compliance with The UK Code is set out on pages 53 to 57.

Sustainability

The summary from page 34 provides an overview of Conduit's approach to being a sustainable and responsible business, including charity contributions and climate risk management.

Carbon emissions

Details of Conduit's carbon emissions for 2025 can be found on page 40 of this report.

Political donations

No political donations were made by Conduit in the year ended 31 December 2025, nor in 2024.

Share capital

Details of the structure of the Company's share capital and changes in the share capital during the year are disclosed in note 17 to the consolidated financial statements. The Common Shares are the only class of shares of Conduit presently in issue carrying voting rights. There are no nil or partly paid shares in issue. All Common Shares rank pari passu in all respects, there being no conversion or exchange rights attaching thereto and all Common Shares have equal rights to participate in capital, dividend and profit distributions by Conduit. The Common Shares are freely transferable and there are no restrictions on transfer, except as set out in the bye-laws or as may from time to time be imposed by law and regulations.

Bye-law amendments

A copy of the Company's bye-laws is available for inspection on Conduit's website and at Conduit's registered office. Changes to Conduit's bye-laws are governed by Bye-law 84, the text of which is repeated here in full:

"84.1 Subject to Bye-law 84.2, no bye-law shall be rescinded, altered or amended and no new bye-law shall be made until the same has been approved by a resolution of the Board and by a resolution of the Members.

84.2 Bye-laws 43, 44, 45, 47, 84 and 86 shall not be rescinded, altered or amended and no new bye-law shall be made which would have the effect of rescinding, altering or amending the provisions of such bye-laws, until the same has been approved by a resolution of the Board including the affirmative vote of not less than 66% of the Directors then in office and by a resolution of the members including the affirmative vote of not less than 66% of the votes attaching to all shares in issue."

Shareholder Authority to Purchase Own Shares

At the 2025 AGM, shareholders authorised the Company to purchase up to 16,523,999 of its own Common Shares (approximately 10% of the issued share capital as at 8 April 2025). The authority permits market purchases at a minimum price of US\$0.01 per share and a maximum price determined by the higher of: (i) 105% of the five-day average middle-market price; and (ii) the last independent trade price or the highest current independent bid, in each case as published by the London Stock Exchange. The authority will expire at the conclusion of the 2026 AGM or at 6:00 p.m. Bermuda Time on 14 August 2026, whichever is earlier, although contracts entered into before expiry may be completed afterwards.

In May 2025, the Company initiated a US\$50 million share Buyback Programme to be executed within this authority, with repurchased shares held in treasury. The programme runs from 19 May 2025 until the earlier of the 2026 AGM and 14 August 2026, unless terminated earlier.

Purchase of shares by the Employee Benefit Trust

CHL established an EBT during the second quarter of 2022 with the sole purpose of managing the equity incentives granted to executives and employees of Conduit (other than the MIP).

In 2025 the EBT continued to make on-market purchases of the Company's Common Shares. The Common Shares held in the Conduit EBT are intended to be used for the benefit of employees under Conduit's variable incentive schemes.

Further details of the shares held by, and the purchases made by, the Conduit EBT are set out in note 22 to the consolidated financial statements on page 163.

Directors' Report continued

Directors' interests

Directors' beneficial interests in Conduit's Common Shares as of 31 December 2025, including interests notified to Conduit in respect of Directors' closely associated persons within the meaning of the Market Abuse Regulation (MAR) were as follows:

Directors	Common Shares held as of 31 December 2025	Common Shares held as of 31 December 2024
Neil Eckert, CEO	829,402 ¹	744,676 ²
Elaine Whelan, CFO	477,841	323,185
Rebecca Shelley, Interim Chair and Independent Non-Executive Director	4,088	4,088
Ken Randall, Senior Independent Director	55,000	55,000
Malcolm Furbert, Independent Non-Executive Director	8,000	8,000
Elizabeth Murphy, Independent Non-Executive Director	15,000	15,000
Stephen Redmond, Independent Non-Executive Director	25,000	25,000
Michelle Seymour Smith, Independent Non-Executive Director	20,000	20,000
Nicholas Shott, Independent Non-Executive Director	24,891 ³	-

¹ Includes 49,336 shares owned by Neil Eckert's spouse, Nicola Eckert.

² Includes 43,104 shares owned by Neil Eckert's spouse, Nicola Eckert.

³ Beneficially owned shares for Nicholas Shott include shares purchased by Deverill Consultancy Limited and William Shott, both being Persons Closely Associated ("PCA") with Nicholas Shott.

Directors' Report continued

Shareholding guidelines require Executive Directors to build and maintain a shareholding in Company of 300% of salary while in post. Where not met, any portion of future bonuses that are paid in shares and other share awards or purchases will accumulate until this requirement is met. Further details are set out in the Remuneration Policy on page 76 and in the table on page 90. As at 31 December 2025, Elaine Whelan met the shareholding requirement set for Executive Directors. Following his appointment as CEO, Neil Eckert became non-compliant due to the higher salary applicable to that role. He has until 1 April 2032 to achieve compliance.

Major shareholdings

As at 23 February 2026 the Company had been notified (via forms TR-1: Standard form for notification of major holdings in accordance with DTR 5.3.1R(1)) of the following interests of 5% or more in the voting rights in its Common Shares.

Shareholder	Number of shares 23 February 2026	% of shares notified per Form TR1 ¹
FIL Limited	21,275,948	13.01
Asúa Inversiones, S.L.	16,379,653	10.04
Lancaster Investment Management LLP	8,874,981	5.39
Perpetual Limited	8,599,665	5.22
Zedra Trust Company (Guernsey) Limited ²	8,262,000	5.00

¹ Percentage as at date of notification.

² Zedra Trust Company (Guernsey) Limited is the independent trustee of CHL's EBT ("the Trustee"). Unless specifically directed by CHL, the EBT Trustee shall abstain from exercising its voting rights over the Common Shares held by the EBT at any general meeting of CHL. If CHL directs that the EBT Trustee may vote, CHL cannot direct the manner in which the EBT Trustee exercises its votes.

Going concern and viability statement

A review of the financial performance of Conduit is set out on pages 21 to 24. The financial position of Conduit, including its cash flows and its borrowing facilities, are included in the financial statements starting on page 105. Conduit is well capitalised and has a well-balanced book of business.

The Board will consider Conduit's strategic plan for the business annually on a rolling basis using a three- to five-year time horizon. This period aligns to Conduit's liabilities and business model, allowing Conduit to adapt capital and solvency quickly in response to market cycles, events and opportunities.

The Board conducted its annual review of strategy in 2025 and updated Conduit's planning over a three- to five-year time horizon, taking into account perspectives on the external business environment and the principal risks and material uncertainties affecting Conduit and examining how Conduit's capital and operational capacity can best be aligned to support Conduit's objectives over the planning horizon. Further information on Conduit's principal risks can be found on pages 27 to 31. The risk disclosures section of the consolidated financial statements on pages 124 to 141 sets out the principal risks to which Conduit is exposed, including reinsurance risk, market risk, liquidity risk, credit risk, operational risk and strategic risk, together with Conduit's policies for monitoring, managing and mitigating its exposures to these risks. As part of the consideration of the appropriateness of adopting the going concern basis, Conduit uses stress and scenario analysis, and testing, to assess the robustness of Conduit's solvency and liquidity positions. To make the assessment, Conduit analysed and tested a number of scenarios individually and in combination, including applying reverse stress tests. The Board considers an aggregated occurrence of all these scenarios to be remote and that under the assessed scenarios Conduit remained adequately capitalised.

The Audit Committee also considered a formal going concern analysis from management at its November 2025 meeting (for further details, see page 66 in the Audit Committee Report).

After reviewing Conduit's strategy, budgets and medium-term plans, and subject to the principal risks faced by the business, the Board has a reasonable expectation that Conduit has adequate resources to continue in operational existence through the period to 31 December 2026. For this reason, the Board continues to adopt the going concern basis in preparing the accounts.

Directors' Report continued

Disclosure of information to the auditors

Each of the persons who is a Director at the date of approval of this Annual Report and Accounts confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

KPMG Audit Limited has expressed its willingness to remain in office and the Audit Committee has recommended its reappointment to the Board.

A resolution to reappoint the auditors and to authorise the Directors to determine their remuneration will be proposed at the Company's AGM.

Powers of Directors

The powers given to the Directors are contained in the Company's bye-laws and are subject to relevant legislation and, in certain circumstances (including in relation to the issuing and repurchasing by Conduit of its shares), approval by shareholders in a general meeting.

At the AGM in 2025, the Directors were granted authorities to allot and issue shares and to make market purchases of shares.

Appointment and replacement of Directors

The appointment and replacement of Directors is governed by the Company's bye-laws and the Bermuda Companies Act 1981 and related legislation. In accordance with The UK Corporate Governance Code, all Directors will stand for annual re-election.

Annual General Meeting

The 2026 AGM will be held at 10:00 a.m. Bermuda Time on Wednesday, 13 May 2026 at Conduit's headquarters at Ideation House, 94 Pitts Bay Road, Pembroke, Bermuda. The Notice of the AGM will be sent to shareholders in a separate circular. The deadline for submission of proxies will be 20 hours before the meeting.

Approved by the Board of Directors and signed on behalf of the Board

Greg Lunn

Company Secretary
25 February 2026

Directors' Responsibilities Statement

The Board is responsible for preparing the Annual Report and Conduit's consolidated financial statements in accordance with applicable law and regulations. Our responsibilities include ensuring that the Company maintains proper accounting records which disclose with reasonable accuracy the financial position of the Company and that the financial statements present a fair view for each financial period.

Legislation in Bermuda governing the preparation and dissemination of the consolidated financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

We confirm that we consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's and Conduit's position, performance, business model and strategy.

Further, we confirm that to the best of our knowledge:

- the consolidated annual financial statements are prepared on a going concern basis in accordance with IFRS as issued by the IASB. Conduit's management determine appropriate measurement bases, to provide the most useful information to users of the consolidated financial statements, providing a true and fair view of the assets, liabilities, financial position and profit or loss of Conduit; and
- the Strategic Report on pages 3 to 42 which serves as the management report, includes a fair review of the development and performance of the business and position and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

The audited consolidated financial statements were approved for issue on 25 February 2026 and the Directors responsible for authorising the responsibility statement on behalf of the Board are:

Neil Eckert

Executive Director
and CEO
25 February 2026

Elaine Whelan

Executive Director
and CFO
25 February 2026

Financial Statements



In This Section:

Independent Auditor's Report	106
Consolidated statement of comprehensive income	112
Consolidated balance sheet	113
Consolidated statement of changes in shareholders' equity	114
Statement of consolidated cash flows	115
Notes to the consolidated financial statements	116
Additional performance measures	165

Independent Auditor's report



KPMG Audit Limited	Telephone	+1 441 295 5063
Crown House	Fax	+1 441 295 9132
4 Par-la-Ville Road	Internet	www.kpmg.bm
Hamilton		
HM 08		
Bermuda		

Independent Auditor's report

To the Shareholders and Board of Directors of Conduit Holdings Limited

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Conduit Holdings Limited ("the Company") and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at 31 December 2025, the consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in Bermuda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's report continued

Valuation of components of the liability for incurred claims ("LIC")

(2025: Reinsurance contract liabilities include a liability for incurred claims of \$1,366.2 million, \$1,316.1 million net of ceded asset for incurred claims.

2024: Liability for incurred claims of \$978.0 million, \$936.8 million net of ceded asset for incurred claims)

Refer to the Audit committee report on pages 62 - 67 and the following in the notes to the consolidated financial statements: note 2 'Material accounting policies', note 3 'Risk disclosures' and note 15 'Reinsurance contracts'.

Independent Auditor’s report continued

The risk

A significant estimate made by management is the estimation of the LIC. The LIC is derived from the estimated fulfilment cash flows relating to outstanding claims and claim expenses already incurred but not yet paid and incurred but not reported losses (IBNR). In addition, an explicit risk adjustment for non financial risk is applied. The fulfilment cash flows for incurred claims are discounted using current discount rates at each reporting date.

Subjective valuation

The valuation of the LIC is a complex process which incorporates a significant amount of judgement with high estimation uncertainty in setting assumptions such as initial expected loss and loss adjustment expense ratios (loss ratios), claim development patterns, estimates for large loss events and catastrophe (CAT) events and a risk adjustment.

Amounts recoverable from reinsurers are estimated using the same methodology and judgements as for the underlying liabilities.

Cash flows for IBNR reserves are estimated initially using expected loss ratios which are selected based on information derived by the Group’s underwriters and actuaries during the initial pricing of the business. The estimates used may be revised as additional experience or other data becomes available. As actual loss information is reported, and the Group develops its own loss experience, management will use various actuarial methods as well as a combination of management’s judgement and experience, historical reinsurance industry loss experience and estimates of pricing adequacy trends to estimate cash flows for IBNR.

As such, we determined that the LIC has a higher degree of estimation uncertainty specifically around the estimation of IBNR.

Our response

Our procedures included:

Control design and implementation:

- We evaluated the design and implementation of the Group’s key controls regarding review and approval of the LIC. We performed the tests below rather than seeking to rely on any of the Group’s controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.

Assessing valuer’s credentials:

- We evaluated the competence, capabilities and objectivity of the Group’s internal and independent experts;
- We (together with our own valuation specialists) performed enquiries of these experts to understand their processes and models.

Assessment of assumptions and methodology:

- We used our own valuation specialists in assessing and challenging the reasonableness of the methods and assumptions utilised by the Group’s experts (on a gross and net of ceded reinsurance basis) – including the assessment of selected loss ratios, claim development patterns, reserves held for specific large loss and catastrophe (CAT) events and the risk adjustment applied.

Assessing observable inputs:

- On a sample basis, we agreed the underlying data utilised in the actuarial analyses to accounting records.
- We agreed a sample of cedant CAT loss estimates to supporting documentation as these formed the basis of reserving for certain CAT events.

Assessing transparency:

- We evaluated the adequacy of the Group’s disclosures on the LIC in accordance with the requirements of relevant accounting standards.

Independent Auditor’s report continued

Other information

Management is responsible for the other information. The other information comprises the Annual Report but does not include the consolidated financial statements and our auditor’s report thereon.

Except as described in the Report on Other Legal and Regulatory Requirements section of our report, our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon as part of our engagement to audit the consolidated financial statements. We have performed an assurance engagement on selected Greenhouse Gas emissions that forms part of the other information and provided a separate assurance practitioner’s conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's report continued

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements Directors' remuneration report

The Group voluntarily prepares an annual report on remuneration in accordance with the provisions of the United Kingdom (UK) Companies Act 2006. The Directors have engaged us to audit the part of the annual report on remuneration specified by the UK Companies Act 2006 to be audited as if the Company were a UK registered company.

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the UK Companies Act 2006, as if those requirements applied to the Company.

Corporate governance statement

We have been engaged to review the part of the corporate governance statement on pages 53 to 57 relating to the Group's compliance with the provisions of the UK Corporate Governance Code that would be specified by the Listing Rules of the UK's Financial Conduct Authority for our review if the Group had an Equity Shares (Commercial Companies) (ESCC) category listing on the London Stock Exchange. We have nothing to report in this respect.

In addition, the Directors have engaged us to review their statements on going concern and the longer-term viability on page 102 as if the Company was a UK registered company with an ESCC listing on the London Stock Exchange. Our review was substantially less in scope than an audit and only consisted of making inquiries and considering the Directors' process supporting their statements.

Based on the knowledge we acquired during our audit of the consolidated financial statements, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the longer-term viability statement on page 102 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity;
- the directors' explanation in the longer-term viability statement page 102 as to how they have assessed the prospects of the Group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.
- the related going concern statement made in conformity with the Listing Rules set out on page 102.

Independent Auditor's report continued

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's shareholders and Board of Directors, as a body. Our audit work has been undertaken so that we might state to the Company's shareholders and Board of Directors those matters we are required to state to them in an auditor's report and the further matters we are required to state to them in accordance with the terms agreed with the Company and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's shareholders and Board of Directors, as a body, for our audit work, for this report, or for the opinion we have formed.

The Engagement Partner on the audit resulting in this independent auditor's report is James Berry.

Chartered Professional Accountants

Hamilton, Bermuda

25 February 2026

Consolidated statement of comprehensive income

For the year ended 31 December 2025

	Notes	2025 \$m	2024 \$m
Reinsurance revenue	4, 15	897.1	813.7
Reinsurance service expenses	4, 10, 15	(688.4)	(591.4)
Ceded reinsurance expenses	4, 15, 22	(119.1)	(93.7)
Ceded reinsurance recoveries	4, 15	20.3	3.0
Reinsurance service result	4, 15	109.9	131.6
Net investment income	5	80.7	65.0
Net realised gains (losses) on investments	5	(0.4)	0.1
Net unrealised gains (losses) on investments	5, 13	39.2	1.0
Net investment result	5	119.5	66.1
Net reinsurance finance income (expense)	4, 6, 15	(77.2)	(30.8)
Net foreign exchange gains (losses)		(0.1)	(2.2)
Net reinsurance and financial result		152.1	164.7
Equity-based incentive expense	7, 19	(9.3)	(7.1)
Other operating expenses	4, 7, 8, 10, 16, 22	(24.8)	(30.8)
Results of operating activities		118.0	126.8
Financing costs	9, 17	(1.2)	(1.2)
Total comprehensive income for the year		116.8	125.6
Earnings per share			
Basic	21	\$0.75	\$0.80
Diluted	21	\$0.74	\$0.79

Consolidated balance sheet

As at 31 December 2025

	Notes	2025 \$m	2024 \$m
Assets			
Cash and cash equivalents	12, 17	339.2	313.2
Accrued interest receivable		15.6	12.4
Investments	13, 14, 17	1,907.4	1,526.3
Ceded reinsurance contract assets	15	51.4	48.9
Other assets	10, 22	11.1	4.0
Right-of-use lease assets	16	0.7	1.4
Total assets		2,325.4	1,906.2
Liabilities			
Reinsurance contract liabilities	15	1,210.5	834.5
Other payables		11.7	18.9
Lease liabilities	16	0.8	1.6
Total liabilities		1,223.0	855.0

	Notes	2025 \$m	2024 \$m
Shareholders' equity			
Share capital	18	1.7	1.7
Own shares	18	(52.7)	(40.6)
Other reserves	19	1,070.9	1,065.0
Retained earnings		82.5	25.1
Total shareholders' equity		1,102.4	1,051.2
Total liabilities and shareholders' equity		2,325.4	1,906.2

The consolidated financial statements were approved by the Board of Directors on 25 February 2026 and signed on its behalf by:

Neil Eckert
CEO

Elaine Whelan
CFO

Consolidated statement of changes in shareholders' equity

For the year ended 31 December 2025

	Notes	Share capital \$m	Own shares \$m	Other reserves \$m	Retained earnings (loss) \$m	Total shareholders' equity \$m
Balance as at 1 January 2024		1.7	(32.9)	1,059.6	(41.0)	987.4
Total comprehensive income for the year		-	-	-	125.6	125.6
Distributions by EBT	18, 19, 22	-	1.7	(1.7)	-	-
Purchase of own shares	18, 22	-	(9.4)	-	-	(9.4)
Dividends on common shares	18	-	-	-	(59.5)	(59.5)
Equity-based incentive expense	7, 19	-	-	7.1	-	7.1
Balance as at 31 December 2024	18, 19	1.7	(40.6)	1,065.0	25.1	1,051.2
Total comprehensive income for the year		-	-	-	116.8	116.8
Distributions by EBT	18, 19, 22	-	3.4	(3.4)	-	-
Purchase of own shares	18, 22	-	(15.5)	-	-	(15.5)
Dividends on common shares	18	-	-	-	(59.4)	(59.4)
Equity-based incentive expense	7, 19	-	-	9.3	-	9.3
Balance as at 31 December 2025	18, 19	1.7	(52.7)	1,070.9	82.5	1,102.4

Statement of consolidated cash flows

For the year ended 31 December 2025

	Notes	2025 \$m	2024 \$m		Notes	2025 \$m	2024 \$m
Cash flows from operating activities				Cash flows used in financing activities			
Comprehensive income		116.8	125.6	Lease liabilities paid	16	(0.8)	(0.8)
Depreciation	16	1.1	1.1	Dividends paid	18	(59.4)	(59.5)
Interest expense on lease liabilities	9, 16	-	0.1	Purchase of own shares	18	(15.5)	(9.4)
Net investment income	5	(82.1)	(65.3)	Net cash flows used in financing activities		(75.7)	(69.7)
Net realised (gains) losses on investments	5	0.4	(0.1)	Net increase in cash and cash equivalents		16.7	117.9
Net unrealised (gains) losses on investments	5, 13	(39.2)	(1.0)	Cash and cash equivalents at the beginning of the year	12	313.2	199.8
Net unrealised foreign exchange (gains) losses		0.7	1.5	Effect of exchange rate fluctuations on cash and cash equivalents		9.3	(4.5)
Equity-based incentive expense	7, 19	9.3	7.1	Cash and cash equivalents at end of year	12	339.2	313.2
Change in operational assets and liabilities							
– Reinsurance assets and liabilities		363.2	337.1				
– Other assets and liabilities		(8.6)	1.2				
Net cash flows from operating activities		361.6	407.3				
Cash flows used in investing activities							
Purchase of investments		(964.1)	(736.3)				
Proceeds on sale and maturity of investments		621.4	462.2				
Interest received		73.5	55.1				
Purchase of property, plant and equipment		-	(0.7)				
Net cash flows used in investing activities		(269.2)	(219.7)				

Notes to the consolidated financial statements

For the year ended 31 December 2025

1. General information

CHL was incorporated under the laws of Bermuda on 6 October 2020 and, on 7 December 2020, all of its common shares of par value \$0.01 per share were admitted to the standard listing segment of the Official List of the UK Financial Conduct Authority and admitted to trading on the LSE's main market for listed securities. CHL's registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. CHL's consolidated financial statements as at, and for the year ended 31 December 2025 include the Company's subsidiaries. The principal activity of Conduit is to provide reinsurance products and services to its clients worldwide.

A full listing of Conduit's related parties can be found in note 22.

2. Summary of material accounting policies

The basis of preparation, use of judgements and estimates, consolidation principles and material accounting policies adopted in the preparation of these consolidated financial statements are set out below. Excluding percentages, share and per share data or where otherwise stated, all amounts in tables and narrative disclosures are in millions of US dollars.

Basis of preparation

These consolidated financial statements are prepared on a going concern basis in accordance with IFRS as issued by the IASB, and the DTR issued by the Financial Conduct Authority, and are prepared on a historical cost basis, except for items measured at fair value as disclosed in the relevant accounting policies. In accordance with the requirements of IAS 1, the financial statements' assets and liabilities have been presented in order of liquidity, which provides information that is more reliable and relevant for a financial institution.

In the course of preparing these consolidated financial statements, no judgements have been made in the process of applying Conduit's accounting policies, other than those involving estimations as noted in the 'Use of judgements and estimates' section, that have had a significant effect on amounts recognised in these consolidated financial statements.

Going concern

The consolidated financial statements of Conduit have been prepared on a going concern basis. In assessing Conduit's going concern position as at 31 December 2025, the Board have considered a number of factors, including the current balance sheet position and Conduit's strategic and financial

plan, taking account of possible changes in trading performance and funding retention, stress testing and scenario analysis. Conduit's capital ratios and its capital resources are comfortably in excess of regulatory solvency requirements, and internal stress testing indicates Conduit can withstand severe economic and competitive stresses.

As a result of the assessment, the Board has a reasonable expectation that Conduit has adequate resources to continue in operational existence for the foreseeable future and therefore believe that Conduit is well placed to manage its business risks successfully. Accordingly, Conduit continues to adopt the going concern basis in preparing the consolidated financial statements.

Changes in accounting policies and new standards

There were no new standards that became effective in the year ended 31 December 2025 that have had a material impact on Conduit.

Future accounting changes

No standards or interpretations have been issued that are expected to have a material effect on Conduit's financial position, presentation or disclosure.

IFRS 18, Presentation and Disclosure in Financial Statements, will replace IAS 1, Presentation of Financial Statements, and applies to reporting periods beginning on or after 1 January 2027. IFRS 18 will require entities to classify all income and expenses on the consolidated statement of comprehensive income into operating, investing and financing activities, disclose in a single note management-defined performance measures, and provide enhanced guidance on how to group information in the financial statements.

Conduit is in the process of assessing the impact that the new standard will have on its consolidated financial statements, including presentation and disclosure requirements. There is no impact anticipated on the financial results of Conduit. Only minimal changes are expected to the presentation and disclosure in the consolidated financial statements, with minor subtotal changes in the consolidated statement of comprehensive income, a minor change to the starting position in the consolidated statement of cash flows, and minimal additional disclosure related to management-defined performance measures.

Notes to the consolidated financial statements continued

Use of judgements and estimates

The preparation of financial statements in conformity with IFRS requires Conduit to make judgements and estimates that affect the reported and disclosed amounts at the balance sheet date, revenues and expenses during the reporting period and the associated financial statement disclosures. All estimates are based on management's knowledge of current facts and circumstances, assumptions based on that knowledge and their prediction of future events. Actual results may differ significantly from the estimates made.

The most significant estimates made by management are in relation to the liability for incurred claims and associated ceded reinsurance recoveries, as discussed in note 3 and note 15.

Less significant estimates are made in determining the estimated fair value of certain financial instruments, as discussed in note 3 and note 13.

In addition, some management judgement is exercised in determining the total premium cash flows expected to be received from reinsurance contracts that are used to determine the amount of reinsurance revenue recognised in the period.

While not significant, estimates are also used in the estimated fair value of the MIP as discussed in note 7.

Consolidation principles

These consolidated financial statements comprise the financial statements of CHL and its subsidiaries as at and for the year ended 31 December 2025. Subsidiaries are those entities that are controlled by Conduit and are fully consolidated from the date on which Conduit obtains control and continue to be consolidated until the date when such control ceases. Control is achieved when Conduit is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Intragroup balances and transactions are eliminated in preparing the consolidated financial statements. Subsidiaries' accounting policies are consistent with Conduit's accounting policies.

Foreign currency

The functional currency, which is the currency of the primary economic environment in which Conduit operates, is US dollars. Items included in the financial statements of each entity are measured using the functional currency. These consolidated financial statements are presented in US dollars.

Foreign currency transactions are recorded in the functional currency for each entity using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are revalued at period end exchange rates. The resulting foreign exchange differences on revaluation are recorded in the consolidated statement of comprehensive income within net foreign exchange gains (losses). Non-monetary assets and liabilities denominated in a foreign currency are carried at historic rates. Non-monetary assets and liabilities carried at estimated fair value and denominated in a foreign currency are translated at the exchange rate at the date the fair value was determined.

Reinsurance contracts

IFRS 17 sets out the classification, measurement and presentation and disclosure requirements for reinsurance contracts. It requires reinsurance contracts to be measured using current estimates and assumptions that reflect the timing of cash flows and recognition of profits as insurance services are delivered. The standard provides two main measurement models which are the General Measurement Model (GMM) and the Premium Allocation Approach (PAA).

The PAA simplifies the measurement of reinsurance contracts for remaining coverage, or pre-claims, in comparison to the GMM. The GMM is used for the measurement of the liability for incurred claims.

PAA eligibility

Under IFRS 17, Conduit's reinsurance contracts issued and ceded reinsurance contracts held are all eligible to be measured by applying the PAA, due to meeting the following criteria:

- Loss-occurring reinsurance contracts with coverage period of one year or less are automatically eligible; and
- Modelling of risk-attaching contracts or contracts with a coverage period greater than one year produces a measurement for the group of reinsurance contracts that does not differ materially from that which would be produced applying the GMM.

Notes to the consolidated financial statements continued

Classification

Contracts that transfer significant reinsurance risk at the inception of the contract are accounted for as reinsurance contracts. Contracts purchased and held by Conduit under which it transfers significant reinsurance risk to a counterparty are accounted for as ceded reinsurance contracts. Contracts that do not transfer significant reinsurance risk are accounted for as investment contracts. Reinsurance risk is transferred when a reinsurer agrees to compensate a policyholder if a specified uncertain future event adversely affects the policyholder.

Conduit's accounting policies apply to both reinsurance contracts issued and ceded reinsurance contracts held unless explicitly referenced as applying to contracts issued or ceded only. Conduit writes both excess of loss and proportional (also known as quota share or pro-rata) reinsurance contracts. The type of contract impacts the recognition of reinsurance revenue. Contract types are discussed on page 120.

Separating components from reinsurance contracts

IFRS 17 distinguishes three components that, if embedded in a reinsurance contract, should be bifurcated, and accounted for separately. These are:

- Cash flows relating to embedded derivatives that are required to be separated;
- Cash flows relating to distinct investment components; and
- Promises to transfer distinct goods or distinct non-insurance services.

IFRS 17 then applies to all remaining components of the contract. Conduit does not have any contracts containing non-insurance components that require separation. Where contracts contain multiple reinsurance components that meet the requirements for separation, these are separated and accounted for as standalone contracts.

Some reinsurance contracts issued contain profit-sharing arrangements, such as profit commissions and no claims bonuses. Under these arrangements, there is a minimum guaranteed amount that the policyholder will always receive either in the form of profit commission, or as reimbursement for claims, or another contractual payment, irrespective of the insured event happening. These are typically considered non-distinct investment components. Non-distinct investment components are not separated from the reinsurance contract as they are closely interrelated to the measurement of the reinsurance contract. However, the impact of the non-distinct investment components are excluded from the consolidated statement of comprehensive income by adjusting reinsurance

revenue and reinsurance service expenses by the minimum amount due. There is no impact to the reinsurance service result as there is an equal reduction to both revenue and expenses.

Level of aggregation

Conduit manages reinsurance contracts issued by class of business within an operating segment. Classes of business are aggregated into portfolios of contracts that are subject to similar risks. Contracts within each portfolio are grouped into groups of contracts that are issued within a calendar year, the annual cohort, and are (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of subsequently becoming onerous; or (iii) a group of remaining contracts. These groups represent the level of aggregation at which reinsurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.

Onerous contracts

Under the PAA, it is assumed there are no contracts in the portfolio that are onerous at initial recognition, unless there are facts and circumstances that may indicate otherwise. Management primarily considers the following to determine whether there are facts and circumstances that mean a group of contracts are onerous:

- Pricing information;
- Results of similar contracts it has recognised; and
- External factors, such as a change in market experience or regulations.

If a group of contracts becomes onerous, Conduit increases the carrying amount of the liability for remaining coverage to the amount of the fulfilment cash flows with the amount of such an increase recognised immediately in reinsurance service expenses. Subsequently, Conduit amortises the amount of the loss component by decreasing reinsurance service expenses. The loss component amortisation is based on the passage of time over the remaining coverage period of contracts within an onerous group. If facts and circumstances indicate that the expected profitability of the onerous group during the remaining coverage has changed, then Conduit remeasures the loss component by reassessing the fulfilment cash flows as required until the loss component is reduced to zero.

Where a loss component is expected to be partially or fully recovered by ceded reinsurance contracts, the amount of recovery is recognised in ceded reinsurance recoveries.

Notes to the consolidated financial statements continued

Recognition

Conduit recognises groups of reinsurance contracts it issues from the earliest of:

- The beginning of the coverage period of the group of contracts;
- The date when the first payment from the cedant is due or when the first payment is received if there is no due date; or
- For a group of onerous contracts, the date when facts and circumstances indicate that the group is onerous.

For ceded reinsurance contracts Conduit recognises the group of contracts:

- If the reinsurance contracts provide proportionate coverage, at the later of the beginning of the coverage period of the group, or the initial recognition of the underlying covered reinsurance contracts issued; or
- For non-proportionate coverage, the beginning of the coverage period of the group of contracts, unless an onerous group of underlying reinsurance contracts have been recognised and the ceded reinsurance contract has been signed before that date.

Modification and derecognition

Conduit derecognises reinsurance contracts when:

- The rights and obligations relating to the contract are extinguished (meaning discharged, cancelled or expired); or
- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, Conduit derecognises the initial contract and recognises the modified contract as a new contract. When a modification is not treated as a derecognition, Conduit recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

Contract boundaries

The measurement of a group of reinsurance contracts includes all future cash flows expected to arise within the boundary of each contract in the group. Cash flows are within the boundary of a reinsurance contract if they arise from substantive rights and obligations that exist during the reporting period in which Conduit can compel the cedant to pay the premiums, or in which Conduit has a substantive obligation to provide the cedant with services. A substantive obligation to provide services ends when Conduit has the practical ability to reassess the risks of the cedant and, as a result,

can set a price of level of benefits that fully reflects those risks. Where Conduit issues multi-year contracts and does not have the ability to re-price on each policy anniversary the contract is considered one contract and therefore future cash flows from each of the annual periods are considered on initial recognition.

For ceded reinsurance contracts the cash flows are within the boundary of the contract if Conduit has a substantive right to receive services or if Conduit is compelled to pay premiums to the reinsurer. The substantive right to receive services from the reinsurer ends when:

- The reinsurer has the practical ability to reassess the risks transferred to it and can set a price of level of benefits that fully reflects those risks; or
- The reinsurer has a substantive right to terminate the coverage.
- Conduit assesses the contract boundary at initial recognition and at each subsequent reporting date to include the effects of changes in circumstances on Conduit's substantive rights and obligations. The assessment of the contract boundary, which defines the future cash flows that are included in the measurement of the contract, requires judgement and consideration of Conduit's substantive rights and obligations. Conduit issues risk-attaching reinsurance contracts which provide reinsurance coverage to underlying contracts issued within the terms of the contract. While the contracts can have an annual term the contract boundary is assessed with consideration of the coverage period of the underlying contracts. Contracts that cover claims from underlying contracts within the contract period, loss-occurring contracts, are typically annual term. Where contracts contain multi-year terms, Conduit exercises judgement on whether provisions within the contract allow cancellation or re-pricing at each anniversary of the contract.

Measurement – Liability for remaining coverage

On initial recognition of each group of contracts, the carrying amount of the liability for remaining coverage is measured as the premiums received on initial recognition, if any, minus any reinsurance acquisition expense cash flows allocated to the group of contracts and any amounts arising from the derecognition of the prepaid reinsurance acquisition expense cash flows asset. Conduit has chosen not to expense reinsurance acquisition expense cash flows on contracts with coverage of one year or less when they are incurred in order to apply a consistent treatment of reinsurance acquisition expense cash flows for all contracts, regardless of the length of coverage.

Notes to the consolidated financial statements continued

Subsequently, at the end of each reporting period, the liability for remaining coverage is:

- Increased by any premiums received in the period;
- Decreased for reinsurance acquisition expense cash flows paid in the period;
- Decreased for the amounts of expected premium cash flows recognised as reinsurance revenue for the services provided in the period;
- Increased for the amortisation of reinsurance acquisition expense cash flows in the period recognised as reinsurance service expenses; and
- Decreased for any non-distinct investment component paid or transferred to the liability for incurred claims.

Conduit has elected not to adjust the liability for remaining coverage for the time value of money as its reinsurance contracts do not contain a significant financing component.

Conduit measures the reinsurance asset for remaining coverage for its ceded reinsurance contracts that it holds on the same basis as reinsurance contracts issued, adapted to reflect the features that differ between contracts issued versus contracts held.

Reinsurance revenue recognised in the period is based on the total premium cash flows expected to be received over the lifetime of the contract, net of any deductions that are paid to the cedant. The amount of total expected revenue from a contract recognised in the period is dependent on the type of reinsurance contract, as discussed below.

Excess of loss contracts

For the majority of excess of loss contracts, expected premium cash flows are assessed based on the minimum and deposit or flat premium, as defined in the contract. Subsequent adjustments to the minimum and deposit premium are assessed in the period in which they are determined. For excess of loss contracts where no deposit is specified in the contract, premium cash flows are assessed based on estimates of premiums provided by the ceding company. Subsequent adjustments, based on reports of actual premium by ceding companies, or revisions in estimates, are assessed in the period in which they are determined. For multi-year policies that are payable in annual instalments, where the reinsured has the sole ability to cancel, the total expected premium cash flows for all annual periods are assessed at the inception of the contract. Where unilateral cancellation by the reinsurer exists at each anniversary of the contract the annual periods are assessed as separate contracts.

Reinsurance revenue for excess of loss contracts is generally recognised evenly over the term of the underlying risk period of the reinsurance contract, except where the period of risk differs significantly from the contract period. In these circumstances, reinsurance revenue is recognised over the period of risk in proportion to the amount of reinsurance protection provided. Where contract terms require the reinstatement of coverage after a ceding company's loss, as the reinstatement is contingent on the loss, the estimated mandatory reinstatement premiums are recorded within reinsurance service expenses.

Proportional contracts

Premium cash flows for proportional contracts are assessed based on estimates of ultimate premiums provided by the ceding company, supplemented by management's estimates of premiums based on its experience with the ceding company, familiarity with each market, the timing of the reported information and its understanding of the characteristics of each class of business. Initial estimates of premium cash flows are assessed in the period in which the contract incepts, or the period in which the contract is bound, if later. Contracts written on a 'risks-attaching' basis cover claims which attach to the underlying reinsurance policy written during the term of the respective policy. Reinsurance revenue on such policies generally extend beyond the original term of the contract. Subsequent adjustments, based on reports of actual premium by the ceding company, or revisions in estimates, are assessed in the period in which they are determined.

Reinsurance acquisition expense cash flows

Reinsurance acquisition expense cash flows represent the cash flows that arise from the cost of selling and underwriting a group of reinsurance contracts and include:

- Contract specific costs, such as brokerage;
- Operating expenses that are incurred in relation to the fulfilment of reinsurance contracts; and
- An allocation of fixed and variable overheads.

Reinsurance acquisition expenses are deferred over the period in which the related premiums are earned to the extent they are recoverable out of expected future revenue margins and recognised within reinsurance service expenses.

Commissions that are paid to cedants, such as ceding commissions, are not treated as reinsurance acquisition expense cash flows as they do not relate to a service. Such commissions are treated as a reduction in the expected premium recognised as reinsurance revenue.

Notes to the consolidated financial statements continued

Ceded reinsurance expenses

Ceded reinsurance is purchased in the normal course of business to increase capital capacity or to limit the impact of individual risk losses and loss events impacting multiple cedants, such as natural-catastrophes, or both. Conduit may purchase ceded reinsurance on both an excess of loss and a proportional basis, and may supplement this with the use of ceded reinsurance cover linked to the issuance of catastrophe bonds or other capital market products. Ceded reinsurance premiums are recognised as ceded reinsurance expenses in the same manner as reinsurance contracts issued, depending on the terms of the contract. Ceding commissions received are deducted from the premium paid that is recognised in ceded reinsurance expenses. Other expenses incurred in the placing of ceded reinsurance contracts that are in relation to a service by a third party, such as brokerage, are recognised in ceded reinsurance expenses.

Measurement – Liability for incurred claims

The liability for incurred claims represents the estimated ultimate cost of settling all reinsurance claims arising from events that have occurred up to the end of the reporting period, including the operating costs that are expected to be incurred in the course of settling such claims, reinstatement premiums on specific loss events, profit commissions and similar expenses that are contingent on claims plus a provision for IBNR. The liability for incurred claims is derived from the estimated fulfilment cash flows relating to expected claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available, without undue cost or effort, about the amount, timing and uncertainty of those future cash flows. They also include an explicit adjustment for non-financial risk, the risk adjustment. Estimates of future cash flows for incurred claims are discounted on initial recognition and then re-measured to current rates as at the reporting date.

Cash flows for outstanding losses are estimated initially on the basis of reported losses received from cedants. Cash flows for ACRs are determined where management's expectation of the ultimate cost of the reported loss is greater than that reported. Estimated cash flows for IBNR may also consist of a provision for additional development in excess of losses reported by cedants, as well as a provision for losses which have occurred but have not yet been reported by cedants.

Cash flows for IBNR are estimated initially using expected loss and loss adjustment expense ratios which are selected based on information derived by underwriters and actuaries during the initial pricing of the business. These estimates are reviewed regularly and, as experience develops and new information is received, the cash flows are adjusted as necessary. As actual loss information is reported, and Conduit develops its own loss experience, management will use various actuarial

methods as well as a combination of management's judgement and experience, historical reinsurance industry loss experience and estimates of pricing adequacy trends to estimate cash flows for IBNR.

The estimation of the liability for incurred claims is a complex process which incorporates a significant amount of judgement. It is reasonably possible that uncertainties in the reserving process, delays in cedants reporting losses to Conduit, together with the potential for unforeseen adverse developments, could lead to a material change in the liability for incurred claims.

Any amounts recoverable from reinsurers are estimated using the same methodology as for the underlying losses except for the requirement under IFRS 17 to assess the ceded reinsurance recovery cash flows for the effect of any risk of non-performance, including expected credit losses. Management monitors the creditworthiness of its reinsurers on an ongoing basis and assesses any reinsurance assets for the risk of non-performance, with a provision for non-performance risk being recognised as an expense in the period in which it is determined.

Presentation of reinsurance contracts

Reinsurance assets and liabilities

The asset or liability for a portfolio of reinsurance contracts is the net position of both the liability for remaining coverage and the liability for incurred claims. Whether a portfolio is in a liability or asset position is typically impacted by the timing of cash flows received versus cash flows paid. Conduit presents separately in the consolidated balance sheet portfolios of reinsurance contracts issued and held that are in an asset position and those that are in a liability position.

All reinsurance contract assets and liabilities are deemed monetary assets and liabilities and are revalued at period end exchange rates.

Reinsurance revenue

Reinsurance revenue in the consolidated statement of comprehensive income is the amount of expected premium cash flows, net of any deductions paid to the cedant and excluding any non-distinct investment component. Conduit allocates the expected premium receipts to each period of coverage on the basis of passage of time or the expected risk pattern if it differs significantly from the passage of time.

Notes to the consolidated financial statements continued

Reinsurance service expenses

Reinsurance service expenses in the consolidated statement of comprehensive income includes changes in the liability for incurred claims that do not arise from the application of discount rates, being recognition and amortisation of any loss components, amortisation of reinsurance acquisition expense cash flows and other attributable operating expenses.

Ceded reinsurance income and expenses

Conduit has elected to present the income and expenses from ceded reinsurance contracts separately in the consolidated statement of comprehensive income. Ceded reinsurance expenses represent the total expected ceded premiums and other amounts, that are not contingent on recoveries, payable to Conduit's reinsurers. Conduit recognises ceded reinsurance expenses based on the passage of time over the coverage period of a group of contracts or expected risk pattern. Income from ceded reinsurance contracts includes expected recoveries on incurred claims, changes in expected recoveries related to past service, the provision for the effects of changes in risk of reinsurer non-performance plus other amounts that are contingent on recoveries, such as ceded profit commissions payable to the reinsured.

Net reinsurance finance income (expense)

Reinsurance finance income (expense) includes the changes in the carrying amounts of reinsurance and ceded reinsurance assets and liabilities arising from the unwind of discount recognised in prior periods and the effects of remeasuring to current discount rates plus other financial assumptions. Conduit has elected to disaggregate the changes in the risk adjustment for the time value of money and present it within net reinsurance finance income (expense).

Conduit has chosen not to disaggregate finance income (expense) between other comprehensive income (OCI) and comprehensive income.

Financial instruments

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, money market funds, and other short-term highly liquid investments with a maturity of three months or less at the date of purchase. Carrying amounts approximate fair value due to the short-term nature and high liquidity of the instruments.

Investments

Conduit's fixed maturity securities portfolio meets the requirements for mandatory classification as FVTPL and is carried at estimated fair value in the consolidated balance sheet. The classification of financial assets is determined at the time of initial purchase. A financial asset is classified at FVTPL if it is held within a business model that is managed and evaluated on a fair value basis or if acquired principally for the purpose of selling in the short term, or if it forms part of a portfolio of financial assets in which there is evidence of short-term profit taking. Presentation of these securities in the FVTPL category is consistent with how management monitors and evaluates the performance of these securities on a fair value basis.

Regular way purchases and sales of investments are recognised at estimated fair value on the trade date, and are subsequently carried at estimated fair value. Balances pending settlement are reflected in the consolidated balance sheet in other assets or other payables. The estimated fair value of Conduit's fixed maturity securities portfolio is determined based on bid prices from recognised exchanges, broker-dealers, recognised indices or pricing vendors. Changes in estimated fair value of investments classified as FVTPL are recognised in the consolidated statement of comprehensive income within net unrealised gains (losses) on investments.

Investments are derecognised when Conduit has transferred substantially all the risks and rewards of ownership. On derecognition of an investment held at FVTPL, previously recorded unrealised gains and losses are recycled from net unrealised gains (losses) on investments to net realised gains (losses) on investments.

Interest income, amortisation and accretion of premiums and discounts on fixed maturity securities are calculated using the effective interest rate method and recognised in net investment income. The carrying value of accrued interest income approximates estimated fair value due to its short-term nature and high liquidity.

Notes to the consolidated financial statements continued

Leases

Conduit recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial measurement of the corresponding lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of any costs to be incurred at the expiration of the lease agreement.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and any impairment losses. Straight-line depreciation is calculated from the commencement date of the lease to the earlier of either the end date of the lease term or the useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments at the lease commencement date. Lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Conduit's incremental borrowing rate. Lease payments included in the measurement of the lease liability include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease liability is subsequently measured by increasing the lease carrying amount to reflect the interest due on the lease liability using the effective interest rate method and reducing the carrying amount to reflect the lease payments made. Conduit re-measures the lease liability and the related right-of-use asset whenever there is a change in future lease payments arising from a change in index or rate, if Conduit changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

Right-of-use assets and lease liabilities are presented as separate financial statement line items in the consolidated balance sheet.

Employee benefits

Equity-based incentives

Conduit currently operates a MIP under which shares are subscribed for or nil cost options are granted. The fair value of the instruments granted is estimated on the date of grant. The estimated fair value is recognised as an expense pro-rata over the vesting period of the instrument, adjusted for the impact of any non-market vesting conditions. No adjustment to vesting assumptions is made in respect of market vesting conditions.

Conduit also operates DSBP and LTIP awards. Under the DSBP, a percentage of each employee's bonus is automatically deferred into shares as nil cost options. These nil cost awards vest annually in separate equal tranches over a three-year period from the date of grant and do not have associated performance criteria attached to the awards. These awards accrue dividend equivalents for all dividends declared where the record date falls between the grant date and date of exercise, and are paid at the time of exercise.

The LTIP awards are awarded with or without performance criteria attached to the awards. These nil cost awards granted to staff vest over a three-year period from the date of grant. These awards accrue dividend equivalents for all dividends declared where the record date falls between the grant date and date of exercise, and are paid at the time of exercise. Refer to note 7 for details of performance criteria attached to certain LTIP awards.

At each balance sheet date, Conduit revises its estimate of the number of instruments that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, as equity-based incentive expense in the consolidated statement of comprehensive income, and a corresponding adjustment is made to other reserves in shareholders' equity over the remaining vesting period. On exercise, the differences between the expense charged to the consolidated statement of comprehensive income and the actual cost to Conduit, if any, is transferred to other reserves in shareholders' equity.

Pensions

Conduit's pension plans are based on defined contributions or equivalent cash in lieu, subject to applicable law and local market standards. On payment of contributions to the plans or cash in lieu there is no further obligation to Conduit. Contributions or payments of cash in lieu are recognised as employee benefits within other expenses in the consolidated statement of comprehensive income in the period when the services are rendered.

Government assistance

Conduit recognises government assistance when there is reasonable assurance that Conduit has complied with, and will continue to comply with, the conditions attached to the assistance, and that the amount of the credit will be received. Government assistance that relates to operating expenditures is recognised in the consolidated statement of comprehensive income in the same line item as the relevant operating expense.

Notes to the consolidated financial statements continued

Unutilised credits that Conduit expects to recover in future periods, including amounts refundable in cash, are recorded as a receivable. Conduit reassesses at each reporting date whether there is reasonable assurance that the conditions for receipt of the remaining credit continue to be met.

Tax

Income tax on the profit or loss for the period comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the year-end reporting date and any adjustments to tax payable in respect of prior periods.

Deferred tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets are recognised in the consolidated balance sheet to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Own shares

Own shares include shares repurchased under share repurchase authorisations and held in treasury, plus shares purchased and held in trust, for the purposes of employee equity-based incentive schemes. Own shares are deducted from shareholders' equity. No gain or loss is recognised on the purchase, sale, cancellation or issue of own shares and any consideration paid or received is recognised directly in equity.

Share capital and issuance costs

Shares are classified as shareholders' equity if there is no obligation to transfer cash or other financial assets. Transaction costs that are attributable to the issuance of new shares are treated as a deduction from equity.

3. Risk disclosures

Introduction

Conduit is exposed to risks from several sources, classified into six primary risk categories. The primary risk categories are: (a) reinsurance risk; (b) market risk; (c) liquidity risk; (d) credit risk; (e) operational risk; and (f) strategic risk. These are discussed in detail on the following pages. The primary risk to Conduit is reinsurance risk.

The Board is responsible for determining the nature and extent of the principal risks Conduit is willing to take in achieving its strategic objectives and should maintain sound risk management and internal control systems. To this end, the Board has established various committees to support the execution of its responsibilities and has reviewed the committee structures at CRL. The Board, and committees thereof, define the risk preferences and appetites within which management is authorised to operate.

The risk function is responsible for supporting the Board, and the CRL Board, with the day-to-day oversight of the risks that Conduit seeks or is exposed to in pursuit of its strategic objectives, and the satisfaction of certain regulatory risk management expectations relevant to CRL. The framework under which risks are managed contemplates risk appetite and tolerance constraints. Risk appetite is prescribed by the Board and is reviewed at least annually, with consideration of the financial and operational capacity of Conduit. The use of financial capacity in this context relates to calculated or modelled capital requirements, based on residual unmitigated risk exposures. Current capital requirements are determined by reference to rating agency, regulatory, and our internal capital model requirements.

Day-to-day management of risk is the responsibility of management, operating within the defined appetite and tolerances. The risk framework prescribes a standardised approach to the management of risk, oversight and challenge by the risk function and independent assurance provided by the internal audit function. The risk framework also addresses the reporting of risks, emerging risks, risk events and compliance with risk appetite and tolerance statements to executive management and the Board, and relevant board committees, of CHL and CRL. To ensure transparency and accountability of the business for all independent Non-Executive Directors, four Independent Non-Executive Directors from the Board have been appointed to the Board of CRL. Furthermore, the Board is invited to attend operating entity board level meetings and see all minutes and records of such operating entity board and committee meetings.

Notes to the consolidated financial statements continued

Climate change

Conduit is exposed to risks associated with climate change but also potential opportunities arising from that risk. Risks from climate change can include physical risk and transition risk. Physical risks are those relating to the physical impacts of climate change, which can be from increased frequency and/or severity of climate-related events, or structural, due to longer-term shifts in climate patterns. Transition risks are those relating to the transition to a lower carbon economy and include risks such as policy and legal risk, technology risk, market risk and reputational risk. Our approach to managing climate-related risks is documented in Conduit's Risk Management Policy.

a. Reinsurance risk

Conduit underwrites both short-tail and long-tail reinsurance contracts on a worldwide basis. These reinsurance contracts transfer insurance risk, including risks exposed to both natural and man-made catastrophes, and risk and liability losses. The risk in connection with underwriting reinsurance contracts is, in the event of a covered loss, whether the premiums will be sufficient to meet the associated loss payments and expenses. The underwriters evaluate and estimate the level of premiums sufficient to cover expected losses, expenses and profitability through a combination of sophisticated risk modelling tools, past experience and knowledge of loss events, current industry trends and broader economic indicators. In order to ensure appropriate reinsurance risk selection and limits on the concentration and diversification of the aggregate portfolio, Conduit has established risk management and internal control systems to evaluate and assess the expected losses of each individual contract, class of business, geographic region and the aggregate portfolio.

These controls, include, but are not limited to:

- A five-year strategic plan is produced that defines the overriding business goals that management and the Board aim to achieve;
- A detailed business plan is produced annually and considers current market conditions and the risk-adjusted profitability of the underwriting portfolio;
- Conduit's internal capital requirements consider the probability and magnitude of reinsurance losses varying adversely from the expected losses considered during the underwriting and subsequent reserving processes;
- Forecasts are produced periodically to assess the progress toward the business plan and the strategic plan;
- Each underwriter has a clearly defined limit of underwriting authority;
- Each contract underwritten is subject to a pre-bind peer review;

- An underwriting roundtable meeting, typically held at least weekly (and more frequently during key renewal periods), where deal flow, pricing and opportunities are discussed;
- Pricing models are used in all areas of the underwriting process and are stored centrally in our pricing platform;
- Risk appetite and tolerance statements have been established and the CRO reports quarterly on adherence;
- A number of modelling tools are used to model catastrophes and calculate the associated expected losses; and
- Outwards reinsurance is purchased to mitigate both frequency and severity of losses, and to protect Conduit's capital base.

Notes to the consolidated financial statements continued

Catastrophe management

Certain classes of Conduit’s business provide coverage for natural catastrophes and are subject to seasonal variation and the impacts of climate change. Conduit has exposure to large catastrophe losses globally, in particular in North America, Europe and Japan and these are most likely to be driven by windstorm events. The level of windstorm activity, and any landfall thereof, during the North Atlantic, European and Asia Pacific wind seasons may materially impact loss experience. The North Atlantic and Asia Pacific wind seasons are typically June to November and the European wind season November to March. Conduit has exposure to other natural catastrophes that can occur throughout the year, such as earthquakes, tsunamis, droughts, floods, hail, tornadoes, and wildfires. In addition, Conduit is exposed to risk losses throughout the year from perils such as fire, explosion, war, terrorism, political risk, cyber and other events, including loss arising from legal liabilities rather than physical damage.

Exposure management is an evolving discipline. Industry understanding of natural catastrophe events continues to develop, informed by advances in science, improved hazard data, enhanced modelling methodologies and emerging insights from actual loss events. Conduit reviews and refines its approaches to exposure monitoring, model utilisation and risk aggregation as exposures and loss models are updated to ensure they remain appropriate and proportionate to the risk profile of the portfolio. This includes assessing changes in vendor models, cedant data quality, evolving peril definitions and observed trends in climate and loss behaviour.

During 2025, Conduit refined its approach to natural catastrophe monitoring, redefining its peril region zones. Comparative figures for the prior period have been re-presented to ensure consistency with the current presentation. For US windstorm, this includes incorporating all North Atlantic Windstorm exposure into one zone which takes into account windstorms impacting more than one zone and/or that make multiple landfalls.

Conduit has defined its appetite and tolerance levels to manage underwriting exposure accumulation across its portfolio, based on the output from models that estimate the expected frequency and severity of potential loss events. The tolerances are designed to monitor net exposure across different peril and region combinations.

The table below shows Conduit’s estimated net exposures to certain peak zone perils as a percentage of tangible capital. These net positions are modelled stochastically and net of outwards reinsurance on a first occurrence basis at the 100-year and 250-year return periods.

The modelled estimated net PML as at 31 December 2024 reflects reduced attachment points to aggregate reinsurance protections following the occurrence of catastrophe events during the year. This has a notable impact on the North American Windstorm net exposures. The 31 December 2025 exposures do not benefit from similar reductions in the attachment points of aggregate reinsurance protections, given the benign wind loss experience during the year. While modelling is an important tool for assessing exposure and aggregating risks, its reliability varies by peril and region. Models rely on assumptions, judgements and input data provided by cedants, which can vary in precision and accuracy. As such actual exposures are likely to vary from those modelled. There could also be unmodelled losses to consider in addition to the modelled figures presented below. The models also include loss scenarios at higher return periods which could result in losses to capital greater than the modelled expectations shown.

As at 31 December	2025		2024	
	Net PML \$m	% of tangible capital	Net PML \$m	% of tangible capital
100-year return period estimated net loss				
Peril				
North Atlantic Windstorm	282.6	25.6%	174.7	16.6%
US and Canada Earthquake	116.5	10.6%	80.7	7.7%
European Windstorm	61.8	5.6%	49.4	4.7%
Asia Pacific Windstorm	37.3	3.4%	45.8	4.4%
Asia Pacific Earthquake	45.6	4.1%	50.9	4.8%

As at 31 December	2025		2024	
	Net PML \$m	% of tangible capital	Net PML \$m	% of tangible capital
250-year return period estimated net loss				
Peril				
North Atlantic Windstorm	352.4	32.0%	246.2	23.4%
US and Canada Earthquake	214.7	19.5%	125.8	12.0%
European Windstorm	76.6	6.9%	52.0	4.9%
Asia Pacific Windstorm	39.8	3.6%	55.7	5.3%
Asia Pacific Earthquake	59.6	5.4%	58.4	5.6%

Notes to the consolidated financial statements continued

Operating segments

The underwriting business is comprised of three principal divisions: Property, Casualty and Specialty. These divisions are also considered to be Conduit's operating segments. Details of each operating segment and reinsurance revenue by geographic region and operating segment are as follows:

Year ended 31 December	2025					2024 ¹				
	Property \$m	Casualty \$m	Specialty \$m	Total \$m	Total %	Property \$m	Casualty \$m	Specialty \$m	Total \$m	Total %
US	268.4	131.3	13.7	413.4	46.1	239.1	111.3	10.9	361.3	44.4
Worldwide	140.0	74.4	110.0	324.4	36.2	157.0	63.9	100.5	321.4	39.5
Europe	49.5	49.4	20.8	119.7	13.3	34.8	39.4	22.9	97.1	11.9
Other	36.6	1.5	1.5	39.6	4.4	30.2	2.8	0.9	33.9	4.2
Reinsurance revenue	494.5	256.6	146.0	897.1	100.0	461.1	217.4	135.2	813.7	100.0

¹ Certain reinsurance contracts previously reported within the Specialty segment are now reported within the Property and Casualty segments to better align with Conduit's internal view of these contracts. Comparative periods have been re-presented in order to be consistent with the current period presentation.

Property reinsurance

Conduit is exposed to large natural-catastrophe losses, such as windstorm and earthquake losses, primarily from assuming risks associated with property treaties. Exposure to natural-catastrophe events is controlled and measured by managing to predefined limits within stochastic modelling and deterministic accumulations across classes per geographic zone and peril. The accuracy of these analyses is limited by the quality of data and the effectiveness of the modelling. It is possible that a catastrophic event significantly exceeds the expected modelled event loss.

Natural-catastrophe risk is written across both the US and internationally on an excess of loss and quota share basis. Reinsurance structures are offered typically in respect of peril, geography and probability of activation or exhaustion.

Property per risk treaties are offered with the strategy to minimise natural-catastrophe exposure, focusing on fire risk. This is considered by both natural-catastrophe specific metrics, treaty conditions and excess of loss structure.

Ceded reinsurance is purchased to mitigate exposures to large natural-catastrophe losses. Ceded reinsurance is typically purchased on an ultimate net loss excess of loss basis, however industry loss warranties, catastrophe bonds issuances, or proportional treaty arrangements may also be utilised.

Casualty reinsurance

Conduit underwrites a balanced portfolio of casualty classes of business, comprised of both excess of loss and proportional contracts, on a worldwide basis.

Casualty claims tend to take longer to be reported and ultimately settled than physical damage risks. Conduit typically maintains a liability for incurred claims for casualty classes of business over a longer period of time than for the property and specialty classes of business where the costs of claims are generally known and settled within a shorter time frame.

Conduit purchases ceded reinsurance to protect against any clash between losses arising in its casualty portfolio.

The sub-classes of casualty business include directors and officers liability, financial institutions liability, general liability for multiple sub-classes and, on an excess and umbrella basis, medical malpractice, professional liability and transactional liability. Conduit has limited appetite for, and generally avoids, workers compensation, standalone auto and cyber treaties.

Notes to the consolidated financial statements continued

Directors and officers liability

Directors and officers liability policies offer protection for company managers and directors and officers against claims that may arise in the normal course of operations. Coverage includes legal expenses and liability to shareholders, bondholders, creditors or others owing to actions or omissions by a director or officer of a private or public corporation, or not-for-profit organisation.

Financial institutions liability

Financial institutions coverage may cover risks such as computer and commercial crime, professional indemnity and civil liability.

General liability

General liability commonly provides cover for losses arising from the legal liability of an original insured and statutory liability in the case of employers' liability which result in bodily injury or disease to third parties or physical damage to third-party property. Conduit offers a wide range of general liability reinsurance products including contractors general liability, excess general liability, umbrella, energy and environmental.

Medical malpractice

Medical malpractice reinsurance generally covers professional liability and errors and omissions specifically in the healthcare industry, protecting physicians and other healthcare professionals against claims of negligent acts or injury of patients under their care. Medical malpractice reinsurance does not cover intentional or criminal acts.

Professional liability

Professional liability generally provides coverage for third-party losses resulting from legal liability or civil liability or negligence, errors or omissions or wrongful acts arising from the provision of, or failure to provide, professional services by an original insured. Sub-classes of this business would include lawyers, accountants, architects and engineers, errors and omissions, plus miscellaneous professional liability.

Transactional liability

Transactional liability reinsurance is used by parties to various business transactions, such as mergers, acquisitions and divestitures, to transfer certain transaction-related risks to the reinsurance market. There can be a broad range of risks covered, including warranty, litigation, pension and tax uncertainties and employment matters.

Specialty reinsurance

Conduit's specialty classes of business are written on both an excess of loss and proportional basis and can provide reinsurance coverage against physical damage (short-tail) or against legal liability (long-tail) losses. Although specialty classes of business are exposed to natural-catastrophe risk, it is generally to a lesser extent than property classes of business. They are more likely to be affected by specific large loss events such as accidents, collisions, fires and similar man-made catastrophe events. Specialty classes of business are highly diverse in nature and require specific market expertise and experience. The specialty classes of business include, but are not limited to, aviation, energy, engineering and construction, environmental, marine, renewables, political violence and terrorism and are offered on both a specific and a whole account basis.

Conduit purchases ceded reinsurance protection to reduce exposure to both large risk losses and an accumulation of smaller claims arising from any one event. Ceded reinsurance is typically purchased on an excess of loss basis, but, from time to time, proportional arrangements may be entered into.

Aviation

The aviation class of business provides cover to the insurers of airlines, aircraft, airports, aircraft manufacturers and aviation related products, and includes cover for the aircraft themselves as well as losses arising from passenger and third-party liability claims against airlines and/or operators and/or manufacturers.

Energy

The energy class of business provides reinsurance cover for a global spread of accounts that includes risks such as downstream energy, midstream energy, upstream energy, energy liability, construction and natural perils related coverages such as Gulf of Mexico wind and hurricane programmes. Policies typically cover legal liability of an insured and property for physical damage (including natural catastrophe), machinery breakdown perils and consequential business interruption exposure. Loss limits are set at a level commensurate with the modelled estimated maximum loss scenario.

Engineering and construction

The class covers a wide range of products falling under related property and business income protection on a worldwide basis. These products include, but are not limited to, contractors' all risks, erection all risks, plant and equipment, machinery breakdown and loss of profits. Projects range from small bespoke to large civil engineering constructions. The main hazards are fire and explosion, theft, collapse and natural perils such as earthquake, windstorm and flood.

Notes to the consolidated financial statements continued

Environmental

Environmental products generally provide cover relating to the environmental and energy casualty classes with regard to pollution. The related sectors typically include energy, construction and industrial, which includes both commercial and residential risks.

Marine

Marine cargo is an international account and covers the reinsurance of commodities or goods in transit. Typically, transit cover is provided on an all-risks basis for marine perils for the full value of the goods concerned. Static cover is also provided for losses to cargo, from both elemental and non-elemental causes. In addition, the cargo account can include for example, fine art, vault risks, artwork on exhibition and marine war and terrorism business relating to cargo in the ordinary course of transit.

Marine liability commonly provides cover for legal liability for losses arising from the operation of marine and offshore related assets including but not limited to the reinsurance of the International Group of Protection and Indemnity Clubs, the operation and management of ships and vessels, cargo, and marine builders' risks covering the building of ocean-going vessels and offshore assets.

The marine hull class generally consists of worldwide coverage spanning physical damage, hull and machinery breakdown, loss of hire and mortgagees' interests for a range of maritime vessels from cargo and passenger ships to private pleasure craft. Products typically cover both risk and catastrophe exposures.

Renewables

The class covers a wide range of tailored solutions globally. The class includes offshore and onshore wind power, ground and rooftop solar power plus bioenergy fuels and associated operations. The risks exposed are quite unique, from difficult construction operations to installing complex equipment that is routinely exposed to natural hazards. Policies typically include cover for physical damage, legal liability, machinery breakdown and business interruption for both construction and operational phases.

Political violence and terrorism

Political violence and terrorism coverage is provided for US and worldwide property risks, but typically excluding nuclear, chemical, biological and cyber coverage in most territories.

Whole account

Coverage is generally provided on a worldwide basis and covers a broad spectrum of the cedants risks under a single policy. The classes of business covered under a whole account reinsurance policy can include property, specialty and casualty classes of business including commercial and personal automobile, general liability, workers compensation, employers liability, excess casualty and umbrella, as well as selected professional liability coverage.

Ceded reinsurance

Ceded reinsurance is purchased in the normal course of business to increase capital capacity, limit the impact of individual risk losses and loss events impacting multiple cedants (such as natural catastrophes, notably earthquakes and named storms), or both. Ceded reinsurance may also be purchased from time to time to optimise the risk-adjusted return of Conduit's aggregate underwriting portfolio. Conduit may purchase ceded reinsurance on both an excess of loss and proportional basis, and may also use reinsurance linked to catastrophe bonds or other capital market products. The mix of ceded reinsurance coverage is dependent on specific loss mitigation requirements, market conditions and available capacity. In certain market conditions, Conduit may deem it more economic to hold capital than purchase ceded reinsurance. Ceded reinsurance does not relieve Conduit of its obligations to policyholders. Conduit is exposed to reinsurance risk where ceded reinsurance contracts put in place to reduce gross reinsurance risk do not perform as anticipated, result in coverage disputes or prove inadequate in terms of the limits purchased. Failure of a ceded reinsurer to pay a valid claim is considered a credit risk which is detailed in the credit risk section below. Ceded reinsurance coverage is not intended to be available to meet all potential loss circumstances. Conduit will retain certain losses, as the cover purchased is unlikely to transfer the totality of Conduit's exposure. Any loss amount which exceeds the ceded reinsurance coverage purchased would be retained by Conduit. Some ceded reinsurance policies have limited reinstatements, therefore the number of claims which may be recovered on second, and subsequent loss circumstances is limited.

Under Conduit's ceded reinsurance security policy, ceded reinsurers are assessed and approved based on their financial strength ratings, among other factors. These decisions are regularly reviewed as an integral part of the business planning and performance monitoring process. The management Counterparty Security Committee examines and approves all Conduit's ceded reinsurers to ensure that they possess suitable security.

Notes to the consolidated financial statements continued

Fulfilment cash flows

Fulfilment cash flows consist of:

- The estimates of future cash flows required in the ultimate settlement of claims;
- An adjustment for the time value of money; and
- A risk adjustment for non-financial risk

Estimates of future cash flows

A significant and critical judgement and estimate made by management is the estimation of future cash flows in relation to ultimate claims settlements. Management estimates, in an unbiased way, future cash flows to cover its estimated liability for both reported and unreported claims on events that have occurred up to the latest valuation date, incorporating all reasonable and supportable information that is available without undue cost or effort. Management uses methodologies that calculate a point estimate for the ultimate losses, representing management's best estimate of ultimate future cash flows. Conduit estimates the future cash flows by taking outstanding losses, adding an estimate for IBNR and, if deemed necessary, ACRs which represent Conduit's estimate for losses related to specific contracts that management believes may not be adequately estimated by the cedant as at that date.

Liabilities for incurred claims are not permitted until the occurrence of an event which may give rise to a claim. As a result, only provisions applicable to losses that have occurred up to the reporting date are established, with no allowance for the provision of a contingency liability to account for expected future losses or for the emergence of new types of latent claims. Claims arising from future events can be expected to require the establishment of substantial liabilities from time to time. The estimated timing of the future cash flows is determined by applying cash flow payment assumptions to the best estimate of ultimate future cash flows.

The reserving process is dependent on management's judgement and is subject to meaningful uncertainty due to both qualitative and quantitative factors, including, but not limited to: the nature of the business written, whether it is short-tail or long-tail, whether it is excess of loss or proportional, the magnitude and timing of loss events, the geographic areas impacted by loss events, time lags in the reporting process from the original claimant, limited claims data, policy coverage interpretations, case law, regulatory directives, demand surge and inflation, potential uncertainties related to reinsurance and ceding company reserving practices, and other factors inherent in the estimation process for the net ultimate liability for incurred claims.

The judgements and estimates used in establishing future cash flow calculations may be revised as additional experience or other data becomes available. Future cash flows are also reviewed as new or improved methodologies are developed and as laws or regulations change. Furthermore, as a business operating within a broker market, management must rely on loss information reported to brokers by other insurers and their loss adjusters, who must estimate their own losses at the policy level, often based on incomplete and changing information. The information management receives varies by cedant and may include paid losses, estimated case reserves and an estimated provision for IBNR reserves. Additionally, reserving practices and the quality of data reporting may vary among ceding companies, which adds further uncertainty to management's estimates of the ultimate losses.

Conduit's internal actuaries review the assumptions and methodologies on a quarterly basis and develop an actuarial best estimate of Conduit's future cash flows using the processes outlined above. The management Reserving Committee reviews the estimate for the liability for incurred claims on a quarterly basis. The reserves are subject to a semi-annual independent review by Conduit's external actuaries. The results of the internal and independent reserve reviews are presented to the Audit Committee.

Risk adjustment

The risk adjustment for non-financial risk is the compensation that Conduit requires for bearing the uncertainty about the amount and timing of the cash flows arising from reinsurance contracts. Conduit determines the risk adjustment at the entity level and allocates to the groups of reinsurance contracts.

Conduit has estimated the risk adjustment using a margin-based approach. The margins are calibrated to a targeted confidence interval range using the BMA BSCR risk framework. Conduit expects that the risk adjustment recognised within the fulfilment cash flow will fall within the range of the 75th and the 85th percentile, gross and net of ceded reinsurance. Conduit estimates that the risk adjustment net of ceded reinsurance corresponds to the 83rd percentile as at 31 December 2025 (31 December 2024: 81st percentile).

Short-tail versus long-tail

Claims relating to short-tail risks are generally reported more promptly than those relating to long-tail risks. The timeliness of reporting can be affected by such factors as the nature of the event causing the loss, the location of the loss and whether the losses are from policies in force with primary insurers or reinsurers.

Notes to the consolidated financial statements continued

Excess of loss versus proportional

For excess of loss contracts, management is aided by the fact that each policy has a defined limit of liability arising from one event. Once that limit has been reached, there is no further exposure to additional losses from that policy for the same event. For proportional business, an initial estimated loss and loss expense ratio is generally used. This is based upon information provided by the ceding company and/or their broker and management’s historical experience of that treaty, if any, and the estimate is adjusted as actual experience becomes known.

Market risk

Conduit is at risk of loss due to movements in market factors. The main market risks Conduit is exposed to include:

- Reinsurance risk;
- Investment risk; and
- Currency risk.

Reinsurance risk

Conduit is exposed to reinsurance market risk from several sources, including the following:

- The advent or continuation of a soft market, which may result in a stabilisation or decline in premium rates and/or terms and conditions for certain classes, or across all classes;
- The actions and reactions of key competitors, which may directly result in volatility in premium volumes and rates, fee levels and other input costs;
- Market events, including unusual inflation in rates, may result in a limit in the availability of cover, causing political intervention or national remedies;
- Failure to maintain broker and cedant relationships, leading to a limited or substandard choice of risks inconsistent with Conduit’s risk appetite;
- Changes in laws and regulation, including capital, governance or licensing requirements; and
- Changes in the geopolitical environment.

The most important method to mitigate reinsurance market risk is to maintain strict underwriting standards. Conduit manages reinsurance market risk in numerous ways, including the following:

- Reviewing and amending underwriting plans and outlook as necessary;
- Reducing exposure to, or withdrawing from, market sectors where conditions have reached unattractive levels;
- Purchasing appropriate, cost-effective reinsurance cover to mitigate exposures;
- Closely monitoring changes in rates, terms and conditions and inflation;

- Ensuring through rigorous underwriting criteria that surplus capital does not drive short-term risk appetite;
- Holding an underwriting roundtable meeting, typically held at least weekly (and more frequently during key renewal periods), where deal flow, pricing and opportunities are discussed;
- Holding quarterly management Underwriting Oversight Committee meetings that consider matters that include underwriting performance for CRL;
- Holding management Risk Oversight Committee meetings that consider matters that include the risk management framework, capital management, underwriting exposure accumulation and outward reinsurance strategy;
- Holding an annual strategy review meeting;
- Holding a quarterly Underwriting Committee board meeting that considers matters including underwriting performance for CRL;
- Holding a quarterly Risk, Capital and Compliance Committee meeting to review relevant risk and capital considerations for CRL; and
- Holding regular meetings with regulators and rating agencies.

Reinsurance finance risk

Estimates of future cash flows for incurred claims are discounted on initial recognition and then re-measured to current rates as at each reporting date. Reinsurance liabilities and ceded assets for incurred claims are therefore sensitive to the level of market interest rates. Interest rate risk on reinsurance contracts is the risk that the value of the future cash flows will fluctuate due to changes in market interest rates. Movements in interest rates may lead to an adverse impact on the value of Conduit’s reinsurance contract assets and liabilities. Conduit manages this risk by monitoring the duration of reinsurance contract cash flows and adopting policies regarding asset and liability matching to reduce the volatility arising from interest rate movements on assets and liabilities in the consolidated statement of comprehensive income.

The total reinsurance contract assets and liabilities exposed to interest rate risk are detailed below:

As at 31 December	Note	2025	2024
		\$m	\$m
Ceded asset for incurred claims	15	50.1	41.2
Liability for incurred claims	15	(1,366.2)	(978.0)
Total		(1,316.1)	(936.8)

Notes to the consolidated financial statements continued

Discount rates

All future cash flows are discounted using yield curves that are adjusted to reflect the characteristics of the cash flows and the liquidity of the reinsurance contracts. Conduit determines its discount rates using a bottom-up method of using a risk-free rate, plus an illiquidity premium where applicable. Risk-free rates are determined by reference to the yields published by EIOPA for the relevant, material currencies. The illiquidity premium is estimated by reference to observable market corporate bond yields.

The annual spot rates, including illiquidity premium, used for the re-measurement of the net liability for incurred claims as at the balance sheet date are shown below for all portfolios:

As at 31 December	2025				2024			
	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years
USD	3.93%	3.84%	3.97%	4.34%	4.68%	4.56%	4.52%	4.57%
EUR	2.58%	2.78%	2.98%	3.36%	2.74%	2.59%	2.64%	2.77%
GBP	4.04%	4.03%	4.17%	4.55%	4.96%	4.65%	4.54%	4.57%

The sensitivity of Conduit's net reinsurance liability for incurred claims to interest rate movements is detailed below, assuming linear movements in interest rates:

As at 31 December	2025		2024	
	\$m	%	\$m	%
Immediate shift in yield (basis points)				
100	33.6	2.6	25.1	2.7
75	25.3	1.9	18.9	2.0
50	17.0	1.3	12.7	1.4
25	8.5	0.6	6.4	0.7
0	-	-	-	-
-25	(8.6)	(0.7)	(6.4)	(0.7)
-50	(17.3)	(1.3)	(12.9)	(1.4)
-75	(26.0)	(2.0)	(19.5)	(2.1)
-100	(34.8)	(2.6)	(26.1)	(2.8)

Investment risk

Movements in investments resulting from changes in interest and inflation rates, credit spreads, and currency exchange rates, among other factors, may lead to an adverse impact on the value of Conduit's investment portfolio.

The management Investment Committee is responsible for all investment-related decisions and investment guidelines. The investment guidelines set the parameters within which Conduit's external managers must operate. Important parameters of these guidelines include permissible asset classes, duration ranges, credit quality, permitted currency, maturity, industry sectors, geographical, sovereign and issuer exposures. Guideline compliance is monitored on a monthly basis. The portfolio of fixed maturity securities is currently managed by four external managers. Their performance is monitored on an ongoing basis. Conduit projects the level of funds required to meet near-term obligations and cash flow needs following extreme events in order to ensure adequate liquidity is maintained. Conduit also prioritises liquid asset classes with higher credit quality and shorter duration so that Conduit can meet reinsurance and other near-term obligations. Conduit has split the portfolio into a short-tail mandate, to better match the property and specialty classes of business, and a long-tail mandate, to better match the casualty classes of business and some aspects of the specialty classes of business. The short-tail mandate will be slightly shorter duration than the long-tail mandate.

Notes to the consolidated financial statements continued

Conduit reviews the composition, duration and asset allocation of its investment portfolio on a regular basis to respond to changes in interest rates and other market conditions. If certain asset classes are anticipated to produce a higher return within management’s risk tolerance, an adjustment in asset allocation may be made. Conversely, if the risk profile is expected to move outside of tolerance levels, adjustments may be made to reduce the risks in the portfolio.

Conduit models various periods of significant stress in order to better understand the investment portfolio’s risks and exposures. The scenarios represent what could, and most likely will, occur – albeit not in the exact form of the scenarios, which are based on historic periods of volatility. Conduit also monitors the portfolio impact of more severe scenarios consisting of extreme shocks.

Conduit focuses on the most significant risks in its investment portfolio which are interest rate risk, credit risk and liquidity risk, and has built stress testing and risk analytics around these risks to ensure they are within tolerances and preferences. Conduit seeks to invest in issuers with more sustainable business practices on balance, as it believes that this will also help reduce risk in the portfolio.

Strategic asset allocation reviews will be undertaken periodically to assess Conduit’s overall investment strategy and to consider alternative asset allocations to achieve the best risk-adjusted return within Conduit’s risk appetite. Any resulting recommendations would be approved by the appropriate management committee(s) and reported to the Board. The Investment Committee meets quarterly to ensure that the strategic and tactical investment actions were consistent with investment risk preferences, appetite, risk and return objectives and tolerances. The investment risk tolerances have been incorporated into the risk framework.

The investment mix by mandate and sector of Conduit’s portfolio of fixed maturity securities is as follows:

As at 31 December 2025	Estimated fair value short-tail \$m	Estimated fair value long-tail \$m	Estimated fair value total \$m
Short-term investments	14.1	0.3	14.4
US treasuries	294.5	253.5	548.0
US agency debt	2.0	2.6	4.6
US municipals	11.3	7.9	19.2
Non-US government and agency	-	3.4	3.4
Asset-backed	205.4	32.3	237.7
US government agency mortgage-backed	121.4	132.0	253.4
Non-agency mortgage-backed	38.2	24.6	62.8
Agency commercial mortgage-backed	5.6	-	5.6
Non-agency commercial mortgage-backed	46.2	54.3	100.5
Corporate	354.7	303.1	657.8
Total	1,093.4	814.0	1,907.4

Notes to the consolidated financial statements continued

	Estimated fair value short-tail \$m	Estimated fair value long-tail \$m	Estimated fair value total \$m
As at 31 December 2024			
Short-term investments	29.4	6.0	35.4
US treasuries	297.6	176.5	474.1
US agency debt	1.9	2.5	4.4
US municipals	14.2	6.5	20.7
Non-US government and agency	-	-	-
Asset-backed	171.6	39.4	211.0
US government agency mortgage-backed	63.5	83.8	147.3
Non-agency mortgage-backed	22.0	8.6	30.6
Agency commercial mortgage-backed	7.0	-	7.0
Non-agency commercial mortgage-backed	30.6	36.1	66.7
Corporate	311.5	217.6	529.1
Total	949.3	577.0	1,526.3

Corporate and non-US government and agency bonds by country are as follows:

	Financials \$m	Other industries \$m	Non-US government and agency \$m	Total \$m
As at 31 December 2025				
US	241.7	300.9	-	542.6
Canada	36.9	2.9	2.9	42.7
UK	25.1	4.5	-	29.6
Other countries	33.1	12.7	0.5	46.3
Total	336.8	321.0	3.4	661.2

	Financials \$m	Other industries \$m	Non-US government and agency \$m	Total \$m
As at 31 December 2024				
US	210.9	205.8	-	416.7
Canada	30.7	1.0	-	31.7
UK	27.5	5.2	-	32.7
Other countries	41.6	6.4	-	48.0
Total	310.7	218.4	-	529.1

The sector allocation of corporate bonds is as follows:

	2025		2024	
As at 31 December	\$m	%	\$m	%
Financials	336.8	51.2	310.7	58.7
Industrials	284.0	43.2	193.5	36.6
Utilities	37.0	5.6	24.9	4.7
Total	657.8	100.0	529.1	100.0

Conduit's investment portfolio is comprised of fixed maturity securities and cash and cash equivalents. Fair values can be impacted by movements in interest rates, credit ratings, exchange rates, the current economic environment and outlook. The estimated fair value of the portfolio of fixed maturity securities is generally inversely correlated to movements in market interest rates. If market interest rates fall, the estimated fair value of Conduit's portfolio of fixed maturity securities would tend to rise and vice versa. The sensitivity of the price of fixed maturity securities to movements in interest rates is indicated by their duration. The greater a security's duration, the greater its price volatility to movements in interest rates. The sensitivity of Conduit's portfolio of fixed maturity securities to interest rate movements is detailed in the following table, assuming linear movements in interest rates.

Notes to the consolidated financial statements continued

As at 31 December	2025		2024	
	\$m	%	\$m	%
Immediate shift in yield (basis points)				
100	(58.9)	(3.1)	(41.0)	(2.7)
75	(43.9)	(2.3)	(30.8)	(2.0)
50	(29.0)	(1.5)	(20.5)	(1.3)
25	(14.4)	(0.8)	(10.3)	(0.7)
0	-	-	-	-
-25	14.2	0.7	11.6	0.8
-50	28.2	1.5	23.1	1.5
-75	42.0	2.2	34.7	2.3
-100	55.6	2.9	46.3	3.0

Conduit mitigates interest rate risk on the investment portfolio by establishing and monitoring duration ranges in its investment guidelines. The duration of the portfolio is matched to the modelled expected duration of the reinsurance reserves, within a permitted range. The permitted duration range for the portfolio is between 1.5 and 5 years. The overall duration for the fixed maturity securities, managed cash and cash equivalents is 2.8 years as at 31 December 2025 (as at 31 December 2024: 2.5 years).

In addition to duration management, Conduit monitors VaR to measure potential losses in the estimated fair values of its cash and invested assets and to understand and monitor risk. The VaR calculation is performed using variance/covariance risk modelling. Securities are valued individually using standard market pricing models. These security valuations serve as the input to many risk analytics. The principal VaR measure that is produced is an annual VaR at the 99th percentile confidence level. Under normal conditions, the portfolio is not expected to lose more than the VaR metric listed below, 99% of the time over a one-year time horizon. The appropriateness of this measure is considered by the Investment Committee periodically.

Conduit's annual VaR calculation is as follows:

As at 31 December	2025		2024	
	\$m	% of shareholders' equity	\$m	% of shareholders' equity
99th percentile confidence level	97.0	8.8%	102.2	9.7%

Notes to the consolidated financial statements continued

Currency risk

Conduit is susceptible to fluctuations in rates of foreign exchange, principally between the US dollar and pounds sterling and the US dollar and the euro. Even though risks are assumed on a worldwide basis, they are predominantly denominated in US dollars. Conduit is exposed to currency risk to the extent its assets are denominated in different currencies to its liabilities. Conduit is also exposed to translation risk on non-monetary assets and liabilities. Foreign currency gains and losses are recorded in the period they occur in the consolidated statement of comprehensive income.

Conduit hedges monetary non-US dollar liabilities primarily with non-US dollar assets but may also use derivatives, such as currency forwards, to mitigate foreign currency exposures. The main foreign currency exposure relates to its reinsurance and ceded reinsurance assets and liabilities, cash holdings and dividend payable, if applicable.

The following table summarises the carrying value of all monetary and non-monetary assets and liabilities categorised by Conduit’s main currencies.

	USD \$m	GBP \$m	EUR \$m	Other \$m	Total \$m
As at 31 December 2025					
Total assets	2,175.3	31.7	72.4	46.0	2,325.4
Total liabilities	(1,064.4)	(34.1)	(80.8)	(43.7)	(1,223.0)
Net assets (liabilities)	1,110.9	(2.4)	(8.4)	2.3	1,102.4
As at 31 December 2024					
Total assets	1,801.5	27.4	40.1	37.2	1,906.2
Total liabilities	(758.4)	(24.2)	(39.4)	(33.0)	(855.0)
Net assets (liabilities)	1,043.1	3.2	0.7	4.2	1,051.2

The impact on profit from a proportional foreign exchange movement of 10.0% against the US dollar at year end spot rates would be a decrease or increase of \$0.5 million (31 December 2024: increase or decrease of \$1.3 million).

Notes to the consolidated financial statements continued

c. Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when they are due without incurring unreasonable costs. Conduit's main exposure to liquidity risk is with respect to its reinsurance and investment activities. Conduit is exposed if proceeds from the sale of financial assets are not sufficient to fund obligations arising from reinsurance contracts and/or other liabilities. Conduit can be exposed to fund daily calls on its available investment assets, principally to settle reinsurance claims and/or to fund trust accounts following a large catastrophe loss, or other collateral requirements.

Liquidity risk exposures related to reinsurance activities are as follows:

- Large catastrophic events, or multiple medium-sized events in quick succession, requiring the payment of high-value claims within a short time frame or to fund trust accounts established to collateralise claims payment liabilities;
- Failure of cedants to meet their contractual obligations with respect to the timely payment of premiums; and
- Failure of Conduit's ceded reinsurers to meet their contractual obligations to pay claims within a timely manner.

Liquidity risk exposures related to investment activities are as follows:

- Adverse market movements and/or a duration mismatch to obligations, resulting in investments needing to be disposed of at a significant realised loss; and
- An inability to liquidate investments due to market conditions.

Conduit's investment strategy is to hold high quality, liquid securities sufficient to meet reinsurance liabilities and other near-term liquidity requirements. Portfolios are specifically designed to ensure funds are readily available in an extreme event.

The maturity dates of Conduit's portfolio of fixed maturity securities are as follows:

	Short-tail \$m	Long-tail \$m	Total \$m
As at 31 December 2025			
Fixed maturity securities at FVTPL			
Less than one year	145.3	56.9	202.2
Between one and two years	144.9	52.7	197.6
Between two and three years	167.3	94.4	261.7
Between three and four years	59.1	63.6	122.7
Between four and five years	78.0	62.9	140.9
Over five years	82.0	240.3	322.3
Asset-backed and mortgage-backed	416.8	243.2	660.0
Total	1,093.4	814.0	1,907.4

	Short-tail \$m	Long-tail \$m	Total \$m
As at 31 December 2024			
Fixed maturity securities at FVTPL			
Less than one year	134.7	11.4	146.1
Between one and two years	169.2	64.7	233.9
Between two and three years	120.3	46.9	167.2
Between three and four years	61.1	95.5	156.6
Between four and five years	68.2	50.1	118.3
Over five years	101.1	140.5	241.6
Asset-backed and mortgage-backed	294.7	167.9	462.6
Total	949.3	577.0	1,526.3

Notes to the consolidated financial statements continued

The estimated maturity profile of the reinsurance liability for incurred claims and financial liabilities of Conduit is as follows:

		Years until liability becomes due – discounted											
		2025						2024					
As at 31 December	Note	Carrying value \$m	Less than one \$m	One to three \$m	Three to five \$m	Over five \$m	Total \$m	Carrying value \$m	Less than one \$m	One to three \$m	Three to five \$m	Over five \$m	Total \$m
Reinsurance liability for incurred claims	15	1,366.2	440.1	543.5	227.7	154.9	1,366.2	978.0	280.4	403.9	175.8	117.9	978.0
Other reinsurance payables	15	11.4	11.4	-	-	-	11.4	6.3	6.3	-	-	-	6.3
Other payables		11.7	11.7	-	-	-	11.7	18.9	18.9	-	-	-	18.9
Lease liabilities	16	0.8	0.8	-	-	-	0.8	1.6	0.8	0.8	-	-	1.6
Total		1,390.1	464.0	543.5	227.7	154.9	1,390.1	1,004.8	306.4	404.7	175.8	117.9	1,004.8

Actual maturities of the above may differ from contractual maturities because certain borrowers have the right to call or prepay certain obligations with or without call or prepayment penalties. The estimation of the ultimate liability for incurred claims is complex and incorporates a significant amount of judgement. The timing of payments is also uncertain and cannot be predicted as simply as for other financial liabilities. Actuarial and statistical techniques, past experience and management’s judgement have been used to determine a likely settlement pattern.

As at 31 December 2025, cash and cash equivalents were \$339.2 million (31 December 2024: \$313.2 million). Conduit manages its liquidity risks via its investment strategy to hold high quality, liquid securities, sufficient to meet its reinsurance liabilities and other near-term liquidity requirements. In addition, Conduit has established asset allocation and maturity parameters within the investment guidelines such that the majority of the investments are in high quality assets which could be converted into cash promptly and at minimal expense. Conduit monitors market changes and outlook and reallocates assets as it deems necessary.

As at 31 December 2025, Conduit considers it has more than adequate liquidity to pay its obligations as they fall due even if difficult investment market conditions were to prevail for a period of time.

Notes to the consolidated financial statements continued

d. Credit risk

Credit risk is the risk that a counterparty may fail to pay, or repay, a debt or obligation. Conduit is exposed to credit risk on its fixed maturity investment portfolio, its expected premium cash flows due from cedants and on ceded reinsurance recoverables.

Credit risk on Conduit's portfolio of fixed maturity securities is mitigated through the investment policy to invest in instruments of high credit quality issuers and to limit the amounts of credit exposure with respect to particular ratings categories and any one issuer. Securities rated below an S&P or equivalent rating of BBB may comprise no more than 15.0% of the portfolio. Conduit also limits exposure to individual issuers, with declining limits for less highly rated issuers. Conduit therefore does not expect any significant credit concentration risk on its investment portfolio, except for fixed maturity securities issued by the US government and its agencies.

Conduit is potentially exposed to counterparty credit risk in relation to the total expected premium cash flows due from reinsurance brokers and cedants and on ceded reinsurance recoverables due from Conduit's reinsurers. Credit risk on total expected premium cash flows due from cedants is managed by conducting business with reputable broking organisations, with whom Conduit has established relationships, and by rigorous cash collection procedures. Conduit also has a broker approval process in place. Credit risk from ceded reinsurance recoverables is primarily managed by the review and approval of reinsurer security, with ongoing monitoring in place.

Ceded reinsurance recoverables are recorded within ceded reinsurance contract assets as the ceded asset for incurred claims which is shown in note 15.

The table opposite presents an analysis of Conduit's major exposures to counterparty credit risk, based on their rating. Expected premium cash flows are not rated, however there is limited default risk associated with these amounts.

	Cash and cash equivalents and fixed maturity securities	Ceded asset for incurred claims
	\$m	\$m
As at 31 December 2025		
AAA	657.1	-
AA+, AA, AA-	934.4	-
A+, A, A-	526.1	35.8
BBB+, BBB, BBB-	124.9	-
Other	4.1	14.3
Total	2,246.6	50.1
	Cash and cash equivalents and fixed maturity securities	Ceded asset for incurred claims
	\$m	\$m
As at 31 December 2024		
AAA	566.4	-
AA+, AA, AA-	742.2	-
A+, A, A-	441.5	24.6
BBB+, BBB, BBB-	89.4	-
Other	-	16.6
Total	1,839.5	41.2

The ceded reinsurance assets classified as other are fully collateralised.

As at 31 December 2025 the average credit quality of Conduit's cash and cash equivalents and portfolio of fixed maturity securities was AA (31 December 2024: AA).

Total expected premium cash flows represents the premium, net of deductions, expected to be received for past and future reinsurance coverage. The following table shows total expected premium cash flows that are not yet due and those that are past due but not impaired, which represents the exposure to credit risk on reinsurance contracts issued at the balance sheet date.

Notes to the consolidated financial statements continued

As at 31 December	2025 \$m	2024 \$m
Not yet due	462.0	440.1
Less than 90 days past due	17.3	21.4
Over 90 days past due	8.1	4.8
Total	487.4	466.3

For the years ended 31 December 2025 and 2024 no provisions have been made for impaired or irrecoverable balances and no amount was charged to the consolidated statement of comprehensive income in respect of bad debts.

e. Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, personnel, systems or external events. During the reporting period, various operational risks were identified, and steps were taken to manage or mitigate those risks.

The risk framework addresses the identification, assessment and mitigation of operational risks. This process involves the use of risk registers to identify inherent risk and residual risk after the application of controls. The management of individual risks rests with functional managers who have direct ownership of those risks within their respective business area or process. The risk function provides independent challenge and oversight to ensure risks are effectively managed. This includes facilitating a quarterly risk and control affirmations process and performing control testing, with the outcomes informing the overall assessment of the control environment. The results of compliance reviews and independent internal audits provide an additional level of review and verification. The Audit Committee has selected a reputable provider to serve as outsourced internal auditors.

f. Strategic risk

Conduit has identified several strategic risks, including:

- The risks that either the poor execution of the business plan or an inappropriate business plan in itself results in a strategy that fails to reflect adequately the trading environment, resulting in an inability to optimise performance, including reputational risk;
- The risks of the failure to maintain adequate capital, accessing capital at an inflated cost or the inability to access capital and unanticipated changes in vendor, regulatory and/or rating agency models that could result in an increase in capital requirements or a change in the type of capital required; and
- The risks of succession planning, staff retention and key personnel risks.

Business plan risk

Conduit's business plan forms the basis of operations and provides strategic direction to management. Actual versus planned results are monitored regularly.

Notes to the consolidated financial statements continued

Capital management risk

Total tangible capital is as follows:

As at 31 December	2025 \$m	2024 \$m
Shareholders' equity	1,102.4	1,051.2

Risks associated with the effectiveness of Conduit's capital management are mitigated as follows:

- Regular monitoring of current and prospective regulatory and rating agency capital requirements;
- Oversight of capital requirements by the Board;
- Ability to purchase sufficient, cost-effective reinsurance;
- Maintaining contact with vendors, regulators and rating agencies in order to stay abreast of upcoming developments; and
- Participation in industry groups such as the Association of Bermuda Insurers and Reinsurers, Reinsurance Association of America and the International Underwriting Association.

Conduit reviews the level and composition of capital on an ongoing basis with a view of:

- Maintaining sufficient capital for underwriting opportunities and to meet obligations to policyholders;
- Maximising the risk-adjusted return to shareholders within the context of the defined risk appetite;
- Maintaining an adequate financial strength rating; and
- Meeting all relevant capital requirements.

Capital is increased or returned as appropriate. The retention of earnings generated leads to an increase in capital. Capital raising can include debt or equity and returns of capital may be made through dividends, share repurchases, a redemption of debt or any combination thereof. Other capital management tools and products available to Conduit may also be utilised. All capital actions require approval by the Board.

The primary source of capital used by Conduit is equity shareholders' funds. As a holding company, CHL relies on dividends from its operating entity to provide the cash flow required for dividends to shareholders. The ability of the operating entity to pay dividends and make capital distributions is subject to the legal and regulatory restrictions of the jurisdiction in which it operates.

CRL is regulated as a Class 4 (re)insurer by the BMA and is required to hold sufficient capital under applicable regulations. The BMA's regulatory framework has been assessed as equivalent to the EU's Solvency II regime. CRL had sufficient capital at all times throughout the year to meet the BMA's requirements, inclusive of the BSCR standard formula and minimum margin of solvency.

Retention risk

Risks associated with succession planning, staff retention and key person risks are mitigated through a combination of resource planning processes and controls, including:

- The identification of key personnel with appropriate succession plans at CHL;
- The identification of key team profit generators at CRL and function heads with targeted retention packages;
- Documented recruitment procedures, position descriptions and employment contracts;
- Resource monitoring and the provision of appropriate compensation, including equity-based incentives which vests over a defined time horizon, subject to achieving certain performance criteria; and
- Training schemes.

Notes to the consolidated financial statements continued

4. Segmental reporting

Management and the Board review Conduit’s business and evaluates its performance primarily by three segments: Property, Casualty and Specialty. These are considered to be the reportable segments for the purposes of segmental reporting. Further classes of business are underwritten within each reportable segment. The nature of these individual classes is discussed further in the Risk disclosures section in note 3.

Reportable segments	Operations and classes of business
Property	US and international property catastrophe and non-catastrophe risks on an excess of loss and proportional contract basis.
Casualty	US and international casualty risks principally including directors and officers liability, financial institutions liability, general liability, medical malpractice, professional liability and transactional liability.
Specialty	Diverse portfolio of business, including aviation, energy, engineering and construction, environmental, marine, renewables, political violence and terrorism and whole account.

Reportable segment performance is measured by the reinsurance service and finance result and the combined ratio. The chief operating decision maker does not manage Conduit’s assets by reportable segment, and, accordingly, investment income and other non-underwriting related items are not allocated to each reportable segment. Refer to the risk disclosures for more information. All amounts reported are transactions with external parties and associates.

There are no significant inter-segmental transactions.

	Property \$m	Casualty \$m	Specialty \$m	Total \$m
Year ended 31 December 2025				
Reinsurance revenue by geographic region				
US	268.4	131.3	13.7	413.4
Worldwide	140.0	74.4	110.0	324.4
Europe	49.5	49.4	20.8	119.7
Other	36.6	1.5	1.5	39.6
Reinsurance revenue	494.5	256.6	146.0	897.1

	Property \$m	Casualty \$m	Specialty \$m	Total \$m
Year ended 31 December 2024¹				
Reinsurance revenue by geographic region				
US	239.1	111.3	10.9	361.3
Worldwide	157.0	63.9	100.5	321.4
Europe	34.8	39.4	22.9	97.1
Other	30.2	2.8	0.9	33.9
Reinsurance revenue	461.1	217.4	135.2	813.7

For the year ended 31 December 2025 there was no premium within the worldwide geographic region written with external parties in Bermuda (31 December 2024: \$0.7 million).

¹ Certain reinsurance contracts previously reported within the Specialty segment are now reported within the Property and Casualty segments to better align with Conduit’s internal view of these contracts. Comparative periods have been re-presented in order to be consistent with the current period presentation.

Notes to the consolidated financial statements continued

Year ended 31 December	2025				2024 ¹			
	Property \$m	Casualty \$m	Specialty \$m	Total \$m	Property \$m	Casualty \$m	Specialty \$m	Total \$m
Reinsurance revenue	494.5	256.6	146.0	897.1	461.1	217.4	135.2	813.7
Ceded reinsurance expenses	(107.9)	(1.2)	(10.0)	(119.1)	(81.7)	(1.4)	(10.6)	(93.7)
Net reinsurance revenue	386.6	255.4	136.0	778.0	379.4	216.0	124.6	720.0
Reinsurance losses and loss related amounts, discounted	(305.9)	(187.3)	(130.0)	(623.2)	(274.0)	(156.7)	(100.2)	(530.9)
Reinsurance operating expenses	(41.3)	(15.5)	(8.4)	(65.2)	(39.3)	(14.0)	(7.2)	(60.5)
Reinsurance service expenses	(347.2)	(202.8)	(138.4)	(688.4)	(313.3)	(170.7)	(107.4)	(591.4)
Ceded reinsurance recoveries	2.3	-	18.0	20.3	(0.4)	-	3.4	3.0
Reinsurance service result	41.7	52.6	15.6	109.9	65.7	45.3	20.6	131.6
Net reinsurance finance income (expense)	(27.3)	(34.1)	(15.8)	(77.2)	(12.3)	(10.5)	(8.0)	(30.8)
Reinsurance service and finance result	14.4	18.5	(0.2)	32.7	53.4	34.8	12.6	100.8
Other operating expenses				(24.8)				(30.8)
Net unallocated revenue (expenses)				108.9				55.6
Total comprehensive income				116.8				125.6
Net loss ratio (discounted)	78.5%	73.3%	82.4%	77.5%	72.3%	72.5%	77.7%	73.3%
Reinsurance operating expense ratio	10.7%	6.1%	6.2%	8.4%	10.4%	6.5%	5.8%	8.4%
Other operating expense ratio				3.2%				4.3%
Combined ratio (discounted)	89.2%	79.4%	88.6%	89.1%	82.7%	79.0%	83.5%	86.0%
Net loss ratio (undiscounted)	86.4%	93.2%	94.1%	89.9%	79.8%	89.4%	90.0%	84.4%
Combined ratio (undiscounted)	97.1%	99.3%	100.3%	101.5%	90.2%	95.9%	95.8%	97.1%

¹ Certain reinsurance contracts previously reported within the Specialty segment are now reported within the Property and Casualty segments to better align with Conduit's internal view of these contracts. Comparative periods have been re-presented in order to be consistent with the current period presentation.

Notes to the consolidated financial statements continued

5. Investment return

	Net investment income	Net realised gains (losses)	Net unrealised gains (losses)	Total investment return
	\$m	\$m	\$m	\$m
As at 31 December 2025				
Fixed maturity securities	71.5	(0.4)	39.2	110.3
Cash and cash equivalents	9.2	-	-	9.2
Total	80.7	(0.4)	39.2	119.5
As at 31 December 2024				
Fixed maturity securities	54.4	0.1	1.0	55.5
Cash and cash equivalents	10.6	-	-	10.6
Total	65.0	0.1	1.0	66.1

Included in net investment income is \$2.0 million of investment management and custody fees for the year ended 31 December 2025 (31 December 2024: \$1.6 million). Net foreign exchange gains (losses) on cash and cash equivalents and fixed maturity securities for the year ended 31 December 2025 was \$9.3 million (31 December 2024: \$(4.5) million). Foreign exchange impacts are not included in the investment returns in the table above.

6. Reinsurance finance return

Year ended 31 December	2025 \$m	2024 \$m
Interest accretion from reinsurance contracts	(63.1)	(39.6)
Interest accretion from ceded reinsurance contracts held	2.0	2.0
Net interest accretion	(61.1)	(37.6)
Change in discount rates from reinsurance contracts	(16.9)	6.9
Change in discount rates from ceded reinsurance contracts held	0.8	(0.1)
Net change in discount rates	(16.1)	6.8
Net reinsurance finance income (expense)	(77.2)	(30.8)

Notes to the consolidated financial statements continued

7. Employee benefits and other incentives

Aggregate remuneration and other incentives of Conduit's employees is as follows:

Year ended 31 December	2025 \$m	2024 \$m
Wages and salaries	17.1	14.9
Pension benefit	2.0	1.6
Bonus and other benefits	18.2	18.1
Total cash compensation	37.3	34.6
Equity-based incentive expense	9.3	7.1
Total employee benefits and other incentives	46.6	41.7

Equity-based incentive schemes

MIP

Prior to the IPO, a MIP was created. The purpose of the MIP was to provide an incentive scheme for the founders and initial employees for their services in establishing the foundations of Conduit. The incentive is based around shares in CML, which will be automatically exchanged for ordinary shares of CHL for an aggregate value equivalent to up to 15% of the excess of the market value of CHL over and above the Invested Equity, subject to the satisfaction of the vesting conditions. All outstanding grants have an exercise period of four to seven years from the grant date. The fair value is estimated using a stochastic Monte Carlo model.

CML issued 100,000 A1 shares and 100,000 A2 shares during the period ended 31 December 2020 at a subscription price of £1.72 and \$2.26, respectively. Refer to note 18 for additional details.

The following table lists the assumptions used in the stochastic model for the MIP awards:

Assumptions

Dividend yield	0%
Expected volatility ¹	range from 17.2% – 19.0%
Risk-free interest rate ²	range from 0.3% – 0.6%
Expected life of instruments	range from 4 to 7 years

¹ The expected volatility was calculated based on a comparator group of companies.

² The risk-free interest rate is based on the yield of a US government bond on the date of grant.

The shares were granted prior to the IPO and therefore discounts for business viability and lack of marketability were also applied. There are significant risks associated with an IPO and the instruments are also illiquid until the tranche vesting dates. Management therefore selected their best estimates at the time for these discounts. These assumptions were highly judgemental and input from advisers was sought. Management also considered alternative assumptions and concluded there was not a material impact on the estimated valuation selected. The calculation of the equity-based incentive expense assumes no forfeitures due to employee turnover, with subsequent adjustments to reflect actual experience. The assumptions and estimated valuation selected resulted in 20% being expensed upfront for certain employees as this portion was not tied to service conditions and was fully expensed in the period ended 31 December 2020.

Conditions of the MIP include:

- The incentives are to be equity settled and have therefore been accounted for in accordance with IFRS 2;
- The value of the services received in exchange for the share-based incentives is measured by reference to the estimated fair value of the incentives at their grant date, with the estimated fair value recognised in the consolidated statement of comprehensive income, together with a corresponding increase in other reserves within shareholders' equity, on a straight-line basis over the vesting period, based on an estimate of the number of shares that will ultimately vest;
- Vesting conditions, other than market conditions linked to the share price of CHL, are not taken into account when estimating the fair value; and
- At the end of each reporting period Conduit revises its estimates of the number of shares that are expected to vest due to non-market conditions and recognises the impact of the revision to original estimates, if any, in the consolidated statement of comprehensive income, with a corresponding adjustment to shareholders' equity.

Notes to the consolidated financial statements continued

DSBP

A percentage of each employee's bonus is automatically deferred into shares as nil cost options. The nil cost options vest annually in separate equal tranches over a three year period from the date of grant and do not have associated performance criteria attached to the awards. These awards accrue dividend equivalents for all dividends declared where the record date falls between the grant date and date of exercise, and are paid at the time of exercise.

DSBP	Number of awards
Outstanding as at 31 December 2023	782,692
Granted	1,102,968
Exercised	(339,282)
Forfeited	(24,363)
Outstanding as at 31 December 2024	1,522,015
Granted	1,074,807
Exercised	(693,573)
Forfeited	(15,947)
Outstanding as at 31 December 2025	1,887,302

LTIP - time vesting criteria

The LTIP is a retention scheme with awards granted to staff members as nil cost options. The nil cost options vest over a three year period from the date of grant and the time vesting criteria are the only stipulations attached to the awards. These awards accrue dividend equivalents for all dividends declared where the record date falls between the grant date and date of exercise, and are paid at the time of exercise.

LTIP	Number of awards
Outstanding as at 31 December 2023	365,984
Granted	658,446
Exercised	-
Forfeited	(41,733)
Outstanding as at 31 December 2024	982,697
Granted	1,145,537
Exercised	-
Forfeited	(56,353)
Outstanding as at 31 December 2025	2,071,881

LTIP - performance criteria

The LTIP awards with performance criteria vest three years from the date of grant and are dependent on certain performance criteria being met. A maximum of 75% of the awards will vest if the change in NTAVS is in excess of a required threshold, while the remaining 25% is subject to the TSR return over the vesting period being in excess of a required threshold. These awards accrue dividend equivalents for all dividends declared where the record date falls between the grant date and date of exercise, and are paid at the time of exercise.

LTIP	Number of awards
Outstanding as at 31 December 2023	-
Granted	417,780
Exercised	-
Forfeited	-
Outstanding as at 31 December 2024	417,780
Granted	609,972
Exercised	-
Forfeited	-
Outstanding as at 31 December 2025	1,027,752

Notes to the consolidated financial statements continued

8. Other operating expenses

As at 31 December	2025 \$m	2024 \$m
Other operating expenses include:		
Audit fees	1.2	1.1
Other auditor services	0.1	0.1
Total	1.3	1.2

During the year ended 31 December 2025, KPMG Audit Limited provided non-audit services in relation to Conduit's 2025 interim review and carbon emission disclosures. Fees for non-audit services in the year ended 31 December 2025 totalled \$0.1 million (31 December 2024: \$0.1 million).

9. Financing costs

As at 31 December	2025 \$m	2024 \$m
LOC and trust fees	1.2	1.1
Interest expense on lease liabilities	–	0.1
Total	1.2	1.2

Refer to note 17 for details of Conduit's financing arrangements.

10. Government assistance

Bermuda Tax Credits (Tax Credit Act 2025)

In December 2025, the Bermuda Government enacted the Tax Credit Act 2025, introducing substance-based tax credits designed to support entities demonstrating substantive economic presence in Bermuda. Conduit qualifies for these credits.

The credits are earned in full each annual period based on Conduit's eligible payroll costs, Bermuda-based expenditure and other qualifying investments in people. Once earned, the credits are utilised over a four-year period as an offset to payroll tax, subject to annual utilisation caps. Any portion that cannot be utilised within the four-year period is payable in cash to Conduit by the Bermuda Government.

For the year ended 31 December 2025, Conduit recognised tax credits of \$6.9 million (2024: nil) in the statement of comprehensive income. These credits have been recorded as a reduction in reinsurance and other operating expenses, consistent with the nature of the underlying cost. The corresponding receivable, included in other assets, represents the portion of the 2025 credit expected to be utilised in future periods.

As at 31 December 2025, Conduit recognised a receivable of \$8.0 million (2024: nil), representing the unused portion of the 2025 credit. Recognition of the receivable reflects management's assessment that Conduit satisfies the eligibility requirements of the Tax Credit Act and has reasonable assurance of recovery.

The difference of \$1.1 million (2024: nil) between the credit recognised in the statement of comprehensive income and the receivable reflects the application of Conduit's IFRS17 expense allocation methodology, including the deferral of acquisition-related operating expenses in accordance with Conduit's accounting policy in that regard.

Further information on the accounting policy is provided in note 2.

11. Tax Bermuda

CHL, CSL, CML and CRL have received an undertaking from the Bermuda government which exempts them from all Bermuda local income, withholding and capital gains taxes until 31 March 2035. On 27 December 2023 the Bermuda government enacted legislation, the Bermuda CIT Act of 2023, into law. CHL, CSL, CML and CRL are currently not in scope for this new legislation and as such, the exemptions provided by the Bermuda government undertaking still apply.

Notes to the consolidated financial statements continued

12. Cash and cash equivalents

As at 31 December	2025 \$m	2024 \$m
Cash at bank and in hand	28.8	25.4
Cash equivalents	310.4	287.8
Total	339.2	313.2

Cash equivalents include money market funds and other short-term highly liquid investments with three months or less remaining until maturity at the time of purchase. The carrying amount of these assets approximates their fair value. Refer to note 17 for cash and cash equivalents provided as collateral under Conduit's financing arrangements.

13. Investments

As at 31 December 2025	Cost or amortised cost \$m	Unrealised gains \$m	Unrealised losses \$m	Estimated fair value \$m
Fixed maturity securities, at FVTPL				
Short-term investments	14.4	-	-	14.4
US treasuries	547.2	4.6	(3.8)	548.0
US agency debt	4.6	-	-	4.6
US municipals	18.8	0.5	(0.1)	19.2
Non-US government and agency	3.3	0.1	-	3.4
Asset-backed	237.3	0.9	(0.5)	237.7
US government agency mortgage-backed	263.4	2.0	(12.0)	253.4
Non-agency mortgage-backed	63.5	0.3	(1.0)	62.8
Agency commercial mortgage-backed	5.7	0.1	(0.2)	5.6
Non-agency commercial mortgage-backed	101.9	0.7	(2.1)	100.5
Corporate	651.9	9.7	(3.8)	657.8
Total	1,912.0	18.9	(23.5)	1,907.4

As at 31 December 2024	Cost or amortised cost \$m	Unrealised gains \$m	Unrealised losses \$m	Estimated fair value \$m
Fixed maturity securities, at FVTPL				
Short-term investments	35.4	-	-	35.4
US treasuries	485.0	0.6	(11.5)	474.1
US agency debt	4.5	-	(0.1)	4.4
US municipals	20.9	0.2	(0.4)	20.7
Non-US government and agency	-	-	-	-
Asset-backed	211.7	0.5	(1.2)	211.0
US government agency mortgage-backed	164.8	0.2	(17.7)	147.3
Non-agency mortgage-backed	31.7	0.2	(1.3)	30.6
Agency commercial mortgage-backed	7.4	-	(0.4)	7.0
Non-agency commercial mortgage-backed	70.6	0.1	(4.0)	66.7
Corporate	538.1	2.2	(11.2)	529.1
Total	1,570.1	4.0	(47.8)	1,526.3

As at 31 December 2025 other assets and other payables included nil and \$0.5 million for investments sold and purchased, respectively (31 December 2024: nil and \$6.4 million, respectively).

Notes to the consolidated financial statements continued

Conduit determines the estimated fair value of each individual security utilising the highest-level inputs available. Prices for the investment portfolio are provided via a third-party investment accounting firm whose pricing processes and the controls thereon are subject to an annual audit on both the operation and the effectiveness of those controls. Various recognised reputable pricing sources are used including pricing vendors. The pricing sources use bid prices where available, otherwise indicative prices are quoted based on observable market trade data. The prices provided are compared to the investment managers' pricing.

Conduit has not made any adjustments to any pricing provided by independent pricing services or its third-party investment managers for the years ended 31 December 2025 and 2024. The fair value of securities in the investment portfolio is estimated using the following techniques:

LEVEL (I) – Level (I) investments are securities with quoted prices in active markets. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. LEVEL (II) – Level (II) investments are securities with quoted prices in active markets for similar assets or liabilities or securities valued using other valuation techniques for which all significant inputs are based on observable market data. Instruments included in Level (II) are valued via independent external sources using directly observable inputs to models or other valuation methods. The valuation methods used are typically industry accepted standards and include broker-dealer quotes and pricing models including present values and future cash flows with inputs such as yield curves, credit spreads, interest rates, prepayment speeds and default rates.

LEVEL (III) – Level (III) investments are securities for which valuation techniques are not based on observable market data and require significant management judgement.

Conduit determines whether transfers have occurred between levels of the fair value hierarchy by re-assessing the categorisation at the end of each reporting period. Transfers from Level (I) to (II) securities amounted to \$56.1 million and transfers from Level (II) to (I) securities amounted to \$101.0 million during the year ended 31 December 2025 using end of current period positions and estimated fair values. Transfers from Level (I) to (II) securities amounted to \$19.1 million and transfers from Level (II) to (I) securities amounted to \$54.7 million during the year ended 31 December 2024 using end of current period positions and estimated fair values. There were no investments included in Level (III) for either year end.

The fair value hierarchy of Conduit's investment portfolio is as follows:

As at 31 December 2025	Level I \$m	Level II \$m	Total \$m
Fixed maturity securities, at FVTPL			
Short-term investments	12.3	2.1	14.4
US treasuries	548.0	-	548.0
US agency debt	2.0	2.6	4.6
US municipals	-	19.2	19.2
Non-US government and agency	-	3.4	3.4
Asset-backed	-	237.7	237.7
US government agency mortgage-backed	-	253.4	253.4
Non-agency mortgage-backed	-	62.8	62.8
Agency commercial mortgage-backed	-	5.6	5.6
Non-agency commercial mortgage-backed	-	100.5	100.5
Corporate	176.7	481.1	657.8
Total	739.0	1,168.4	1,907.4

Notes to the consolidated financial statements continued

As at 31 December 2024	Level I \$m	Level II \$m	Total \$m
Fixed maturity securities, at FVTPL			
Short-term investments	30.9	4.5	35.4
US treasuries	474.1	-	474.1
US agency debt	1.9	2.5	4.4
US municipals	0.5	20.2	20.7
Non-US government and agency	-	-	-
Asset-backed	-	211.0	211.0
US government agency mortgage-backed	-	147.3	147.3
Non-agency mortgage-backed	-	30.6	30.6
Agency commercial mortgage-backed	-	7.0	7.0
Non-agency commercial mortgage-backed	-	66.7	66.7
Corporate	130.7	398.4	529.1
Total	638.1	888.2	1,526.3

Refer to note 17 for investments provided as collateral under Conduit's financing arrangements.

14. Interests in structured entities

Unconsolidated structured entities in which Conduit has an interest

As part of Conduit's investment activities, it invests in unconsolidated structured entities. Conduit does not sponsor any of the unconsolidated structured entities. The business relations of Conduit with the structured entities set out below do not give rise to consolidation because the criteria for control pursuant to IFRS 10, as contained in our consolidation principles, are not met.

A summary of interests in unconsolidated structured entities is as follows:

As at 31 December	2025 \$m	2024 \$m
Fixed maturity securities, at FVTPL		
Asset-backed	237.7	211.0
US government agency mortgage-backed	253.4	147.3
Non-agency mortgage-backed	62.8	30.6
Agency commercial mortgage-backed	5.6	7.0
Non-agency commercial mortgage-backed	100.5	66.7
Total	660.0	462.6

The fixed maturity structured entities are used to meet specific investment needs of borrowers and investors which cannot be met from standardised financial instruments available in the capital markets, providing liquidity and diversification. While individual securities may differ in structure, the principles of the instruments are similar and it is appropriate to aggregate the investments into the categories detailed above.

The risk that Conduit faces in respect of the investments in structured entities is similar to the risk it faces in respect of other financial investments held on the consolidated balance sheet. Fair value is determined by market supply and demand, which is driven by investor evaluation of the credit risk of the structure and changes in the term structure of interest rates which can change the expectation of cash flows associated with the instrument and, therefore, its value in the market.

The maximum exposure to loss in respect of these structured entities would be the carrying value of the instruments that Conduit holds. Generally, default rates would have to increase substantially before Conduit would suffer a loss. This assessment is made prior to investing and regularly through the holding period for the security. Refer to note 17 for investments provided as collateral under Conduit's financing arrangements.

Notes to the consolidated financial statements continued

15. Reinsurance contracts

The breakdown of portfolios of reinsurance contracts issued and reinsurance contracts held, that are in an asset position and those in a liability position and by type of reinsurance asset or liability, is set out below.

As at 31 December	2025 \$m	2024 \$m
Reinsurance contract liabilities	(1,210.5)	(834.5)
Liability for remaining coverage	167.1	149.8
Liability for incurred claims	(1,366.2)	(978.0)
Other reinsurance receivables (payables)	(11.4)	(6.3)
Reinsurance net asset (liability)	(1,210.5)	(834.5)
Ceded reinsurance contract assets	51.4	48.9
Ceded asset (liability) for remaining coverage	(3.5)	1.4
Ceded asset for incurred claims	50.1	41.2
Ceded other receivables (payables)	4.8	6.3
Ceded reinsurance net asset (liability)	51.4	48.9

The reconciliation from the opening to the closing balances of the liability for remaining coverage and the liability for incurred claims for reinsurance contracts issued and ceded reinsurance contracts held is shown on the next page. The reconciliation shows the movement in the liability by the reinsurance service result, total comprehensive income (loss) and cash flows separately for reinsurance contracts issued and ceded reinsurance contracts held.

Notes to the consolidated financial statements continued

Year ended 31 December (\$m)	2025				2024			
	Remaining coverage	Incurred claims			Remaining coverage	Incurred claims		
		Excluding loss component	Present value of future cash flows	Risk adjustment		Total	Excluding loss component	Present value of future cash flows
Opening reinsurance asset (liability)	149.8	(899.1)	(78.9)	(828.2)	109.7	(542.3)	(49.9)	(482.5)
Reinsurance revenue	897.1	-	-	897.1	813.7	-	-	813.7
Reinsurance service expenses								
Incurred claims and other expenses	-	(586.9)	(49.0)	(635.9)	-	(514.8)	(35.3)	(550.1)
Amortisation of reinsurance acquisition expense cash flows	(49.9)	-	-	(49.9)	(46.0)	-	-	(46.0)
Changes to liabilities for incurred claims for past service	-	(14.9)	12.3	(2.6)	-	(3.7)	8.4	4.7
Reinsurance service expenses	(49.9)	(601.8)	(36.7)	(688.4)	(46.0)	(518.5)	(26.9)	(591.4)
Reinsurance service result	847.2	(601.8)	(36.7)	208.7	767.7	(518.5)	(26.9)	222.3
Reinsurance finance income (expense)	-	(73.0)	(7.0)	(80.0)	-	(30.3)	(2.4)	(32.7)
Effect of exchange rates	(1.4)	(8.2)	(0.8)	(10.4)	1.3	2.5	0.3	4.1
Total changes in comprehensive income (loss)	845.8	(683.0)	(44.5)	118.3	769.0	(546.3)	(29.0)	193.7
Investment components	29.7	(29.7)	-	-	27.4	(27.4)	-	-
Cash flows								
Premiums received ¹	(907.6)	-	-	(907.6)	(803.2)	-	-	(803.2)
Claims and other attributable expenses paid	-	369.0	-	369.0	-	216.9	-	216.9
Reinsurance acquisition expense cash flows ¹	49.4	-	-	49.4	46.9	-	-	46.9
Total cash flows	(858.2)	369.0	-	(489.2)	(756.3)	216.9	-	(539.4)
Closing reinsurance asset (liability)	167.1	(1,242.8)	(123.4)	(1,199.1)	149.8	(899.1)	(78.9)	(828.2)

¹ Certain reinsurance acquisition expense cash flows that are typically net settled have been re-presented in comparative periods in order to be consistent with the current period presentation.

Notes to the consolidated financial statements continued

	2025				2024			
	Remaining coverage	Incurred claims			Remaining coverage	Incurred claims		
	Excluding loss component recovery	Present value of future cash flows	Risk adjustment	Total	Excluding loss component recovery	Present value of future cash flows	Risk adjustment	Total
Year ended 31 December (\$m)								
Opening ceded reinsurance asset (liability)	1.4	41.2	-	42.6	(1.2)	42.6	-	41.4
Ceded reinsurance expenses	(119.1)	-	-	(119.1)	(93.7)	-	-	(93.7)
Ceded reinsurance recoveries								
Amounts recoverable on incurred claims	-	3.6	-	3.6	-	3.4	-	3.4
Changes to amounts recoverable for incurred claims	-	16.7	-	16.7	-	(0.4)	-	(0.4)
Ceded reinsurance recoveries	-	20.3	-	20.3	-	3.0	-	3.0
Reinsurance service result	(119.1)	20.3	-	(98.8)	(93.7)	3.0	-	(90.7)
Ceded reinsurance finance income (expense)	-	2.8	-	2.8	-	1.9	-	1.9
Effect of exchange rates	-	-	-	-	-	-	-	-
Total changes in comprehensive income (loss)	(119.1)	23.1	-	(96.0)	(93.7)	4.9	-	(88.8)
Investment components	-	-	-	-	-	-	-	-
Cash flows								
Premiums paid	114.2	-	-	114.2	96.3	-	-	96.3
Recoveries received	-	(14.2)	-	(14.2)	-	(6.3)	-	(6.3)
Total cash flows	114.2	(14.2)	-	100.0	96.3	(6.3)	-	90.0
Closing ceded reinsurance asset (liability)	(3.5)	50.1	-	46.6	1.4	41.2	-	42.6

Notes to the consolidated financial statements continued

	2025				2024			
	Remaining coverage	Incurred claims			Remaining coverage	Incurred claims		
		Excluding loss component	Present value of future cash flows	Risk adjustment		Total	Excluding loss component	Present value of future cash flows
Year ended 31 December (\$m)								
Opening net reinsurance asset (liability)	151.2	(857.9)	(78.9)	(785.6)	108.5	(499.7)	(49.9)	(441.1)
Net reinsurance revenue	778.0	-	-	778.0	720.0	-	-	720.0
Net reinsurance service expenses								
Net incurred claims and other expenses	-	(583.3)	(49.0)	(632.3)	-	(511.4)	(35.3)	(546.7)
Amortisation of reinsurance acquisition expense cash flows	(49.9)	-	-	(49.9)	(46.0)	-	-	(46.0)
Changes to net liabilities for incurred claims for past service	-	1.8	12.3	14.1	-	(4.1)	8.4	4.3
Net reinsurance service expenses	(49.9)	(581.5)	(36.7)	(668.1)	(46.0)	(515.5)	(26.9)	(588.4)
Reinsurance service result	728.1	(581.5)	(36.7)	109.9	674.0	(515.5)	(26.9)	131.6
Net reinsurance finance income (expense)	-	(70.2)	(7.0)	(77.2)	-	(28.4)	(2.4)	(30.8)
Effect of exchange rates	(1.4)	(8.2)	(0.8)	(10.4)	1.3	2.5	0.3	4.1
Total changes in comprehensive income (loss)	726.7	(659.9)	(44.5)	22.3	675.3	(541.4)	(29.0)	104.9
Investment components	29.7	(29.7)	-	-	27.4	(27.4)	-	-
Cash flows								
Net premiums received ¹	(793.4)	-	-	(793.4)	(706.9)	-	-	(706.9)
Net claims and other attributable expenses paid	-	354.8	-	354.8	-	210.6	-	210.6
Reinsurance acquisition expense cash flows ¹	49.4	-	-	49.4	46.9	-	-	46.9
Total cash flows	(744.0)	354.8	-	(389.2)	(660.0)	210.6	-	(449.4)
Closing net reinsurance asset (liability)	163.6	(1,192.7)	(123.4)	(1,152.5)	151.2	(857.9)	(78.9)	(785.6)

¹ Certain reinsurance acquisition expense cash flows that are typically net settled have been re-presented in comparative periods in order to be consistent with the current period presentation.

Notes to the consolidated financial statements continued

The estimation of the liability for incurred claims is a complex process which incorporates a significant amount of judgement. It is reasonably possible that uncertainties in the reserving process, delays in cedants reporting losses to Conduit, together with the potential for unforeseen adverse developments, could lead to a material change in the liability for incurred claims. The liability established by Conduit is viewed as adequate, however a 20% increase in estimated undiscounted losses would have a \$304.9 million adverse impact on comprehensive income (31 December 2024: \$222.7 million).

Conduit did not book any additional case reserves for the years ended 31 December 2025 and 2024. The net liability for incurred claims as at 31 December 2025 had an estimated duration of 2.7 years (31 December 2024: 2.8 years).

During 2025 Conduit was impacted by a number of natural catastrophe events and risk losses, including the California wildfires, severe convective storms in the United States, and several aviation losses, among others. The most significant event was the California wildfires. Our undiscounted net loss attributed to the wildfires, net of reinsurance and reinstatement premiums, was \$119.1 million at 31 December 2025.

During 2024 Conduit was impacted by significant losses in relation to Hurricanes Helene and Milton, recording an undiscounted net loss, after reinsurance and reinstatement premiums, of \$68.0 million. While there were numerous other catastrophe and risk loss events that impacted Conduit in 2024, none of those were material individually to Conduit.

The inherent uncertainty in estimating the net liability for incurred claims gives rise to favourable or adverse development. During the year ended 31 December 2025 the change in the discounted net liability for incurred claims for prior accident years was a reduction of \$14.1 million (31 December 2024: \$4.3 million). Despite some adverse development on the 2021 and 2022 accident years, overall favourable development was due to IBNR releases due to a lack of reported claims.

Prior accident year claims development

Year ended 31 December	2025 \$m	2024 \$m
2021 accident year	(3.5)	0.7
2022 accident year	(6.8)	(7.3)
2023 accident year	0.5	10.9
2024 accident year	23.9	n/a
Total claims development – favourable (unfavourable)	14.1	4.3

Notes to the consolidated financial statements continued

Net undiscounted claims, including risk adjustment	\$m	\$m	\$m	\$m	\$m	\$m
Accident year	2021	2022	2023	2024	2025	Total
At end of accident year	141.8	352.2	401.3	653.1	758.4	
One year later	134.6	350.3	389.7	633.9		
Two years later	130.2	358.0	389.6			
Three years later	129.5	364.7				
Four years later	133.4					
Current estimate of net undiscounted incurred claims	133.4	364.7	389.6	633.9	758.4	2,280.0
Cumulative payments to date	(105.8)	(246.2)	(202.6)	(164.4)	(103.4)	(822.4)
Current estimate of net undiscounted liability for incurred claims	27.6	118.5	187.0	469.5	655.0	1,457.6
Effect of discounting						(138.7)
Current estimate of net liability for incurred claims						1,318.9

A reconciliation of the net liability for incurred claims per the claims development tables to the carrying amounts included in the balance sheet has been provided below. Loss related amounts represent amounts due that are contingent on claims, such as reinstatement premiums and profit commissions.

Reconciliation to carrying amounts:

As at 31 December	2025			2024		
	Gross \$m	Ceded \$m	Net \$m	Gross \$m	Ceded \$m	Net \$m
Undiscounted liability for incurred claims per claims development tables	1,524.5	(66.9)	1,457.6	1,113.6	(56.5)	1,057.1
Discount	(144.3)	5.6	(138.7)	(123.4)	5.1	(118.3)
Liability for incurred claims per claims development tables	1,380.2	(61.3)	1,318.9	990.2	(51.4)	938.8
Other loss related amounts	(14.0)	11.2	(2.8)	(12.2)	10.2	(2.0)
Liability (asset) for incurred claims	1,366.2	(50.1)	1,316.1	978.0	(41.2)	936.8

Notes to the consolidated financial statements continued

16. Right-of-use lease assets

Right-of-use lease assets primarily relate to leased properties for Conduit's offices in Bermuda and office equipment.

Right-of-use assets	\$m
Balance and net book value as at 31 December 2023	2.1
Additions	-
Depreciation	(0.7)
Balance and net book value as at 31 December 2024	1.4
Additions	-
Depreciation	(0.7)
Balance and net book value as at 31 December 2025	0.7

Lease liabilities

As at 31 December	2025 \$m	2024 \$m
Less than one year	0.8	0.8
Between one and five years	-	0.8
Total undiscounted lease liabilities	0.8	1.6

The discounted lease liability as at 31 December 2025 was \$0.8 million (31 December 2024: \$1.6 million). Conduit does not face significant liquidity risk with respect to its lease liabilities.

Amounts recognised in the consolidated financial statements

Year ended 31 December	2025 \$m	2024 \$m
Consolidated statement of comprehensive income		
Interest expense on lease liabilities	-	0.1
Depreciation of right-of-use assets	0.7	0.7
Total	0.7	0.8
Consolidated statement of cash flows		
Lease payments	0.8	0.8

Notes to the consolidated financial statements continued

17. Financing arrangements

Letters of credit and trust accounts

CRL is a non-admitted reinsurer in the US and Canada but does have approved reciprocal jurisdiction reinsurer ('RJR') status in certain states of the US which is renewed annually. Subject to certain exceptions, RJR status reduces the need for CRL to post collateral to support cedants in states where CRL has RJR status. However, terms and conditions of certain reinsurance contracts with US and Canadian cedants require CRL to provide collateral for outstanding insurance contract liabilities, including the liability for remaining coverage and liability for incurred claims. The collateral can be provided by LOCs or by assets in trust accounts. Refer to note 9 for details of interest expense associated with these LOCs included in financing costs. Additional information about Conduit's exposure to interest rate and liquidity risk is included in the risk disclosures section in note 3.

Standby letter of credit facility

During July 2021, CRL, as the borrower, entered into a \$125.0 million standby letter of credit facility led by Lloyds Bank Corporate Markets plc. CHL will guarantee the obligations of CRL with respect to the standby LOC facility. Terms of the standby LOC facility contain standard qualitative representations and require certain standard financial covenants be adhered to, including: a maximum consolidated debt-to-capital ratio of CHL of 35.0%; a minimum consolidated tangible net worth of CHL; and a minimum A.M. Best rating of B++ for CRL. CRL increased the aggregate amount of the commitment under the facility up to \$175.0 million by the end of 2023, reducing it to \$150.0 million during 2024. The facility remains at \$150.0 million as at 31 December 2025. As at 31 December 2025, \$102.8 million (31 December 2024: \$121.2 million) was outstanding under the standby LOC facility and is secured by cash and cash equivalents and investments of \$122.5 million (31 December 2024: \$141.4 million).

Uncommitted letter of credit facility

During September 2021, CRL entered into a \$75.0 million uncommitted LOC facility with Citibank Europe PLC which was increased to \$125.0 million during 2023. The facility remained at \$125.0 million as at 31 December 2025 and 2024. Terms of the uncommitted LOC facility include standard qualitative representations. As at 31 December 2025, \$102.4 million (31 December 2024: \$99.0 million) was outstanding under the uncommitted LOC facility and is secured by cash and cash equivalents and investments of \$111.7 million (31 December 2024: \$106.8 million).

Trust accounts

Several trust account arrangements have been established in favour of policyholders and ceding companies to provide collateral or comply with the security requirements of certain contracts. As at 31 December 2025, \$303.0 million (31 December 2024: \$239.1 million) of cash and cash equivalents and investments were restricted in favour of third parties.

Additional letter of credit and trust funding requirements

For the year ended 31 December 2025 collateral requests and amendments received subsequent to the year end date, but in relation to that financial year, were a net reduction of \$11.9 million. For the year ended 31 December 2024 there was a net reduction of \$17.8 million. These collateral requests will be processed in the normal course of business. Any funding requirements will be satisfied using cash and cash equivalents and/or investments with any reductions being released from restricted funds.

Notes to the consolidated financial statements continued

18. Share capital

Authorised share capital	Number	\$m
Authorised common shares of \$0.01 each	10,000,000,000	100.0
Authorised A1 shares of £0.01 each	100,000	-
Authorised A2 shares of \$0.01 each	100,000	-
As at 31 December 2025 and 2024	10,000,200,000	100.0

Allotted, called-up and fully paid	Common shares number	A1 shares number	A2 shares number	Total number	Total \$m
Issued	165,239,997	100,000	100,000	165,439,997	1.7
As at 31 December 2025 and 2024	165,239,997	100,000	100,000	165,439,997	1.7

The number of common shares in issue less own shares held as at 31 December 2025 was 154,310,942 (31 December 2024: 156,977,997).

CHL holds 18,000 A1 and A2 shares at 31 December 2025 and 2024. The A1 and A2 shares issued by CML have no voting rights attached. Subject to vesting conditions, discussed in note 7, the A1 and A2 shares will be automatically exchanged for ordinary shares of CHL.

Notes to the consolidated financial statements continued

Own shares

Own shares	Number held in treasury	\$m	Number held in trust	\$m	Total number of own shares	Total \$m
As at 31 December 2023	-	-	(7,183,860)	(32.9)	(7,183,860)	(32.9)
Purchased by EBT	-	-	(1,417,422)	(9.4)	(1,417,422)	(9.4)
Distributed by EBT	-	-	339,282	1.7	339,282	1.7
As at 31 December 2024	-	-	(8,262,000)	(40.6)	(8,262,000)	(40.6)
Repurchased	(2,667,154)	(12.5)	-	-	(2,667,154)	(12.5)
Purchased by EBT	-	-	(693,474)	(3.0)	(693,474)	(3.0)
Distributed by EBT	-	-	693,573	3.4	693,573	3.4
As at 31 December 2025	(2,667,154)	(12.5)	(8,261,901)	(40.2)	(10,929,055)	(52.7)

Shares repurchased by CHL and the EBT will be held as own shares to meet future obligations under CHL's variable incentive schemes. See note 22 for information on shares held by the EBT.

Dividends

	Record date	Payment date	Per share \$	\$m
Final 2023	22 March 2024	24 April 2024	0.18	29.8
Interim 2024	16 August 2024	5 September 2024	0.18	29.7
Final 2024	21 March 2025	17 April 2025	0.18	29.7
Interim 2025	15 August 2025	11 September 2025	0.18	29.7

See note 23 for information with respect to dividends declared subsequent to 31 December 2025.

Notes to the consolidated financial statements continued

19. Other reserves

Other reserves consist of the following:

	Other reserves \$m
As at 31 December 2023	1,059.6
Equity-based incentive expense	7.1
Distributions by EBT	(1.7)
As at 31 December 2024	1,065.0
Equity-based incentive expense	9.3
Distributions by EBT	(3.4)
As at 31 December 2025	1,070.9

Other reserves include Conduit's equity-based incentive expense.

20. Contingencies and commitments

Legal proceedings and regulations

Conduit operates in the reinsurance industry and is subject to legal proceedings in the normal course of business. While it is not practicable to estimate or determine the final results of all pending or threatened legal proceedings, management does not believe that any such proceedings (including litigation) will have a material effect on its results and financial position.

21. Earnings per share

The following reflects the earnings and share data used in the basic and diluted earnings per share computations:

As at 31 December	2025 \$m	2024 \$m
Total comprehensive income	116.8	125.6

	Number	Number
Basic weighted average number of shares	156,550,732	157,226,209
Dilutive effect of equity-based incentives	1,333,475	918,066
Diluted weighted average number of shares	157,884,207	158,144,275

Earnings per share	Per share \$	Per share \$
Basic	0.75	0.80
Diluted	0.74	0.79

Equity-based incentive awards are only treated as dilutive when their conversion to common shares would decrease earnings per share or increase loss per share from continuing operations. Incremental shares from ordinary restricted share options where relevant performance criteria have not been met are not included in the calculation of dilutive shares.

Notes to the consolidated financial statements continued

22. Related party disclosures

These consolidated financial statements include CHL and the entities listed below:

Subsidiary undertakings	Domicile	Principal Business
CHL	Bermuda	Holding company, Ultimate parent
CRL	Bermuda	General insurance business
CRSL ¹	England and Wales	Support services
CML ²	Bermuda	Support services
CSL	Bermuda	Support services
EBT	Jersey	Employee benefit trust

¹ CRSL dissolved effective 14 January 2025

² CML is part-owned by members of management. Management's share ownership in CML exists solely for the purposes of the Group's MIP scheme for attracting and retaining talent. Management's shares in CML have no voting power or control in respect of CHL's ownership of CRL via CML's ownership of CRL.

Unless otherwise stated, Conduit owns 100% of the share capital and voting rights in the subsidiaries listed.

Conduit Reinsurance Services Limited (CRSL)

CRSL was established at the inception of Conduit with the expectation that certain support services would be provided to group companies. These support services have not been required and the voluntary liquidation of CRSL commenced during 2024. The process was completed on 14 January 2025.

Employee benefit trust

The EBT was established with the sole purpose of administering Conduit's equity-based incentive schemes. The trustee operates the trust for the benefit of Conduit's employees, all in accordance with an established trust deed. While Conduit does not have legal ownership of the EBT, the trust is consolidated in Conduit's accounts due to the ability that Conduit has to influence the actions of the trust.

Funding for the trust is provided by CHL through a non-interest bearing loan facility. The facility may only be used by the trustee for the purpose of achieving the objectives of the EBT. During the year ended 31 December 2025, advances of \$3.0 million (31 December 2024: \$9.4 million) were made to the trust.

CHL common shares purchased by the EBT will be held for the benefit of employees under CHL's variable incentive schemes. During the year ended 31 December 2025 the trust purchased common shares of 693,474 (31 December 2024: 1,417,422).

During the year ended 31 December 2025 the EBT distributed 693,573 shares with a value of \$3.4 million to employees. For the year ended 31 December 2024 the EBT distributed 339,282 shares at a value of \$1.7 million.

Stabilitas Re

Stabilitas Re Limited a special purpose vehicle (Stabilitas Re), was launched in June 2023. Conduit sponsored the launch of a catastrophe bond issued by Stabilitas Re and CRL entered into a collateralised reinsurance agreement with Stabilitas Re as part of the transaction. The catastrophe bond was issued to third-party investors by Stabilitas Re. Conduit has no ownership interest in, nor any control, over Stabilitas Re and therefore does not consolidate that entity.

Key management compensation

Remuneration for key management of Conduit's Executive Group, and Non-Executive Directors, was as follows:

Year ended 31 December	2025 \$m	2024 ¹ \$m
Cash compensation	7.3	7.2
Equity-based incentive expense	5.9	4.7
Directors' fees and expenses	1.0	0.8
Total	14.2	12.7

¹ Cash compensation for the prior period has been re-presented to align with the current period view of benefits.

Note: 2025 costs include compensation paid to Conduit's former CEO and CUO on their respective retirements.

Loans to employees to assist with environmental and other projects, have been made by CSL. These loans are short term and interest free. Any financial benefit to the employee is generally not material.

Non-Executive Directors do not receive any benefits in addition to their agreed fees and expenses and do not participate in any of Conduit's incentive, performance or pension plans.

Notes to the consolidated financial statements continued

IncubEx, Inc.

Effective 9 April 2021, CHL executed a stock purchase agreement with IncubEx, a product and business development firm with a focus on designing and developing new financial products in global environmental, reinsurance and related commodity markets. CHL purchased 624 shares of IncubEx's Series A-3 preferred stock, with a par value of \$0.0001 per share, for an aggregate purchase price of \$50,000, or \$80.08 per share.

CHL's CEO is also a founder and current chairman of IncubEx. The terms and conditions of the stock purchase agreement are equivalent to those that would prevail in an arm's length transaction. The investment in IncubEx is included in other assets in the consolidated balance sheet and is recorded at cost, which approximates fair value.

NCX Consultants Limited

CSL has entered into a service agreement with NCX Consultants Limited to provide administrative support services. The contract has an annual value of approximately \$0.1 million. NCX is a company in which CHL's CEO holds significant control.

23. Subsequent events

Dividends

On 17 February 2026, Conduit's Board of Directors declared a final dividend for 2025 of \$0.18 (approximately £0.13) per common share, which will result in an aggregate payment of \$29.2 million. The dividend will be paid in pounds sterling on 16 April 2026 to shareholders of record on 20 March 2026 (the Record Date) using the GBP/USD spot exchange rate at 12 pm UK time on the Record Date.

Additional performance measures (the “APMs”)

Conduit presents certain APMs to evaluate, monitor and manage the business and to aid readers’ understanding of Conduit’s financial statements and methodologies used. These are common measures used across the (re)insurance industry and allow the reader of Conduit’s financial reports to compare those with other companies in the (re)insurance industry. The APMs should be viewed as complementary to, rather than a substitute for, the figures prepared in accordance with IFRS. Conduit’s Audit Committee has evaluated the use of these APMs and reviewed their overall presentation to ensure that they were not given undue prominence. This information has not been audited.

Management believes the APMs included in the consolidated financial statements are important for understanding Conduit’s overall results of operations and may be helpful to investors and other interested parties who may benefit from having a consistent basis for comparison with other companies within the (re)insurance industry. However, these measures may not be comparable to similarly labelled measures used by companies inside or outside the (re)insurance industry. In addition, the information contained herein should not be viewed as superior to, or a substitute for, the measures determined in accordance with the accounting principles used by Conduit for its audited consolidated financial statements or in accordance with IFRS.

Below are explanations, and associated calculations, of the APMs presented by Conduit:

APM	Explanation	Calculation
Gross premiums written (KPI)	For the majority of excess of loss contracts, premiums written are recorded based on the minimum and deposit or flat premium, as defined in the contract. Premiums written for proportional contracts on a risks attaching basis are written over the term of the contract in line with the underlying exposures. Subsequent adjustments, based on reports of actual premium by the ceding company, or revisions in estimates, are recorded in the period in which they are determined. Reinstatement premiums are excluded.	Amounts payable by the cedant before any deductions, which may include taxes, brokerage and commission. Reinstatement premiums are excluded.
Net loss ratio (discounted and undiscounted)	Ratio of net losses and loss related amounts expressed as a percentage of net reinsurance revenue in a period. This can be calculated using discounted or undiscounted net losses and loss related amounts.	Net losses and loss related amounts / Net reinsurance revenue Undiscounted net losses and loss related amounts / Net reinsurance revenue (note 4)
Reinsurance operating expense ratio	Ratio of reinsurance operating expenses, which includes acquisition expenses charged by insurance brokers and other insurance intermediaries to Conduit, and operating expenses paid that are attributable to the fulfilment of reinsurance contracts, expressed as a percentage of net reinsurance revenue in a period.	Reinsurance operating expenses / Net reinsurance revenue (note 4)
Other operating expense ratio	Ratio of other operating expenses expressed as a percentage of net reinsurance revenue in a period.	Other operating expenses / Net reinsurance revenue (note 4)
Combined ratio (discounted) (KPI)	The sum of the net loss ratio, reinsurance operating expense ratio and other operating expense ratio. Other operating expenses are not allocated to the segment combined ratio.	Net loss ratio + Net reinsurance operating expense ratio + Other operating expense ratio (note 4)

Additional performance measures (the “APMs”) continued

APM	Explanation	Calculation
Combined ratio (undiscounted)	The sum of the net loss ratio (undiscounted), reinsurance operating expense ratio and other operating expense ratio. Other operating expenses are not allocated to the segment combined ratio.	Net loss ratio (undiscounted) + Net reinsurance operating expense ratio + Other operating expense ratio (note 4)
Accident year loss ratio	Ratio of the net losses and loss related amounts of an accident year (or calendar year) revalued at the current balance sheet date expressed as a percentage of net reinsurance revenue in a period.	Accident year net losses and loss related amounts / Net reinsurance revenue
Total net investment return (KPI)	Conduit’s principal investment objective is to preserve capital and provide adequate liquidity to support the payment of losses and other liabilities. In light of this, Conduit looks to generate an appropriate total net investment return. Conduit bases its total net investment return on the sum of non-operating cash and cash equivalents and fixed maturity securities. Total net investment return is calculated daily and expressed as a percentage.	Net investment income + Net unrealised gains (losses) on investments + Net realised gains (losses) on investments / Non-operating cash and cash equivalents + Fixed maturity securities, at beginning of period
Return on equity (KPI)	RoE enables Conduit to compare itself against other peer companies in the immediate industry. It is also a key measure internally and is integral in the performance-related pay determinations. RoE is calculated as the profit for the period divided by the opening total shareholders’ equity.	Profit (loss) after tax for the period / Total shareholders’ equity, at beginning of period
Total shareholder return (KPI)	Total shareholder return allows Conduit to compare itself against other public peer companies. Total shareholder return is calculated as the percentage change in Common Share price over a period, after adjustment for Common Share dividends.	Closing Common Share price, at end of period – Opening Common Share price, at beginning of period + Common Share dividends during the period / Opening Common Share price, at beginning of period
Dividend yield	Calculated by dividing the annual dividends per Common Share by the Common Share price on the last day of the given year and expressed as a percentage.	Annual dividends per Common Share / Closing Common Share price
Net tangible assets per share (KPI)	This provides a measure of book value per share for all shares in issue less own shares held in treasury or the EBT trust.	Total shareholders’ equity less intangible assets, at the end of the period / Total common shares in issue less own shares held The GBP equivalent of NTAVS is calculated using the end of period exchange rate between USD and GBP.

Glossary

The following definitions apply throughout the Annual Report and Accounts unless the context otherwise requires. All references to legislation in this document are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof. Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

ABIR The Association of Bermuda Insurers and Reinsurers (ABIR) represents the public policy interests of its members.

Additional case reserves (ACRs) ACRs represent Conduit's estimate for losses related to specific contracts which Conduit believes may not be adequately reported, or adequately covered in the application of IBNR.

Admission The admission of all of CHL's Common Shares (1) to the standard listing segment of the Official List of the UK Financial Conduct Authority, and (2) to trading on the London Stock Exchange's main market for listed securities which occurred on 7 December 2020.

Aggregate excess of loss (XOL) reinsurance A form of excess of loss reinsurance in which the excess and the limit of liability are expressed as annual aggregate amounts.

AGM Annual General Meeting of the CHL shareholders.

AM Best a global credit agency, news publisher and data analytics provider, focusing on the insurance sector.

AM Best rating (i) in respect of financial strength: AM Best's independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations, and (ii) in respect of long-term issuer credit: AM Best's independent opinion of an entity's ability to meet its ongoing financial obligations.

BMA Bermuda Monetary Authority.

Board of Directors or **Board** unless otherwise stated refers to the CHL Board of Directors.

Book value per share Calculated by dividing the value of the total shareholders' equity by the sum of all Common voting shares outstanding.

Broker An intermediary who negotiates contracts of insurance or reinsurance, receiving a commission for placement and other services rendered.

Brokerage The commission that is payable to a broker for placing an insurance or reinsurance contract with an insurer or a reinsurer.

BSCR Bermuda Solvency Capital Requirement.

BI Business Interruption Insurance coverage that replaces income lost in the event that business is halted due to direct physical loss or damage.

Cedant A ceding insurer or a reinsurer that writes and issues a policy to an (re)insured and contractually transfers (cedes) a portion of the risk to a reinsurer or retrocessionaire.

CEO Chief Executive Officer.

CFO Chief Financial Officer.

CHL Conduit Holdings Limited.

Claim A request by an insured or reinsured for indemnification by an insurance or reinsurance company for loss incurred from an insured peril or event.

CML Conduit MIP Limited.

Combined ratio The sum of the net loss ratio, reinsurance operating expense ratio and other operating expense ratio.

Common Shares Common Shares of CHL of \$0.01 par value per share.

Glossary continued

Company Conduit Holdings Limited (CHL).

Coverholder A coverholder is a company or partnership authorised by a managing agent to enter into a contract or contracts of insurance to be underwritten by the members of a syndicate managed by it in accordance with the terms of a binding authority.

Conduit The brand for Conduit Holdings Limited and all associated group companies.

Conduit Re The brand for all Conduit's reinsurance business.

CRL Conduit Reinsurance Limited.

CRO Chief Risk Officer.

CRSL Conduit Reinsurance Services Limited (previously named Conduit Marketing Limited).

CSL Conduit Services Limited.

CUO Chief Underwriting Officer.

Diluted earnings (loss) per share Calculated by dividing comprehensive income (loss) for the year attributable to shareholders by the weighted average number of Common Shares outstanding during the year, excluding treasury shares, plus the weighted average number of Common Shares that would be issued on the conversion of all potentially dilutive equity-based compensation awards.

Dividend yield Calculated by dividing the annual dividends per Common Share by the Common Share price on the last day of the given year and expressed as a percentage.

DSBP The deferred share bonus plan is an equity-based incentive plan where a certain percentage of employee bonuses is deferred into nil-cost Common Shares.

DTR The Disclosure Rules and Transparency Rules sourcebook as issued by the FCA.

Earnings (loss) per share (EPS) Calculated by dividing comprehensive income (loss) for the year attributable to shareholders by the weighted average number of common shares outstanding during the year, excluding treasury shares.

EBT The Conduit Group Employee Benefit Trust is a trust established for the sole purpose of administering Conduit's equity-based incentive schemes.

ECR Enhanced capital requirement. Under the BSCR Model, the reinsurer's minimum required statutory capital and surplus is referred to as the enhanced capital requirement (ECR). The ECR is the greater of the calculated BSCR and the minimum solvency margin (MSM).

Estimated ultimate premiums written Premium reported by ceding companies, excluding reinstatement premiums, supplemented by management's judgement on the estimate provided.

Excess of loss (XOL, XL) or non-proportional Reinsurance that indemnifies against all or a specified portion of loss and loss expenses in excess of a specified monetary amount or other threshold, known as the cedant's retention or reinsurers attachment point, generally subject to a negotiated reinsurance contract limit.

Executive Group is comprised of the CEO, CFO, CRO, CUO, Chief Operations Officer, General Counsel and Chief Actuary.

FCA Financial Conduct Authority.

FVTPL Fair value through profit or loss.

Gross premiums written (GPW) Amounts payable by the cedant before any deductions, which may include taxes, brokerage and commission.

IAS International Accounting Standard(s) are created by the IASB for the preparation and presentation of financial statements.

IASB International Accounting Standards Board.

Glossary continued

IFRS International Financial Reporting Standard(s).

Incurred But Not Reported (IBNR) Reserve for anticipated or likely losses that may result from insured events which have taken place, but which have not yet been reported and/or possible adverse development of previously reported losses.

IPO Initial public offering.

Invested equity Means the aggregate of initial equity invested in CHL on Admission and equity invested pursuant to any future equity raises by the Company, with the US dollar value of invested equity for the USD MIP Shares being calculated at the spot rate at the time the relevant proceeds of the equity raise were received by the Company.

Liability for incurred claims (LIC) Liabilities established by reinsurers to reflect the estimated cost of claims payments and the related expenses that the reinsurer will ultimately be required to pay in respect of reinsurance contracts it has written. The LIC includes the risk adjustment and contractual payments made that are contingent on loss events, such as profit commissions and reinstatement premiums. The LIC is discounted.

Liability for remaining coverage (LRC) The liability for remaining coverage represents the balance of premium received, net of acquisition expenses, less the premium income and acquisition expenses amortised in the period.

LOC Letter of credit.

Losses occurring business Business where the wording stipulates that claims against liability policies can be notified to the Company at any time following the issue of the policy.

Loss reserve development The difference between the amount of the liability for incurred claims initially estimated by an insurer or reinsurer and the amount re-estimated in an evaluation at a later date.

LSE London Stock Exchange.

LTIP The long-term incentive plan is an equity-based award plan granted to employees as nil-cost conditional award over Common Shares in CHL.

Market value Refers to (1) the market capitalisation of CHL calculated by reference to the six-month average closing share price prior to the date of the relevant exchange of MIP Shares for Common Shares of CHL (adjusted to take into account any capital events or distributions during that period); or, (2) in the case of a takeover of CHL, the value of the consideration for the takeover, or (3) in the case of a sale of CHL, the net sale consideration, or (4) in the case of the liquidation of CHL, the amount available for distribution in the liquidation, in each case taking into account any prior dividends, returns of capital or other distributions. The market value for the USD MIP Shares will be calculated in US dollars based on the prevailing spot rate on the date of the relevant share price and in the case of a takeover of CHL, or sale or liquidation of CML, the latest reasonably practicable spot rate prior to the date of the exchange of MIP Shares for Common Shares of CHL as determined by the Remuneration Committee of CHL.

Net loss ratio Ratio of net losses and loss related amounts expressed as a percentage of net reinsurance revenue in a period.

Non-admitted business Business written by a reinsurer not licensed by a particular state or jurisdiction, but nevertheless able to sell and service reinsurance policies to cedants located within that state or jurisdiction.

OECD Organisation for Economic Co-operation and Development.

Other operating expense ratio Ratio of other operating expenses expressed as a percentage of net reinsurance revenue in a period.

Overriding commission (OVR) A commission that is paid by a reinsurer over and above the cedant's original acquisition costs.

PML Probable Maximum Loss.

Glossary continued

Quota share reinsurance A form of proportional reinsurance in which the reinsurer assumes an agreed percentage of each insurance contract being reinsured.

Retention The amount of the loss which is retained by the cedant prior to the attachment of a reinsurance programme.

Return on Equity (RoE) RoE is calculated as the profit for the period divided by the opening total shareholders' equity.

Risk-adjusted rate change Reflects management's assessment of net rate changes of our renewal business net of the impact of claims inflation, exposure changes, and changes in any other terms and conditions.

Senior executive(s) refers to the CEO and CFO and Chief Operations Officer.

State(s) refers to one or more of the fifty states making up the United States of America.

TCFD The Task Force on Climate-Related Financial Disclosures (TCFD) was created by the G20-established Financial Stability Board in December 2015 to improve the quality, quantity and consistency of climate-related disclosures. To achieve this, it developed a reporting framework which consists of a number of recommendations structured into four pillars: governance, strategy, risk, and metrics and targets.

The UK Code The UK Corporate Governance Code, monitored by the UK Financial Reporting Council.

Total shareholder return (TSR) TSR is calculated as the percentage change in Common Share price over a period, after adjustment for Common Share dividends.

Treaty reinsurance A form of reinsurance in which the ceding company makes an agreement to cede certain business and the reinsurer, in turn, agrees to accept all business qualifying under the agreement, known as the 'treaty'.

Ultimate loss ratio The ratio of ultimate losses and loss-related amounts to total reinsurance revenue received for all policies written in a given period.

UK Listing Rules (UKLR) are a set of regulations applicable to any company listed on a United Kingdom stock exchange, subject to the oversight of the UK Financial Conduct Authority.

US refers to the United States of America.

VaR Value at Risk.

Advisers and Contact Information

Conduit Holdings Limited

Bermuda Company Registration Number 55936

Office address

Ideation House
94 Pitts Bay Road
Pembroke HM08 Bermuda

T: +1 441 276 1000

Registered address

Clarendon House
2 Church Street
Hamilton HM11 Bermuda

Shareholder contacts

Company Secretary

Greg Lunn
E: legal@conduitre.bm

Investor relations

Brett Shirreffs
E: info@conduitre.bm

Registrar

Computershare Investor
Services (Bermuda) Limited
The Pavilions
Bridgwater Road
Bristol BS99 6ZY
United Kingdom
T: +44 370 702 0000

Advisers

Financial advisers

Kinmont Limited
5 Clifford Street
London, W1S 2LG
United Kingdom

Brokers

Peel Hunt
100 Liverpool Street
London EC2M 2AT
United Kingdom

Berenberg
60 Threadneedle Street
London EC2R 8HP
United Kingdom

Panmure Liberum
25 Ropemaker Street
London EC2Y 9LY
United Kingdom

Auditors

KPMG Audit Limited
Crown House
4 Par-la-Ville Road
Hamilton HM 08 Bermuda

Bankers

HSBC Bank Bermuda Limited
37 Front Street
Hamilton HM 11 Bermuda



CONDUIT RE

Conduit Re

Ideation House
94 Pitts Bay Road
Pembroke HM08
+1 441 276 1000
conduitreinsurance.com