

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