AM Best
September 2026
Lloyd's

Best's Rating of Lloyd's 2026

Best's Credit Rating Effective Date
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Information

Best's Credit Rating Methodology

Guide to Best's Credit Ratings

Market Segment Outlooks

Financial Data Presented

The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial exhibits in this report are available here: .

Lloyd's

AMB #: 085202 | **AIIN #:** AA-1122000
Ultimate Parent: AMB # 051215 - Society of Lloyd's

Best's Credit Ratings - for the Rating Unit Members

Financial Strength Rating (FSR)	Issuer Credit Rating (ICR)
A+	**aa-**
Superior	**Superior**
Outlook: **Stable**	Outlook: **Stable**
Action: **Affirmed**	Action: **Affirmed**

Assessment Descriptors

Balance Sheet Strength	**Very Strong**
Operating Performance	**Strong**
Business Profile	**Very Favorable**
Enterprise Risk Management	**Appropriate**

Rating Unit - Members

Rating Unit: Lloyd's | AMB #: 085202

AMB #	Rating Unit Members
078649	Lloyd's Ins Co (China) Ltd
095926	Lloyd's Insurance Co. S.A.

Rating Rationale

Balance Sheet Strength: Very Strong

- The market has the strongest level of risk-adjusted capitalisation, as measured by Best's Capital Adequacy Ratio (BCAR).
- A robust capital-setting regime, which incorporates a risk-based approach to setting member-level capital and helps protect risk-adjusted capitalisation from volatility.
- Member-level capital is subject to fungibility constraints as it is held on a several rather than joint basis.
- Balance sheet strength is underpinned by a strong Central Fund that is available, at the discretion of the Council of Lloyd's, to meet the policyholder obligations of all Lloyd's members.
- The market has significant exposure to catastrophe risk and is dependent on reinsurance to manage this risk.

Operating Performance: Strong

- Lloyd's is expected to report strong operating performance across the underwriting cycle, taking into account potential volatility due to its catastrophe exposure.
- Strong pricing conditions and favorable large loss experience materialised in excellent underwriting performance in recent years. However, competitive conditions continue to soften across most lines of business in 2026, which is likely to strain underwriting performance.
- The market's expense ratio has historically been considered relatively high compared to that of peers. However, this has stablised in recent years as a result of specific actions taken by the Corporation and syndicates to reduce costs.
- The market's consolidated operating performance cannot be viewed as a leading indicator of its future balance sheet strength to the same extent as it is for other insurers. Earnings generated by the market do not directly build or erode Lloyd's capital base, as profits and losses are distributed to the market's capital providers when a year of account is closed. Lloyd's continues to demonstrate that it is able to retain and attract capital to the market.

Business Profile: Very Favorable

- Lloyd's has an excellent position in the global general insurance and reinsurance markets as a leading writer of specialty property and casualty risks. Although Lloyd's syndicates operate as individual businesses, the collective size of the market allows them to compete with international groups under the Lloyd's brand.
- Unique business proposition given the market’s ability to provide access to insurance business globally through its multitude of reinsurance and direct insurance licences.
- The market's business is well diversified by geography and lines.
- Product risk is moderate to high; however, it is mitigated through robust underwriting expertise and good exposure management practices. Higher-risk lines include reinsurance, aviation, some marine business and a high proportion of the casualty and property business written.

Enterprise Risk Management: Appropriate

- Lloyd’s enterprise risk management framework is well developed and appropriate for the size and complexity of the market.
- Risk management capabilities are aligned with the market's risk profile.
- The Corporation's risk management function works closely across other functional areas of the Corporation to provide the market additional oversight.
- An internal capital model is used to calculate the solvency capital requirement under the Solvency II regime as well as to stress test the market's risk-adjusted capitalisation. In AM Best's opinion, the internal capital model strongly supports the Corporation's ability to assess the capital adequacy of the market.

Outlook

- The stable outlooks reflect AM Best's expectation that risk-adjusted capitalisation will remain at the strongest level, supported by Lloyd's capital and catastrophe management strategy, the continued availability of the Central Fund insurance, and the requirement for members to replenish their Funds at Lloyd's following losses. Operating performance is expected to remain strong over the underwriting cycle given the ongoing oversight.

Rating Drivers

- Negative rating actions could arise should Lloyd's fail to maintain underlying performance in line with expectations.
- Negative rating actions could arise following a material deterioration in the market's risk-adjusted capitalisation, for instance, due to a substantial loss to the Central Fund or a reduction in member-level capital requirements set by Lloyd's.
- Although unlikely over the near term, positive rating pressure could arise following material improvements in the market's balance sheet fundamentals.

Key Financial Indicators

AM Best may recategorize company-reported data to reflect broader international reporting standards and increase global comparability.

Best's Capital Adequacy Ratio (BCAR) Scores (%)

Confidence Level	95.0	99.0	99.5	99.6
BCAR Score	75.3	62.9	57.3	55.3

Source: Best's Capital Adequacy Ratio Model - Global

Key Financial Indicators	2025 GBP (000)	2024 GBP (000)	2023 GBP (000)	2022 GBP (000)	2021 GBP (000)
Net Premiums Written:					
Non-Life	43,829,000	42,541,000	39,351,000	34,570,000	28,439,000
Composite	43,829,000	42,541,000	39,351,000	34,570,000	28,439,000
Net Income	10,594,000	9,626,000	10,663,000	-769,000	2,277,000
Total Assets	181,271,000	176,517,000	165,095,000	161,530,000	138,155,000
Total Capital and Surplus	49,527,000	46,851,000	44,665,000	39,602,000	35,757,000

Source: BestLink® - Best's Financial Suite

Key Financial Indicators & Ratios	2025 GBP (000)	2024 GBP (000)	2023 GBP (000)	2022 GBP (000)	2021 GBP (000)	Weighted 5-Year Average
Profitability:						
Balance on Non-Life Technical Account	5,208,000	5,314,000	5,910,000	2,641,000	1,741,000	...
Net Income Return on Revenue (%)	22.9	21.6	26.2	-2.4	8.1	16.9
Net Income Return on Capital and Surplus (%)	22.0	21.0	25.3	-2.0	6.6	15.6
Non-Life Combined Ratio (%)	87.6	86.9	84.0	91.9	93.5	88.3
Net Investment Yield (%)	4.1	4.0	3.9	-0.5	1.8	2.8
Leverage:						
Net Premiums Written to Capital and Surplus (%)	88.5	90.8	88.1	87.3	79.5	...

Source: BestLink® - Best's Financial Suite

Credit Analysis

Balance Sheet Strength

Lloyd's very strong balance sheet strength assessment is underpinned by risk-adjusted capitalisation at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR), as well as its strong financial flexibility. The market has significant exposure to potential catastrophe losses and is dependent on reinsurance to manage this risk. However, a robust market-wide capital-setting regime, which incorporates a risk-based approach to setting member-level capital, and the requirement for members to replenish their Funds at Lloyd's (FAL) after a loss, helps protect risk-adjusted capitalisation against volatility.

Lloyd’s balance sheet strength is supported by a strong Central Fund that is available, at the discretion of the Council of Lloyd's, to meet the policyholder obligations of all Lloyd's members. It is the existence of this partially mutualising link that is the basis for a market-level rating. The protection afforded to members through the Central Fund is enhanced by Central Fund insurance, which was renewed in 2024 for a period of five years.

Balance Sheet Strength (Continued...)

The market's member-level capital is held on a several rather than joint basis and is only available to meet the liabilities of the providing member. The resulting fungibility constraints on capital is considered an offsetting factor for the balance sheet strength assessment.

Capitalisation

The BCAR scores shown in this report are based on the pro forma financial statements for year-end 2025, published in Lloyd's annual report. The pro forma financial statements include the aggregate of syndicate annual accounts, members' FAL and the Society of Lloyd's (referred to in this report as the Society or the Corporation) financial statements.

Lloyd's benefits from risk-adjusted capitalisation at the strongest level, as measured by BCAR. This assessment takes into account capital resources available at member level, in the form of Members' FAL, and centrally in the form of the Central Fund and net assets of the Corporation. Capital credit is given in BCAR for FAL provided through letters of credit (LOCs), as if drawn, these LOCs will turn into Tier 1 capital for Lloyd's. Nonetheless, the use of LOCs as FAL, reduces somewhat the quality of available capital. AM Best does not give explicit credit for contingent capital in the 'callable layer', which is the ability of the Corporation to supplement central assets by calling funds from members of up to 5% of their overall premium limits.

Any assessment of Lloyd's capital strength is complicated by the compartmentalisation of capital at member level. Member-level capital in the form of FAL and members' balances are held on a several rather than joint basis, meaning that any member needs to meet only its share of claims. However, Lloyd's central assets are available, at the discretion of the Council of Lloyd's, to meet policyholder liabilities that any member is unable to meet in full. This link in the Chain of Security comprises of the Central Fund and other central assets, as well as subordinated debt. These central assets can be supplemented by the 'callable layer'. It is the existence of this partially mutualising third link, and the high liquidity of the Central Fund in particular, that is the basis for a market-level rating.

The Central Fund is secured through a five-year, multi-layered insurance cover, which was renewed in 2024 for another five years. The Central Fund insurance provides protection to the Central Fund, and therefore the market, against severe tail events. The cover will reimburse aggregate payments from the Central Fund that are in excess of USD 1.2 billion and is provided by international banks and reinsurers of excellent credit quality.

Lloyd's Internal Model (LIM) captures Lloyd's unique capital structure and takes into account fungibility constraints on member-level capital and the mutual nature of central assets. If a severe market loss led to the exhaustion of some members' FAL, central assets would be exposed to any further losses faced by these members. The model captures this mutualised exposure, so that, at different return periods, the exposure of both member-level capital and central capital is demonstrated.

Lloyd's is subject to the Solvency II regulatory regime. As agreed with the UK regulator, the Prudential Regulation Authority (PRA), Lloyd's uses its LIM to calculate two separate Solvency Capital Requirements (SCRs) and two separate SCR coverage ratios: a market-wide SCR (MWSCR) and a central SCR (CSCR). The MWSCR calculates the total capital required at a 99.5% value at risk (VaR) confidence level over a one-year period for the Lloyd's market as a whole (including the exposure of both member-level and central assets).

The CSCR is calculated at a 99.5% VaR confidence level over a one-year period in respect of the risks facing the Society and its Central Fund. It captures the risk of an event where members do not have sufficient funds to meet their losses, and central assets would need to be used to meet policyholder liabilities. Calculating a CSCR addresses the risk that a 1-in-200 year loss to central assets could be bigger than the loss to central assets in a 1-in-200 year market loss event. By calculating both figures, Lloyd's has a better view of the likelihood that central and market level assets are sufficient.

Lloyd's has approval from the PRA to use existing LOCs, in the form that they are provided as FAL, as Tier 2 capital for Solvency II purposes. However, any new LOCs provided as FAL need to be individually approved. Under Solvency II, at least 50% of the solvency capital requirement must be met by Tier 1 capital.

Since 2018 Lloyd's has implemented a phased reduction in the proportion of FAL that can be provided via LOCs, and, since December 2020 members' Tier 2 capital is not allowed to exceed 50% of their economic capital assessment (ECA) in order to minimise assets ineligible for regulatory capital credit. As at 31 December 2025, LOCs accounted for approximately 27% of total FAL and all Lloyd's Tier 2 assets were eligible to meet the MWSCR.

The MWSCR coverage ratio of 200% at year-end 2025, declined as compared with 205% at year-end 2024 largely due to an increase in underwriting risk with market growth from new entrants and changes in market conditions that have reduced modelled profitability.

Balance Sheet Strength (Continued...)

However, the CSCR of 496% at year-end 2025 improved as compared with 435% at year-end 2024 reflecting a reduction in central solvency capital requirement, in part following improvements to modelling of extreme syndicate loss risk to the central fund. In addition, there has been an increase in the Society's Own Funds with the repayment of 2020 tranches of syndicate loans. Lloyd's risk appetite for the MWSCR coverage is a minimum of 140% and the CSCR coverage is a minimum of 200%. The MWSCR target is low relative to peers, but this should be seen in light of Lloyd's good financial flexibility and the market's capital-setting process.

Lloyd's employs strict capital-setting criteria both at member level and centrally. Individual syndicates are required to calculate a SCR at a 99.5% confidence level over both a one-year and an ultimate horizon for each underwriting year. The ultimate basis drives the determination of member level capital. A 35% uplift is applied to the ultimate SCR to arrive at the FAL requirement. The stability in the market's solvency levels over the long term, as a result of the capital-setting process, is considered to be a strength for the balance sheet assessment.

Lloyd's members are required to replenish their FAL to meet their current underwriting liabilities as part of the "coming into line" process each year. However, Lloyd's can require a member to recapitalise outside of this process if deemed necessary. Most members underwrite with limited liability. However, if FAL are eroded due to losses, affected members will have to provide additional funds to support any outstanding underwriting obligations if they wish to continue to underwrite at Lloyd's. This requirement in effect provides the market with access to funds beyond those reflected in its capital structure.

Member contributions to the Central Fund are currently calculated as 0.35% of gross written premiums per annum. The contribution rate can be increased to strengthen the Central Fund at any time.

Lloyd's good financial flexibility is enhanced by the diversity of its capital providers, which include corporate and individual investors. Traditional Lloyd's businesses remain committed to the market. In addition, Lloyd's continues to attract new investors, drawn by its capital efficient structure and global licences. As the capital to support underwriting at Lloyd's is supplied by members on an annual basis, an important factor in AM Best's analysis of the market is its ability to retain and attract the capital required for continued trading.

In 2021, Lloyd's sponsored the multi-Insurance Special Purpose Vehicle, London Bridge Risk PCC Ltd., to act as a reinsurance risk transformation vehicle onshore in the UK and facilitate the participation of institutional investors. Lloyd's sponsored a second transformation vehicle in 2022, London Bridge 2 PCC Ltd (LB2), which allows the issuance of both preference and/or debt securities to fund reinsurance obligations. By the end of 2025, the London Bridge vehicles had established 34 cells, through which around USD 3 billion of capital had been deployed.

Liquidity Analysis (%)	2025	2024	2023	2022	2021
Liquid Assets to Total Liabilities	74.3	73.5	73.2	68.1	69.8
Total Investments to Total Liabilities	82.9	81.1	83.6	78.6	82.0

Source: BestLink® - Best's Financial Suite

Asset Liability Management - Investments

The majority of Lloyd's investments are managed independently by the individual syndicates' managing agents, while the assets in the Lloyd's Central Fund are managed centrally by the Corporation. Although syndicates are able to define their own investment strategy, asset risk is generally low, with more than three quarters of the market's total investments held in bonds and cash/deposits.

In AM Best's opinion, Lloyd's maintains good overall liquidity. Managing agents are responsible for the investment of syndicate premium trust funds, although Lloyd's monitors liquidity levels at individual syndicates as part of its capital adequacy review. Overall, these funds exhibit a high level of liquidity, as most syndicate investment portfolios tend to consist primarily of cash and high-quality fixed-income securities of relatively short duration. Lloyd's also monitors projected liquidity for its central assets, which are tailored to meet the disbursement requirements of the Central Fund and the Corporation (including its debt obligations).

An investment platform to pool assets across the market was launched in the second half of 2022. Over GBP 1.6 billion in assets had already been invested/committed to the platform by mid-2026. Should participation in the investment platform be in line with the Corporation's expectations this could lead to some meaningful enhancements in non-technical returns for members, particularly smaller managing agents.

Balance Sheet Strength (Continued...)

Composition of Cash and Invested Assets	2025 GBP (000)	2024 GBP (000)	2023 GBP (000)	2022 GBP (000)	2021 GBP (000)
Total Cash and Invested Assets	109,201,000	105,201,000	100,682,000	95,872,000	83,998,000
Cash (%)	11.0	11.4	11.2	12.8	13.0
Bonds (%)	66.2	68.1	65.9	63.7	60.6
Equity Securities (%)	12.4	11.1	10.5	10.1	11.4
Real Estate, Mortgages and Loans (%)	4.2	5.0	8.8	10.3	11.0
Other Invested Assets (%)	6.2	4.4	3.6	3.1	3.9
Total Cash and Unaffiliated Invested Assets (%)	100.0	100.0	100.0	100.0	100.0
Total Cash and Invested Assets (%)	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

Reserve Adequacy

Robust oversight of reserves is provided by the Corporation. In AM Best's opinion, reserving in the Lloyd's market tends to be prudent, with the majority of market participants incorporating an explicit margin in reserves above actuarial best estimates. Reserve surpluses, which are not fungible across the market, vary significantly between syndicates.

Total prior-year reserve releases benefitted the combined ratio by 1.7 percentage points in 2025, compared to a benefit of 2.4 percentage points in the previous year. Releases were reported across all lines of business for 2025 other than aviation, which was strengthened following judgements and settlements on Ukraine losses and, casualty, due to adverse experience in general liability, cyber and D&O lines for business written prior to 2019.

Lloyd’s exposure to open run-off years has significantly reduced over the past decade, principally due to better management of these years. At the beginning of 2025, there were five syndicates whose 2018, 2021 or 2022 underwriting years remained open, unchanged since the beginning of 2024. These run-off years reported an aggregate loss, including investment return, of GBP 8 million (2024: loss of GBP 48 million). There were five syndicates whose 2018/2021/2022 underwriting years remained open post 31 December 2025. The total number of open underwriting years at 1 January 2026 is five.

Operating Performance

Lloyd's is expected to report strong operating performance across the underwriting cycle, taking into account potential volatility due to its catastrophe exposure.

For 2025, the market reported a net profit of GBP 10.6 billion driven by an underwriting profit of GBP 5.2 billion and investment profit of GBP 6 billion. These results translated into a robust return-on-equity ratio of 22%, which significantly exceeded the market’s 10-year weighted average return-on-equity ratio of 9%.

The market's operating performance assessment is based on analysis of the overall consolidated performance of Lloyd's, considering the stability, diversity, and sustainability of the market's sources of earnings. The assessment also incorporates analysis of the performance of individual syndicates, including the spread between the strongest and worst performers, with a particular focus on the potential exposure of central capital resources to losses from individual members.

The Lloyd’s market's consolidated operating performance cannot be viewed as a leading indicator of its future balance sheet strength to the same extent as it is for other insurers. Earnings generated by the market do not directly build or erode Lloyd's capital base. The capital to support underwriting at Lloyd's is instead supplied by capital providers. Therefore, AM Best considers the impact of the market's results on its ability to retain and attract the capital required for continued trading.

Despite historical volatility in performance, the market has continued to attract new capital, with several new participants in 2025.

Underwriting Performance:

Over recent years, robust performance oversight by the Corporation, strong pricing conditions and favourable large loss experience, have supported excellent underwriting performance. For 2025, Lloyd’s reported an overall combined ratio was 87.6% (2024: 86.9%), in line with the five-year weighted average (2021-2025) combined ratio of 88.3%.

Operating Performance (Continued...)

Underwriting performance is subject to volatility due to the nature of business underwritten; however, for 2024 and 2025, natural catastrophe claims remained within budget as reflected by major claims contribution to the combined ratio of 7.8% and 5.8% respectively. 2025 was largely a benign catastrophe year with the California Wildfires being the only major event for the year. 2024 was impacted by several events such as Hurricanes Milton, Helene and Beryl.

The attritional loss ratio deteriorated slightly to 47.9% for 2025 (2024: 47.1%) driven by the softening rate environment; however, underwriting discipline appears to have largely been maintained in the market. Prior year reserve releases benefitted the combined ratio by 1.7 percentage points for 2025 (2024: 2.4 percentage points).

An increase in combined ratios was observed across a few segments in 2025 and most notably for the marine, aviation and energy segment which reported a combined ratio of 103.5%, largely due to strengthening of Ukraine conflict related loss estimates. The casualty segment reported a combined ratio of 100.8% driven by deterioration in the 2025 accident year combined ratio and adverse development of business written prior to 2019. For the property insurance and reinsurance segments, performance in 2025 remained supported by adequate rate and prior year reserve releases resulting in solid combined ratios of 75.4% and 86.6%, respectively.

The market's operating expense ratio is high compared to that of conventional re/insurance groups that could be considered as peers, often in the mid-to-high 30% range (2025: 35.6%). Actions continue to be taken to reduce the cost of placing business at Lloyd’s.

After experiencing strong consecutive rate increases in previous years, softening pressures emerged in 2025 and have intensified in 2026. The market is expected to remain focused on cycle management; however, prospective underwriting performance is likely to be strained. In addition, a prolonged conflict in the Middle East with insured infrastructure being targeted is likely to result in losses for the Lloyd’s market, given it is the key reinsurer for the region and a lead reinsurer for marine war risks. The 2026 outlook provided by the Corporation indicates a net combined ratio expectation of 90-95% subject to large claims falling within allowance.

Performance on a Year of Account (YOA) Basis:

The 2023 YOA closed at the end of 2025 with an overall profit of GBP 8.7 billion (2022: GBP 4.9 billion). The 2023 YOA was impacted by major claims events such as wildfires in Hawaii, Türkiye-Syria earthquake, Hurricane Idalia and tropical cyclone Gabrielle.

Investment Performance:

Investment returns (including gains/losses) for the market were on average 2.8% in the period 2021-2025, ranging from -3.5% (2022) and 5.6% (2025). In 2025, the market reported significant investment returns, driven by the strong performance of the fixed income portfolio in a higher-interest rate environment.

Financial Performance Summary	**2025 GBP (000)**	**2024 GBP (000)**	**2023 GBP (000)**	**2022 GBP (000)**	**2021 GBP (000)**
Pre-Tax Income	10,594,000	9,626,000	10,663,000	-769,000	2,277,000
Net Income after Non-Controlling Interests	10,594,000	9,626,000	10,663,000	-769,000	2,277,000

Source: BestLink® - Best's Financial Suite

Operating and Performance Ratios (%)	**2025**	**2024**	**2023**	**2022**	**2021**
Overall Performance:					
Return on Assets	5.9	5.6	6.5	-0.5	1.7
Return on Capital and Surplus	22.0	21.0	25.3	-2.0	6.6
Non-Life Performance:					
Loss and LAE Ratio	52.0	52.5	49.6	57.5	57.9
Expense Ratio	35.6	34.4	34.4	34.4	35.5
Non-Life Combined Ratio	87.6	86.9	84.0	91.9	93.5

Source: BestLink® - Best's Financial Suite

Business Profile

Lloyd's very favourable business profile assessment reflects its excellent position in the global general insurance and reinsurance markets as a leading writer of specialty property and casualty risks. The market’s ability to provide access to insurance business

Business Profile (Continued...)

globally through its multitude of reinsurance and direct insurance licences is a key competitive strength. In addition, the growing size of the market demonstrates its ability to attract and retain investors due to its unique business proposition that offers a capital efficient structure.

Market Position:

Lloyd's occupies an excellent position in the global general insurance and reinsurance markets as a leading writer of specialty property and casualty risks and is a market leader in a number of business lines. Recent new entrants to the market include prominent insurance groups such as Allianz, Coface and Convex.

Although Lloyd's syndicates operate as individual businesses, the collective size of the market allows them to compete with major international groups under the Lloyd's brand. The market's competitive strength stems from its strong brand, licences, and reputation for innovative and flexible underwriting, supported by the pool of underwriting expertise in London.

Product Diversification and Product Risk:

Total gross written premium (GWP) grew by 4.2% in 2025 to GBP 57.9 billion (2024: GBP 55.5 billion) mainly due to volume growth by existing and new syndicates, in part offset by negative price impacts and foreign exchange changes. Insurance business accounted for 65% of premium revenue in 2025 and reinsurance for the balance. This split has been relatively stable in recent years.

The market is well diversified by line of business with a focus towards commercial lines over personal lines.

Product risk is moderate-to-high, as the business that comes to Lloyd's is predominantly specialty business that requires expert underwriting. High product risk lines include reinsurance, energy, aviation, most marine business, and a high proportion of the casualty and property business written.

Reinsurance is the market's largest segment and accounted for 35% of GWP in 2025. Reinsurance business comprises of property, casualty and specialty reinsurance (primarily marine, aviation and energy reinsurance).

Casualty business was Lloyd's second largest segment and accounted for 25% of GWP in 2025. The main products written are long-tail general liability, financial and professional, workers compensation/employer’s liability and medical malpractice. Accident & health and cyber business is also accounted for within this segment.

Property insurance business is Lloyd's third largest segment and accounted for 23% of GWP in 2025. Property consists of a broad range of risks written worldwide, made up of predominantly excess and surplus lines business. Delegated authority arrangements such as coverholder frameworks represent a high proportion of the distribution mix for this class.

The remaining segments of marine, aviation, and energy (12%), political risk and credit risk (6%), and life (<0.1%) together accounted for approximately 18% of GWP in 2025.

Geographical Diversification:

Lloyd's writes a global portfolio of risk, albeit with some bias to North America which accounted for nearly half of GWP in 2025. The remainder was split across the rest of Europe, UK, Australia and other markets.

Lloyd’s has an extensive licensing network comprising of approximately 200 reinsurance licenses and 75 direct licenses which is also viewed to be its key competitive strength. There are over 3,300 coverholder office locations connected to Lloyd’s with a local presence in 200 territories. The market's network of licences provides syndicates with access to a wide international client base, which is of benefit in particular to the syndicates that are not part of global insurance groups.

Distribution Channels:

The distribution of Lloyd's business is dominated by insurance brokers, and in particular by the top three largest global brokers. Lloyd's brokers play an active part in the placement of risks and in providing access to regional markets. In recent years, Lloyd’s syndicates have materially increased capacity provided to broker facilities.

Business Profile (Continued...)

In addition, a significant part of Lloyd's business is distributed via coverholders (accounting for circa 40% of GWP), which write business on behalf of syndicates under the terms of a binding authority. Coverholders are important in bringing regional business to Lloyd's and providing the market with access to small and medium-sized risks.

The Lloyd’s distribution model is expensive, with business often passing through several distribution links before arriving at Lloyd’s. The market’s reliance on brokers also makes it vulnerable to price-based competition. Although in overall terms, Lloyd’s is important to the large global brokers (as well as to the specialised London market brokers), the importance of individual syndicates is less so.

Enterprise Risk Management

The enterprise risk management (ERM) of Lloyd's is assessed as appropriate. The market's enterprise risk framework is considered to be developed, and risk management capabilities are aligned to its risk profile.

Lloyd's ERM is designed to manage risks arising from the market and the Society. It provides an extra layer of oversight over the market's risks that are also managed through the risk functions of individual managing agents. Nonetheless, the ability of the Corporation to actively manage the market's risks is limited as it is supervising individual and competing syndicates, each with their own risk appetites and commercial strategies.

Under the Lloyd's Act 1982, the Council of Lloyd's (the Council) is responsible for the management and supervision of the market as the governing body of the Society. The key committees of the Council are the Nominations and Governance Committee, Audit Committee, Risk Committee and Remuneration Committee. The Risk Committee is responsible for the identification and management of Lloyd's key risks.

The Council manages risks by setting and monitoring the risk appetite framework. The risk appetites are reviewed on a regular basis and may be updated as required. The framework includes key risks and a number of underlying monitoring metrics. The risk appetites are structured under the three risk objective pillars of sustainability, solvency, and operational.

Over the past several years, there has been a much tougher tone and more active approach taken by the Corporation's oversight functions to managing under-performing syndicates as well as the under-performing lines. The enhanced oversight has led to some syndicates being put into run-off as well as others exiting certain loss-making lines of business. This additional scrutiny has led to meaningful improvements in underlying performance over the last several years.

The Council is gradually strengthening culture and governance at Lloyd's to ensure accountability of the executive team. Policies and processes are being improved in light of the investigation held on the previous CEO for alleged misconduct. Code of Conduct policies are also being refreshed after Lloyd’s investigation concluded that the previous CEO breached compliance rules around disclosure of perceived conflict of interest. The recent shelving of the market’s key transformation project, Blueprint 2, has highlighted that technology projects are another area where approval and oversight processes need strengthening to manage operational risks effectively.

The Society and its managing agents are regulated by The Bank of England, acting through the PRA, as well as by the Financial Conduct Authority (FCA). Lloyd's remains subject to the Solvency II regulatory and capital regime. It applies to the "association of underwriters known as Lloyd's" as a collective entity.

Lloyd's uses an internal capital model to calculate its SCR and SCR coverage ratios, with approval from the PRA. An internal model has been in use since 2012, although the current model has undergone material changes since then. In AM Best's opinion, the Corporation's ability to assess the capital adequacy of the market has been strongly improved by its capital modelling work.

Lloyd's recognises that one of the greatest risks to the Central Fund is the market's exposure to natural catastrophes, albeit risks from non-natural catastrophe losses, such as cyber and liability, are growing. The catastrophe model component of the LIM allows the Corporation to assess catastrophe risk across return periods and, in AM Best's opinion, has improved its ability to monitor the market's aggregate catastrophe exposure against a defined risk appetite. The Catastrophe Risk Oversight Framework enables Lloyd’s to apply more stringent minimum capital requirements to exposure growth in syndicates with poor performance track records and catastrophe risk management capabilities. Recognizing the increased frequency of secondary perils, Lloyd’s requires syndicates with material exposures for such perils to report more granular data, ensuring they are appropriately captured in the syndicates’ models and in the Lloyd’s Catastrophe Model.

Enterprise Risk Management (Continued...)

Moreover, Lloyd's Realistic Disaster Scenarios (RDSs) continue to play a critical role in exposure management at Lloyd's, both as benchmark stress tests validating the internal model output and as a source of data. The scenarios are defined in detail annually by Lloyd's and are used to evaluate aggregate market exposures as well as the exposure of each syndicate to certain major events. Syndicate-level scenarios are prepared by each managing agent, reflecting the particular characteristics of the business that each syndicate writes. In addition, Lloyd's asks for syndicates' aggregate exceedance probability loss at a 1-in-30-year and 1-in-200 return period for various regional perils. As the Lloyd's RDSs represent different return periods for different syndicates, collecting this additional data helps to ensure a uniform treatment of syndicates' exposure to large losses.

Reinsurance Summary

Lloyd's has moderate dependence on reinsurance. This is due to the nature of the market, which consists of small-to-medium sized business that independently purchase reinsurance. The market as a whole ceded approximately 25% of its GWP in 2025. This amount includes reinsurance from syndicates to their related groups as well as reinsurance between individual Lloyd's syndicates.

Lloyd's oversight function monitors individual syndicates' reinsurance placements to ensure the appropriateness and credit quality of the market's overall use of reinsurance.

Environmental, Social & Governance

As a writer of global commercial property policies, Lloyd's is exposed to the impacts of changing climate trends, namely the increased severity and frequency of natural catastrophe losses. In AM Best’s view the market uses reinsurance to manage climate risk and has applied more stringent minimum capital requirements for syndicates approved to write catastrophe-exposed business (based on their past performance). Catastrophe modelling and accumulations are managed to ensure that the market’s exposure to natural catastrophes is maintained within its risk appetite.

Lloyd's has a large book of US casualty business that is susceptible to adverse social inflation trends. AM Best defines social inflation as the rise in cost of current and future claims caused by higher court awards and legislated rises in claims payments driven by changing social behaviour. This has contributed to reserve strengthening of casualty provisions over several years and has been an area of additional oversight and focus by the Corporation's actuarial team.

Financial Statements

Balance Sheet	12/31/2025 GBP (000)	%	12/31/2025 USD (000)
Cash and Short Term Investments	12,061,000	6.7	16,274,179
Bonds	72,308,000	39.9	97,566,814
Equity Securities	13,520,000	7.5	18,242,841
Other Invested Assets	11,312,000	6.2	15,263,537
Total Cash and Invested Assets	109,201,000	60.2	147,347,371
Reinsurers' Share of Reserves	31,835,000	17.6	42,955,683
Debtors / Amounts Receivable	29,398,000	16.2	39,667,384
Other Assets	10,837,000	6.0	14,622,608
Total Assets	181,271,000	100.0	244,593,046
Unearned Premiums	28,808,000	15.9	38,871,284
Non-Life - Outstanding Claims	84,643,000	46.7	114,210,708
Insurance Contract Liabilities, Net of Assets:			
Total Gross Technical Reserves	113,451,000	62.6	153,081,992
Debt / Borrowings	4,731,000	2.6	6,383,645
Other Liabilities	13,562,000	7.5	18,299,512
Total Liabilities	131,744,000	72.7	177,765,149
Retained Earnings	15,981,000	8.8	21,563,524
Other Capital and Surplus	33,546,000	18.5	45,264,374
Total Capital and Surplus	49,527,000	27.3	66,827,897
Total Liabilities and Surplus	181,271,000	100.0	244,593,046

Source: BestLink® - Best's Financial Suite

Income Statement	Non-Life GBP (000)	Life GBP (000)	Other GBP (000)	12/31/2025 Total GBP (000)	12/31/2025 Total USD (000)
Gross Premiums Written	57,870,000	...	...	57,870,000	78,085,295
Net Premiums Earned	41,994,000	...	...	41,994,000	56,663,451
Net Investment Income	...	...	4,354,000	4,354,000	5,874,950
Realized capital gains/(losses)	...	...	521,000	521,000	702,997
Unrealized capital gains/(losses)	...	...	1,135,000	1,135,000	1,531,481
Total Revenue	41,994,000	...	6,010,000	48,004,000	64,772,879
Benefits And Claims	21,847,000	...	...	21,847,000	29,478,650
Net Operating And Other Expenses	14,939,000	...	624,000	15,563,000	20,999,507
Total Benefits, Claims And Expenses	36,786,000	...	624,000	37,410,000	50,478,156
Pre-Tax Income	5,208,000	...	5,386,000	10,594,000	14,294,723
Net Income before Non-Controlling Interests	...	...	...	10,594,000	14,294,723

Source: BestLink® - Best's Financial Suite

Related Methodology and Criteria

Best's Credit Rating Methodology, 08/29/2024

Catastrophe Analysis in AM Best Ratings, 02/27/2026

Available Capital and Insurance Holding Company Analysis, 09/18/2025

Rating Lloyd's Operations, 03/21/2024

Scoring and Assessing Innovation, 02/20/2025

Understanding Global BCAR, 07/16/2026

Best's Credit Rating Effective Date
August 06, 2026

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Information

Best's Credit Rating Methodology

Guide to Best's Credit Ratings

Market Segment Outlooks

Financial Data Presented

The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial exhibits in this report are available here: .

Society of Lloyd's

AMB #: 051215
Ultimate Parent: AMB # 051215 - Society of Lloyd's

Best's Credit Rating

Issuer Credit Rating (ICR)

a+ Excellent	Outlook: **Stable** Action: **Affirmed**

Rating Rationale

The rating of the holding company is determined by reference to the Issuer Credit Rating (ICR) of the operating insurance company members of the associated rating unit Lloyd's AMB# 085202. It reflects consideration of holding company sources and uses of cash, the competing demands placed upon holding company resources and normal subordination of holding company creditors to claims of the policyholders of the operating insurance companies. In general, therefore, the holding company's Issuer Credit Rating is notched from those assigned to the operating companies of the rating unit.

Holding Company Assessment

Financial Leverage Summary - Holding Company
051215 Society of Lloyd's

Financial Leverage Ratio (%)	14.40
Adjusted Financial Leverage Ratio (%)	9.00
Interest Coverage (x)	4.30

Best's Credit Ratings Associated

Lloyd's

AMB #: 085202 | **AIIN#:** AA-1122000
Ultimate Parent # AMB # 051215 - Society of Lloyd's

Best's Credit Ratings - for the Rating Unit Members

Financial Strength Rating (FSR)	Issuer Credit Rating (ICR)
A+	**aa-**
Superior	**Superior**
Outlook: **Stable**	Outlook: **Stable**
Action: **Affirmed**	Action: **Affirmed**

Assessment Descriptors

Balance Sheet Strength	**Very Strong**
Operating Performance	**Strong**
Business Profile	**Very Favorable**
Enterprise Risk Management	**Appropriate**

Rating Unit - Members

Rating Unit: Lloyd's | AMB #: 085202

AMB #	Rating Unit Members	AMB #	Rating Unit Members
078649	Lloyd's Ins Co (China) Ltd	095926	Lloyd's Insurance Co. S.A.

Key Financial Indicators

AM Best may recategorize company-reported data to reflect broader international reporting standards and increase global comparability.

Key Financial Indicators	2025 GBP (000)	2024 GBP (000)	2023 GBP (000)	2022 GBP (000)	2021 GBP (000)
Net Premiums Written:					
Net Income	228,000	355,000	268,000	98,000	7,000
Total Assets	21,574,000	20,421,000	20,163,000	19,097,000	16,238,000
Total Capital and Surplus	3,564,000	3,722,000	3,497,000	3,283,000	3,058,000

Source: BestLink® - Best's Financial Suite

Key Financial Indicators & Ratios	2025 GBP (000)	2024 GBP (000)	2023 GBP (000)	2022 GBP (000)	2021 GBP (000)	Weighted 5-Year Average
Profitability:						
Balance on Non-Life Technical Account	50,000	46,000	42,000	30,000	4,000	...
Net Income Return on Revenue (%)	191.6	253.6	221.5	144.1	20.0	197.9
Net Income Return on Capital and Surplus (%)	6.3	9.8	7.9	3.1	0.2	5.7
Net Investment Yield (%)	2.0	2.3	2.0	1.1	0.5	1.6

Source: BestLink® - Best's Financial Suite

Credit Analysis

Balance Sheet Strength

Capitalisation

Capital Generation Analysis	2025 GBP (000)	2024 GBP (000)	2023 GBP (000)	2022 GBP (000)	2021 GBP (000)
Beginning Capital and Surplus	3,722,000	3,497,000	3,283,000	3,058,000	3,023,000
Net Income	228,000	355,000	268,000	98,000	7,000
Currency Exchange Gains (Losses)	28,000	-27,000	-25,000	30,000	-31,000
Other Changes in Capital and Surplus	-414,000	-103,000	-29,000	97,000	59,000
Net Change in Capital and Surplus	-158,000	225,000	214,000	225,000	35,000
Ending Capital and Surplus	3,564,000	3,722,000	3,497,000	3,283,000	3,058,000
Net Change in Capital and Surplus (%)	-4.2	6.4	6.5	7.4	1.2

Source: BestLink® - Best's Financial Suite

Liquidity Analysis (%)	2025	2024	2023	2022	2021
Liquid Assets to Total Liabilities	24.0	29.9	31.5	32.1	39.5
Total Investments to Total Liabilities	30.5	33.6	35.1	35.2	41.9

Source: BestLink® - Best's Financial Suite

Asset Liability Management - Investments

Composition of Cash and Invested Assets	2025 GBP (000)	2024 GBP (000)	2023 GBP (000)	2022 GBP (000)	2021 GBP (000)
Total Cash and Invested Assets	5,490,000	5,611,000	5,855,000	5,571,000	5,518,000
Cash (%)	22.4	36.0	41.5	45.5	47.2
Bonds (%)	44.0	41.3	41.8	39.9	40.8
Equity Securities (%)	12.4	11.6	6.3	5.7	6.5
Real Estate, Mortgages and Loans (%)	1.7	1.9	1.7	1.6	1.9
Other Invested Assets (%)	18.5	8.5	8.0	6.6	3.0
Total Cash and Unaffiliated Invested Assets (%)	99.1	99.3	99.2	99.2	99.3
Investments in Affiliates (%)	0.9	0.7	0.8	0.8	0.7
Total Cash and Invested Assets (%)	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

Operating Performance

Financial Performance Summary	2025 GBP (000)	2024 GBP (000)	2023 GBP (000)	2022 GBP (000)	2021 GBP (000)
Pre-Tax Income	309,000	471,000	358,000	124,000	6,000
Net Income after Non-Controlling Interests	229,000	354,000	268,000	98,000	7,000

Source: BestLink® - Best's Financial Suite

Operating Performance (Continued...)

Operating and Performance Ratios (%)	2025	2024	2023	2022	2021
Overall Performance:					
Return on Assets	1.1	1.7	1.4	0.6	...
Return on Capital and Surplus	6.3	9.8	7.9	3.1	0.2

Source: BestLink® - Best's Financial Suite

Business Profile

Geographical Breakdown of Gross Premium Written	2025 GBP (000)	2024 GBP (000)	2023 GBP (000)	2022 GBP (000)	2021 GBP (000)
China	65,000	71,000	68,000	63,000	73,000
Total Asia	65,000	71,000	68,000	63,000	73,000
European Community	4,212,000	3,705,000	3,897,000	3,164,000	2,659,000
Total Europe	4,212,000	3,705,000	3,897,000	3,164,000	2,659,000
Total	4,277,000	3,776,000	3,965,000	3,227,000	2,732,000

Source: BestLink® - Best's Financial Suite

Financial Statements

Balance Sheet	12/31/2025 GBP (000)	%	12/31/2025 USD (000)
Cash and Short Term Investments	1,232,000	5.7	1,662,365
Bonds	2,414,000	11.2	3,257,265
Equity Securities	683,000	3.2	921,587
Other Invested Assets	1,161,000	5.4	1,566,563
Total Cash and Invested Assets	5,490,000	25.4	7,407,781
Reinsurers' Share of Reserves	10,261,000	47.6	13,845,399
Debtors / Amounts Receivable	4,931,000	22.9	6,653,509
Other Assets	892,000	4.1	1,203,596
Total Assets	21,574,000	100.0	29,110,284
Unearned Premiums	2,874,000	13.3	3,877,953
Non-Life - Outstanding Claims	7,387,000	34.2	9,967,446
Insurance Contract Liabilities, Net of Assets:			
Total Gross Technical Reserves	10,261,000	47.6	13,845,399
Debt / Borrowings	601,000	2.8	810,943
Other Liabilities	7,148,000	33.1	9,644,958
Total Liabilities	18,010,000	83.5	24,301,299
Retained Earnings	3,534,000	16.4	4,768,506
Other Capital and Surplus	16,000	0.1	21,589
Non-Controlling Interests	14,000	0.1	18,891
Total Capital and Surplus	3,564,000	16.5	4,808,986
Total Liabilities and Surplus	21,574,000	100.0	29,110,284

Source: BestLink® - Best's Financial Suite

Income Statement	Non-Life GBP (000)	Life GBP (000)	Other GBP (000)	12/31/2025 Total GBP (000)	12/31/2025 Total USD (000)
Gross Premiums Written	4,277,000	...	...	4,277,000	5,771,053
Net Investment Income	...	...	111,000	111,000	149,775
Realized capital gains/(losses)	...	...	124,000	124,000	167,316
Unrealized capital gains/(losses)	...	...	98,000	98,000	132,234
Other Income	8,000	...	...	8,000	10,795
Total Revenue	8,000	...	333,000	341,000	460,119
Net Operating And Other Expenses	-42,000	...	74,000	32,000	43,178
Total Benefits, Claims And Expenses	-42,000	...	74,000	32,000	43,178
Pre-Tax Income	50,000	...	259,000	309,000	416,941
Income Taxes Incurred	...	...	...	81,000	109,295
Net Income before Non-Controlling Interests	...	...	...	228,000	307,646
Non-Controlling Interests	...	...	...	-1,000	-1,349

Source: BestLink® - Best's Financial Suite

Related Methodology and Criteria

Best's Credit Rating Methodology, 08/29/2024

Available Capital and Insurance Holding Company Analysis, 09/18/2025

Rating Lloyd's Operations, 03/21/2024

Additional Rating Types

AM Best assigns Best's Issue Credit Ratings. Refer to the profile page to view current Issue Ratings for Society of Lloyd's (AMB#051215)

March 21, 2024

Best's

Methodology and Criteria

Rating Lloyd's Operations

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Rating Lloyd's Operations

Outline

The following criteria procedure should be read in conjunction with *Best's Credit Rating Methodology (BCRM)* and all other related BCRM-associated criteria procedures. The BCRM provides a comprehensive explanation of AM Best's rating process.

A. Market Overview

This criteria procedure focuses on AM Best's rating process for all of Lloyd's operations: the Society of Lloyd's, the Lloyd's market, and Lloyd's syndicates, including insurance groups with corporate members that contribute capital to Lloyd's syndicates.

The Society of Lloyd's and the Lloyd's Market

Lloyd's is the London-based market where individual syndicates underwrite all types of insurance and reinsurance other than long-term life insurance. Each syndicate consists of members of Lloyd's. These members are mainly corporate entities, although private individuals still provide a small proportion of Lloyd's underwriting capacity. The syndicates operate as individual businesses, but the collective size of the market allows them to compete effectively with global (re)insurance groups, under the Lloyd's brand and with the support of Lloyd's Central Fund (the Central Fund).

The Society of Lloyd's (the Society) is the legal entity that oversees the Lloyd's market. The Society's purpose is to facilitate the underwriting of insurance business by Lloyd's members, to protect members' Lloyd's-related interests, and to maintain the Central Fund.

Method of Accounting

Lloyd's annual report contains the Society's consolidated financial statements that comprise the Society and its subsidiaries, the Central Fund and its interest in associates and joint ventures.

In addition, the Lloyd's annual report contains pro forma financial statements (PFFS) that include the results of the syndicates, members' Funds at Lloyd's (FAL), the Society's financial statements and any central adjustments.

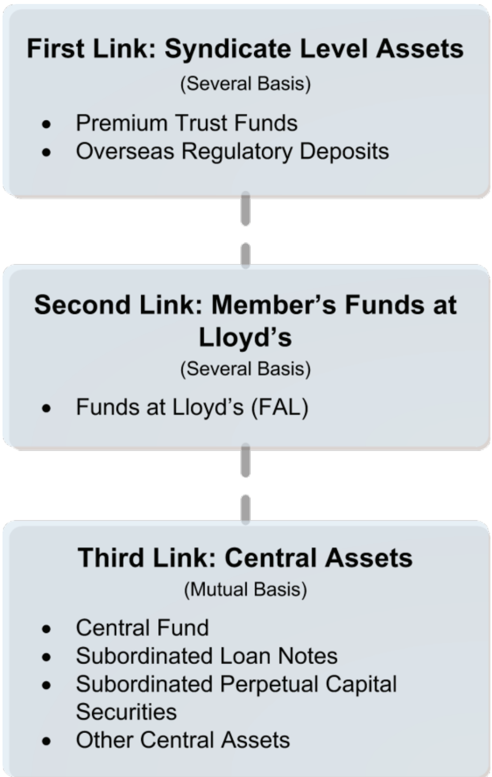
Rating Lloyd's Operations

To ensure that the PFFS are reported on the same accounting basis as other insurers, Lloyd's makes adjustments (such as a notional investment return on the FAL in the non-technical account) to its capital and investment returns.

Lloyd's "Chain of Security"

AM Best's assessment of Lloyd's balance sheet strength is based on the company's unique capital structure, which Lloyd's calls the "chain of security." This "chain of security" encompasses the Premium Trust Funds, FAL, the Central Fund, the Society's net assets, and other assets, as **Exhibit A.1** shows, and is a critical element in AM Best's rating assessment of the Lloyd's market.

Exhibit A.1: Lloyd's Chain of Security



Any assessment of Lloyd's capital strength is complicated by the compartmentalisation of capital at the member-level. The first two links in the chain of security—the Premium Trust Funds and FAL—are on a several rather than joint basis, meaning that a member needs to meet only its share of claims. In contrast, the third link (Lloyd's central assets) is available—at the discretion of the Council of Lloyd's—to meet the policyholder liabilities that any member is unable to meet in full. This third link comprises not just the Central Fund but also the net assets of the Corporation of Lloyd's (the Corporation) and any issued hybrid securities that qualify for capital credit, and can be supplemented by a call on members' funds up to a specified percentage of their overall premium limits. This partially mutualising third link, and the liquid Central Fund in particular, is the basis for a market-level rating.

Rating Lloyd's Operations

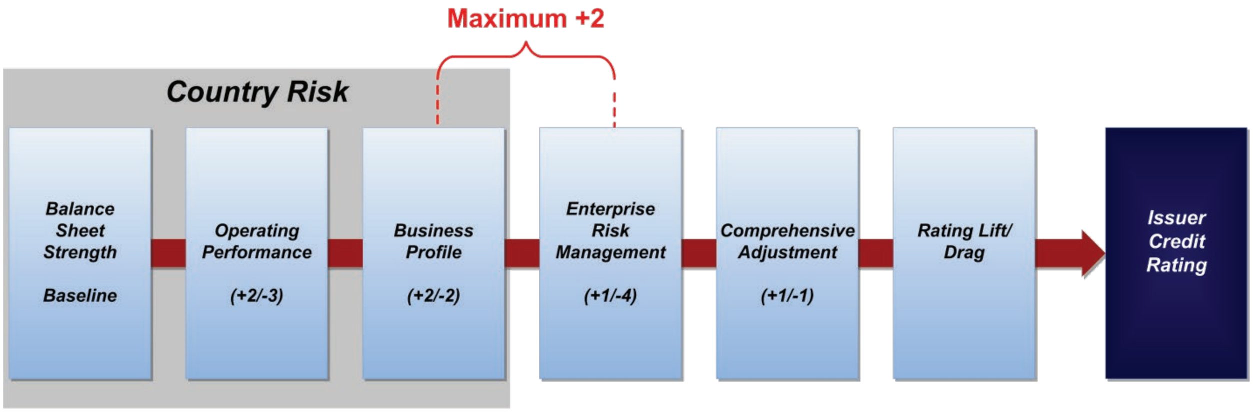
The Lloyd's market rating is the "floor of security" for all policies written at Lloyd's. It reflects the chain of security and, in particular, the role of the Central Fund, which partially mutualises capital at the market level, ensuring that each syndicate is backed by capital consistent with a Best's Issuer Credit Rating (ICR) of at least that of the Lloyd's market. A policyholder exposed to a syndicate weaker than the market would still have market-level security, given the Central Fund's role as a guarantee fund. However, AM Best believes that the characteristics of some syndicates could be consistent with an ICR at or above the level of the Lloyd's market rating.

A change to the Lloyd's market rating would automatically trigger a review of all syndicate ratings, as these cannot be viewed in isolation from the market as a whole—but would not necessarily mean that any particular rating would change. A change to a syndicate's rating would depend not just on the reason for the change to the Lloyd's market rating but also on the specific characteristics that support the syndicate's rating.

The Rating Process

AM Best's rating process for all of Lloyd's-related operations is based on the same building blocks as the process for conventional insurers (**Exhibit A.2**). For syndicate-specific ratings, an "s" modifier—e.g., "A+ s"—differentiates ratings on individual syndicates from other ratings.

Exhibit A.2: AM Best's Rating Process



Assessing Syndicates

To understand the link between the Lloyd's market rating and the ratings of individual Lloyd's syndicates, the following considerations should be taken into account:

- Syndicates cannot exist or be analysed in isolation from their participation in the Lloyd's market. When assigning ratings to individual syndicates, this dependence must be taken into account.
- All syndicates benefit from the financial strength of Lloyd's; therefore, the rating of a syndicate will be at least equal to the rating of Lloyd's.
- A syndicate could have a higher rating than the Lloyd's market usually for two reasons: 1) its operating performance or 2) lift from a financially stronger group.

B. Balance Sheet Strength

Lloyd's Market

Capital Management Strategy

Best's Capital Adequacy Ratio (BCAR) is used in the assessment of risk-adjusted capitalization for the Lloyd's market based on the PFFS. Lloyd's balance sheet strength assessment takes into account capital resources available at the member-level and centrally; the fungibility constraints on member-level capital; and the likelihood and potential impact of future drawdowns on central assets by Lloyd's members.

Because Lloyd's capital structure consists of both mutual capital, which can be used to meet the obligations of all syndicates, and member-level capital, which is available to meet that member's obligations only, it has specific fungibility considerations. The BCAR cannot capture the lack of fungibility in some parts of the capital structure. However, given that Lloyd's stochastic internal capital model (LIM) reflects these unique features of Lloyd's capital structure, the Solvency Capital Ratios (SCRs)—as approved by the regulator—are taken into consideration as an additional indicator of capital adequacy.

The Corporation is responsible for annually setting capital at member-level, using the syndicates' SCRs. AM Best's assessment of the market's balance sheet strength incorporates a view of the appropriateness of Lloyd's approach to setting member-level capital. A critical component of the Lloyd's market balance sheet strength assessment involves not only the adequacy of the capital requirements, but also the market's ability to fulfil those requirements.

Financial Flexibility

AM Best's assessment of Lloyd's financial flexibility takes into account its ability to access a broad range of capital providers, which include corporate and individual investors, as well as the option to make additional capital calls when required. Although equity credit may be given for qualifying hybrid instruments issued by the Society, no explicit credit is typically given in the BCAR for the "callable layer". The callable layer does not necessarily provide additional funds to meet Lloyd's market liabilities, as capital is drawn from member-level capital to supplement central assets. However, AM Best recognizes in its assessment of the fungibility of Lloyd's capital that the existence of the "callable layer" means that there is the potential, in an extreme stress scenario, for some of the member-level funds to be made available to support central resources.

Letters of Credit

Historically, a significant and stable proportion of FAL is accounted for by letters of credit (LOCs). In its calculation of available capital, AM Best will consider including FAL provided as LOCs, given that such LOCs can be drawn at the discretion of Lloyd's, and that, if drawn, will become Tier 1 capital for the Lloyd's market.

Rating Lloyd's Operations

Assessing Syndicates

A syndicate's balance sheet strength assessment will be the same as that of Lloyd's, given that fundamentally all of the syndicates are protected by the central resources of the Lloyd's market. A syndicate's assessment does not include a separate holding company assessment.

C. Operating Performance

Lloyd's Market

Market Performance

The assessment of Lloyd's operating performance involves the analysis of the market's overall consolidated performance, taking into account the stability, diversity, and sustainability of the market's sources of earnings. The assessment also incorporates the performance analysis of the individual syndicates—including the existing gaps between the strongest and worst performers—with a particular focus on the potential exposure of central capital resources to losses from individual members.

Lloyd's performance is not directly comparable to that of other insurers, because it is not managed centrally. The Corporation through its oversight framework has a definite role in agreeing to business plans and monitoring performance, but Lloyd's is ultimately a market of competing businesses, each of which has its own decision-making process.

In addition, the market's consolidated operating performance cannot be viewed as a leading indicator of its future balance sheet strength to the same extent as it is for other insurers. Earnings generated by the market do not directly build or erode Lloyd's capital base, as profits and losses are distributed to the market's capital providers when a year of account is closed (usually at the end of 36 months). The capital to support underwriting at Lloyd's is instead supplied by capital providers (members) annually. Therefore, greater weight may be given to the impact of the market's results on its ability to retain and attract the capital required for continued trading.

Any assessment of Lloyd's operating performance must also take into account the potential erosion of central capital resources owing to losses incurred by individual members. Most members of Lloyd's write with limited liability. In the event of substantial underwriting losses, if those members are unwilling or unable to provide additional funds to support any outstanding underwriting obligations, there may be a drawdown on central capital resources.

Assessing Syndicates

Due to the role of the Central Fund and the protection it provides to its members, the operating performance of Lloyd's acts as a floor to the assessment of the syndicate. However, in AM Best's opinion, a syndicate could have a higher rating than the Lloyd's market because of a more favourable operating performance assessment, principally because an individual syndicate's profits are not made available to meet the obligations of other members. Therefore, the assessment of Lloyd's market's operating performance may not fully reflect the positive impact that an individual syndicate's standalone earnings can have on its ability to meet its own obligations to policyholders.

AM Best's assessment of an individual syndicate's operating performance considers the same factors as that for conventional insurers in that it centres on the stability, diversity, and sustainability of its earnings sources. Expenses will include costs associated with operating at Lloyd's, such as contributions to central resources.

D. Business Profile

Lloyd's Market

The business profile assessment of the Lloyd's market follows the process outlined in the BCRM.

Assessing Syndicates

The business profiles of all of the syndicates are inextricably linked to that of Lloyd's. As a result, the assessment of Lloyd's business profile acts as a floor for the assessment of any syndicate's business profile. Likewise, any weakening of Lloyd's business position will act as a drag on an individual syndicate's rating.

E. Enterprise Risk Management (ERM)

Lloyd's Market

AM Best's ERM assessment of the Lloyd's market evaluates the overall risk management framework of Lloyd's. Failure at one syndicate could lead to pressures on the Lloyd's market's ERM assessment even if the overall risk management framework is considered appropriate.

Assessing Syndicates

AM Best acknowledges that all syndicates benefit from the ERM framework and risk monitoring at Lloyd's level. As a result, the assessment of Lloyd's ERM acts as a floor for the assessment of any syndicate's ERM. Likewise, any weakening of Lloyd's ERM will act as a drag on an individual syndicate's rating.

F. Lift for Syndicates

Syndicates that belong to wider (re)insurance or non-insurance groups may be eligible for a higher rating owing to rating lift.

Rating lift may apply if the syndicate is backed by a capital provider (the lead rating unit) that, in AM Best's opinion, has a higher credit rating than the Lloyd's market. The lead rating unit is also expected to be fully committed to supporting the syndicate beyond its corporate member's limited liability obligations and before recourse to the Central Fund. AM Best undertakes a detailed analysis of the capital provider's commitment and would have to be satisfied that the capital provider would not cease underwriting at Lloyd's under adverse circumstances not related to its own syndicate's performance (e.g., an additional Central Fund levy). Eligibility for rating lift owing to capital backing may be affected if a corporate member participates in other syndicates, since capital held at the member-level is fungible across all of the syndicates in which a member participates.

G. Rating the Society of Lloyd's

The ICR of the Society is derived by notching from the ICR of Lloyd's and reflects AM Best's opinion that the ability of the Society to meet its obligations is inextricably linked to that of Lloyd's. The rating of Lloyd's take into account the assets and liabilities of the Society, as well as the financial flexibility of the Society, including its ability to raise debt.

The central assets of the Society, including the Central Fund, are available to meet the Society's senior obligations. The Society can increase the contributions to the Central Fund from members of the Lloyd's market. The Society's senior obligations include, but are not limited to, Central Fund "undertakings", whereby the Central Fund meets the insurance liability of insolvent members of Lloyd's on a discretionary basis. Under normal circumstances, Lloyd's Council executes an undertaking for a 12-month period to meet these liabilities (which can be renewed). Central Fund undertakings constitute unsecured obligations of the Society that rank *pari passu* with the Society's other unsecured senior obligations.

Accordingly, there can be no distinction between the ability of the Lloyd's market and the Society to meet their senior obligations. The Society's ability to meet its senior obligations is therefore the same as Lloyd's. However, in practice, Lloyd's policyholders are likely to be paid ahead of senior debtholders. Therefore, in the absence of any other relevant information, the ICR of the Society is placed one notch below the ICR of Lloyd's.

H. Insurance Groups with Lloyd's Operations

Market Knowledge

An insurance group writing business at Lloyd's will typically own a corporate member that participates in the Lloyd's market by providing capacity to one or more syndicates. It accepts insurance business through syndicates on a several basis for its own profit and loss and holds the capital supporting its share of business written in the form of FAL. For these insurance groups, both the performance of and the capital supporting business written at Lloyd's are captured in the consolidated analysis via the corporate member.

The rating process for groups with a Lloyd's platform is substantially the same as it is for all insurance groups. However, the unique capital structure and practices of the Lloyd's market introduce distinct issues, particularly with respect to the analytical treatment of group capital used to support underwriting at Lloyd's.

Balance Sheet Strength

As part of the analysis of a group's consolidated balance sheet strength, AM Best uses the BCAR to calculate the net required capital to support the group's financial risks (including those of the corporate member) and compares it with the group's available capital (including capital lodged as FAL), to estimate excess or shortfall.

The level of FAL determines the amount of insurance business a member can underwrite at Lloyd's. Consequently, a member unable or unwilling to replenish its FAL will have to reduce the amount of Lloyd's business it writes. Thus, if its FAL are exhausted and not replenished, the corporate member will no longer be able to underwrite at Lloyd's.

Notably, if a member's FAL are inadequate to meet its syndicate's losses, a managing agent may ask Lloyd's to meet the cash call out of its central assets. However, in the group's consolidated BCAR analysis, AM Best gives no capital credit for the access a member's insurance creditors have to Lloyd's central assets, primarily because only the obligations of the corporate member—not those of the wider group—can be met by Lloyd's central assets.

AM Best's analysis of a group's Lloyd's business focuses on an assessment of the risks generated directly by the syndicates in which the corporate member participates.

Segregation of Capital for Lloyd's Business

FAL are defined as capital lodged and held in trust at Lloyd's as security for policyholders and to support a member's overall underwriting business. The funds lodged can be investments and cash but can also include LOCs drawn on one or more banks.

When investments and cash are provided by a group company, or when an LOC is backed by collateral from a group company, the assets are clearly encumbered. To reflect the limitations on the transfer of this capital across the group, AM Best may apply a nominal 1% capital charge to the group assets that support FAL in the group's consolidated BCAR. This is in line with AM Best's baseline treatment of balances associated with non-controlled assets.

The analyst may increase the asset risk factor beyond the nominal 1% following an evaluation of the likelihood that FAL will be used to pay syndicate losses. The evaluation would take into account the historical and expected performance of the group's Lloyd's business, as well as the potential exposure of this business to large, market-wide losses.

Letters of Credit Supporting FAL for Insurance Groups with Lloyd's Operations

Insurance groups commonly use LOCs—either collateralized or uncollateralized—to meet their FAL requirements. In the case of a collateralized LOC, assets backing the LOC are included in AM Best's assessment of a group's available capital, although a capital charge may be applied to the assets.

An undrawn, uncollateralized LOC supporting FAL receives no capital credit in a group's consolidated BCAR. The rationale for this treatment is that, if the LOC were to be drawn down, it would become short-term bank debt on the group's balance sheet; AM Best does not afford capital credit to short-term bank debt.

However, AM Best does recognize that, under a stress scenario, an uncollateralized LOC could be converted readily to cash to meet the group's Lloyd's obligations. For this reason, AM Best would take into account an uncollateralized LOC in its assessment of the group's financial flexibility and liquidity.

Internal Reinsurance and Lloyd's Business

In an insurance group, earnings from the group's corporate member are often transferred to another group entity, typically to realize tax efficiencies—and frequently through quota-share reinsurance, with the group reinsurer providing a share of the corporate member's FAL matching the proportion of risk assumed. For example, if there is a 50% whole-account quota share in place, the corporate member and reinsurer each may provide 50% of the FAL.

When determining the appropriate treatment in the reinsurer's BCAR of the Lloyd's business assumed and the FAL lodged to support this business, AM Best may first conduct a detailed review of the reinsurance contract and the treatment of the risk assumed in the reinsurer's accounts.

If the Lloyd's-related risk is reflected accurately on the reinsurer's balance sheet and income statement—for example, if there is a standard quota share agreement in place—AM Best will include the risk associated with this business and the capital supporting this risk (a share of FAL) in its analysis of risk-adjusted capitalization in the BCAR. AM Best may also conduct a BCAR analysis excluding the risk and capital relating to the Lloyd's business.

When the proportion of FAL provided by the reinsurer exceeds the proportion of the Lloyd's business it assumes, AM Best will deduct an amount equal to the excess from capital in its analysis of the reinsurer, to avoid giving credit for capital that supports risks not captured in the reinsurer's accounts and BCAR.

Occasionally, the transfer of premium and reserve risk to the reinsurer is not reflected in the reinsurer's accounts in a manner that allows AM Best to capture the assumed risk accurately in the BCAR—for example, when the reinsurance transaction is a quota share of the corporate member's profit/loss. In this case, in the absence of additional information, AM Best will deduct from available capital an amount equivalent to the reinsurer's share of FAL. Additional adjustments may be made to ensure that Lloyd's-related risk assumed by the reinsurer is not reflected in the BCAR.

Because participation in Lloyd's is on a limited liability basis, the group reinsurer is not usually legally obliged to pay out more than its share of FAL to support its Lloyd's losses. By deducting FAL from available capital, AM Best reflects the maximum loss that the reinsurer would incur from the assumed Lloyd's business. Any business or reputational issues that may arise if the group is unable or unwilling to replenish its FAL are captured by AM Best in the consolidated analysis of the insurance group.

Determination of the IHC's Rating Through Notching

AM Best's rating on an Insurance Holding Company (IHC) is based on the ICR of the operating insurer(s) on which the IHC primarily depends to meet its obligations. The rating reflects the analysis of (1) the credit risk implications of the IHC as a legal entity separate from the operating insurer(s) and (2) the normal subordination of IHC creditors to operating company policyholders.

Rating Lloyd's Operations

For an insurance group with a significant Lloyd's operation, the entity on which the holding company most depends to meet its obligations may be a Lloyd's syndicate. In this case, using the syndicate rating in the notching process is seldom appropriate.

Lloyd's chain of security—in particular, the role of the Central Fund, which partly mutualises capital at the market level—ensures that each Lloyd's syndicate is backed by capital consistent with the ICR of at least that of the Lloyd's market. Consequently, a syndicate rating cannot fall below the Lloyd's market rating.

Lloyd's central assets are available to meet only the insurance liabilities of the corporate member. When determining the holding company ICR of a group with a significant Lloyd's operation, AM Best conducts an enterprise-level analysis of the consolidated organization (excluding any credit for Lloyd's central assets). This forms the basis for an overall operating company ICR, which is then used in the notching process.

Appendices

Appendix 1
Gross Written Premium by Syndicate (2025)
(GBP Millions)

Syndicate	Managing Agent	Gross Written Premium	Syndicate	Managing Agent	Gross Written Premium
33	Hiscox Syndicates Limited	1,862	2012	Arch Managing Agency Limited	642
218	IQUW Syndicate Management Limited	504	2015	SCOR Managing Agency Ltd	383
308	Tokio Marine Kiln Syndicates Limited	1	2019	Talbot Underwriting Ltd	46
318	Cincinnati Global Underwriting Agency Limited	316	2024	Probitas Managing Agency Limited	39
382	Hardy (Underwriting Agencies) Limited	342	2025	Polo Managing Agency Limited	29
386	QBE Underwriting Limited	346	2050	AXIS Managing Agency Ltd.	82
435	Faraday Underwriting Limited	561	2121	Argenta Syndicate Management Limited	797
457	Munich Re Syndicate Limited	1,198	2232	Allied World Managing Agency Limited	520
510	Tokio Marine Kiln Syndicates Limited	2,173	2357	Nephila Syndicate Management Limited	344
609	Atrium Underwriters Limited	947	2358	Nephila Syndicate Management Limited	377
623	Beazley Furlonge Limited	766	2427	Asta Managing Agency Ltd	23
727	S. A. Meacock & Company Limited	108	2454	Apollo Syndicate Management Limited	85
1084	Chaucer Syndicates Limited	1,820	2478	Talbot Underwriting Ltd	529
1100	Apollo Syndicate Management Limited	27	2488	Chubb Underwriting Agencies Limited	767
1176	Chaucer Syndicates Limited	33	2525	Asta Managing Agency Ltd	117
1183	Talbot Underwriting Ltd	1,001	2546	Apollo Syndicate Management Limited	8
1200	Westfield Specialty Managing Agency Ltd	661	2623	Beazley Furlonge Limited	2,068
1218	Newline Underwriting Management Limited	313	2689	Asta Managing Agency Ltd	109
1221	Hartford Underwriting Agency Limited	459	2786	Everest Managing Agency Limited	354
1225	AEGIS Managing Agency Limited	957	2791	Managing Agency Partners Limited	651
1254	Polo Managing Agency Limited	1	2843	Polo Managing Agency Limited	283
1274	Antares Managing Agency Limited	506	2880	Asta Managing Agency Ltd	51
1301	Inigo Managing Agent Limited	1,164	2987	Brit Syndicates Limited	2,122
1322	Asta Managing Agency Ltd	118	2988	Brit Syndicates Limited	210
1414	Ascot Underwriting Limited	1,342	2999	QBE Underwriting Limited	2,846
1416	Statera Managing Agency Limited	57	3000	Markel Syndicate Management Limited	927
1458	RenaissanceRe Syndicate Management Limited	813	3002	AXA XL Underwriting Agencies Limited	33
1492	Probitas Managing Agency Limited	381	3010	Lancashire Syndicates Limited	370
1609	Asta Managing Agency Ltd	277	3123	Asta Managing Agency Ltd	534
1618	Asta Managing Agency Ltd	632	3456	Asta Managing Agency Ltd	36
1686	AXIS Managing Agency Ltd.	1,660	3500	RiverStone Managing Agency Ltd	4
1699	Asta Managing Agency Ltd	262	3622	Beazley Furlonge Limited	26
1729	Dale Managing Agency Limited	413	3623	Beazley Furlonge Limited	320
1796	Asta Managing Agency Ltd	11	3624	Hiscox Syndicates Limited	172
1856	IQUW Syndicate Management Limited	976	3705	Lime Syndicate Management Limited	53
1880	Tokio Marine Kiln Syndicates Limited	55	3902	Ark Syndicate Management Limited	185
1892	Asta Managing Agency Ltd	22	3939	Apollo Syndicate Management Limited	18
1902	Asta Managing Agency Ltd	97	4000	Hamilton Managing Agency Limited	707
1910	Ariel Re Managing Agency Limited	883	4020	Ark Syndicate Management Limited	845
1919	Starr Managing Agents Limited	354	4141	HCC Underwriting Agency Ltd	193
1922	Asta Managing Agency Ltd	1	4242	Statera Managing Agency Limited	287
1925	Apollo Syndicate Management Limited	56	4321	Beazley Furlonge Limited	1
1945	Sirius International Managing Agency Limited	210	4444	Canopius Managing Agents Limited	2,869
1947	Asta Managing Agency Ltd	132	4472	Liberty Managing Agency Limited	1,644
1955	Arch Managing Agency Limited	787	4711	Aspen Managing Agency Limited	1,004
1967	W. R. Berkley Syndicate Management Limited	431	4747	Asta Managing Agency Ltd	204
1969	Apollo Syndicate Management Limited	669	5000	Travelers Syndicate Management Limited	552
1971	Apollo Syndicate Management Limited	456	5623	Beazley Furlonge Limited	391
1984	Asta Managing Agency Ltd	104	5886	Blenheim Underwriting Limited	492
1985	Asta Managing Agency Ltd	241	6103	Managing Agency Partners Limited	62
1988	Asta Managing Agency Ltd	314	6104	Hiscox Syndicates Limited	77
1994	Apollo Syndicate Management Limited	99	6107	Beazley Furlonge Limited	27
1996	Polo Managing Agency Limited	12	6117	Ariel Re Managing Agency Limited	69
2001	MS Amlin Underwriting Limited	2,128	6134	Argenta Syndicate Management Limited	127
2003	AXA XL Underwriting Agencies Limited	1,360			
2008	Enstar Managing Agency Limited	175			
2010	Lancashire Syndicates Limited	293			
			Total:		**57,594**

No adjustments made for Reinsurance to Close, hence the difference between Appendices.
Source: AM Best data and research

Appendix 2

Gross Written Premiums by Managing Agency Group (2025)

(GBP Millions)

Managing Agent	Gross Written Premium	Managing Agent	Gross Written Premium
Beazley Furlonge Limited	3,599	Travelers Syndicate Management Limited	552
Asta Managing Agency Ltd	3,284	Allied World Managing Agency Limited	520
QBE Underwriting Limited	3,192	Antares Managing Agency Limited	506
Canopius Managing Agents Limited	2,869	Blenheim Underwriting Limited	492
Brit Syndicates Limited	2,332	Hartford Underwriting Agency Limited	459
Tokio Marine Kiln Syndicates Limited	2,229	W. R. Berkley Syndicate Management Limited	431
MS Amlin Underwriting Limited	2,128	Probitas Managing Agency Limited	420
Hiscox Syndicates Limited	2,111	Dale Managing Agency Limited	413
Chaucer Syndicates Limited	1,853	SCOR Managing Agency Ltd	383
AXIS Managing Agency Ltd.	1,742	Everest Managing Agency Limited	354
Liberty Managing Agency Limited	1,644	Starr Managing Agents Limited	354
Talbot Underwriting Ltd	1,577	Statera Managing Agency Limited	344
IQUW Syndicate Management Limited	1,480	Hardy (Underwriting Agencies) Limited	342
Arch Managing Agency Limited	1,429	Polo Managing Agency Limited	326
Apollo Syndicate Management Limited	1,418	Cincinnati Global Underwriting Agency Limited	316
AXA XL Underwriting Agencies Limited	1,393	Newline Underwriting Management Limited	313
Ascot Underwriting Limited	1,342	Sirius International Managing Agency Limited	210
Munich Re Syndicate Limited	1,198	HCC Underwriting Agency Ltd	193
Inigo Managing Agent Limited	1,164	Enstar Managing Agency Limited	175
Ark Syndicate Management Limited	1,030	S. A. Meacock & Company Limited	108
Aspen Managing Agency Limited	1,004	Lime Syndicate Management Limited	53
AEGIS Managing Agency Limited	957	RiverStone Managing Agency Ltd	4
Ariel Re Managing Agency Limited	952		
Atrium Underwriters Limited	947		
Markel Syndicate Management Limited	927		
Argenta Syndicate Management Limited	923		
RenaissanceRe Syndicate Management Limited	813		
Chubb Underwriting Agencies Limited	767		
Nephila Syndicate Management Limited	721		
Managing Agency Partners Limited	712		
Hamilton Managing Agency Limited	707		
Lancashire Syndicates Limited	662		
Westfield Specialty Managing Agency Ltd	661		
Faraday Underwriting Limited	561		
Total			**57,594**

No adjustments made for Reinsurance to Close, hence the difference between Appendices.

Source: AM Best data and research

Appendix 3

Overview of Premium Limits and Membership (1993-2026)

Year of Account	Individual Gross Premium Limit (GBP Millions)	Individual % of Total	Corporate Gross Premium Limit (GBP Millions)	Corporate % of Total	Total Gross Premium Limit (GBP Millions)	Number of Active Members		
						Individual	Corporate	Total
1993	8,724	100%			8,724	19,377		19,377
1994	9,236	85%	1,595	15%	10,831	17,370	95	17,465
1995	7,761	77%	2,360	23%	10,121	14,573	140	14,713
1996	6,900	69%	3,044	31%	9,944	12,683	162	12,845
1997	5,779	56%	4,529	44%	10,309	9,872	202	10,074
1998	4,013	40%	6,129	60%	10,142	6,765	436	7,201
1999	2,668	27%	7,188	73%	9,856	4,458	667	5,125
2000	1,985	20%	8,123	80%	10,108	3,270	854	4,124
2001	1,789	16%	9,462	84%	11,252	2,823	896	3,719
2002	1,754	13%	11,473	87%	13,227	2,445	838	3,283
2003	1,832	12%	13,022	88%	14,853	2,177	768	2,945
2004	1,852	12%	13,223	88%	15,076	2,029	754	2,783
2005	1,433	10%	12,382	90%	13,816	1,604	708	2,312
2006	1,425	9%	13,580	91%	15,005	1,478	717	2,195
2007	1,082	7%	15,351	93%	16,433	1,106	1,020	2,126
2008	915	6%	15,191	94%	16,106	897	1,162	2,059
2009	822	5%	17,314	95%	18,136	765	1,241	2,006
2010	848	4%	22,174	96%	23,022	691	1,445	2,136
2011	757	3%	22,539	97%	23,297	631	1,530	2,161
2012	693	3%	23,491	97%	24,184	575	1,576	2,151
2013	651	3%	24,346	97%	24,998	520	1,626	2,146
2014	592	2%	25,936	98%	26,527	444	1,688	2,132
2015	431	2%	25,835	98%	26,266	321	1,771	2,092
2016	407	1%	27,105	99%	27,512	289	1,760	2,049
2017	372	1%	29,923	99%	30,296	258	1,764	2,022
2018	361	1%	31,929	99%	32,290	243	1,753	1,996
2019	323	1%	30,806	99%	31,130	224	1,731	1,955
2020	311	1%	33,215	99%	33,526	217	1,691	1,908
2021	308	1%	36,952	99%	37,260	196	1,677	1,873
2022	306	1%	39,640	99%	39,946	176	1,691	1,867
2023	354	1%	48,459	99%	48,813	169	1,625	1,794
2024	341	1%	53,051	99%	53,392	151	1,622	1,773
2025	324	1%	56,486	99%	56,810	133	1,632	1,765
2026	269	0%	59,538	100%	59,807	117	1,647	1,764

Only active members are shown. Members who are not underwriting but remain on the electoral register are not included in the figures.

Source: Lloyd's

Appendix 4

Calendar Year Gross Written Premium by Main Business Class (2024-2025)

(GBP Millions)

	2024	2025	% change
Reinsurance	18,729	20,053	7.1%
Property	12,398	13,026	5.1%
Casualty	14,411	14,682	1.9%
Marine, Aviation and Energy	6,425	6,826	6.2%
Political Risk and Credit	3,543	3,250	-8.3%
Life	40	33	-17.5%
Total calendar year premium income	**55,546**	**57,870**	**4.2%**

Note: Figures include brokerage and commission.

Source: Lloyd's Annual Report 2025

Appendix 5

Chain of Security

Syndicate Level Assets	➡	Premium Trust Funds GBP 95,297m (Several basis)
Members' Funds at Lloyd's	➡	Funds at Lloyd's GPB 31,132m (Several basis)
Central Assets	➡	Central Fund GBP 3,202m Subordinated Debt GBP 298m Capital and Reserves of the Corporation GBP 362m

Note: Figures are shown as at 31 December 2025

Source: Lloyd's

AM Best is a global credit rating agency, news publisher and data analytics provider specializing in the insurance industry. For more information, visit www.ambest.com.

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