Unite. Elevate. Attract.

LMA Claims Briefing

April 2026

Welcome!

Delegated Authority Claim Management Group

- Strategic goals and priority workstreams

Claims Operations Leadership Group

- Chargeback mechanism
- Gemini renewal

CAT Response

- Middle East conflict (26AA/AB)

External Speaker: Maximilian Hess

- Geopolitics and impact on insurance

LMA Engagement Survey 2026

Facilitating a better future

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Vision for Delegated Claims

Delegated Authority Claims Management Group (DACMG)

Introduction

Delegated authority business is a cornerstone of the Lloyd’s Market, with Managing Agents relying extensively on Delegated Claims Administrators (“DCAs”)* to deliver the claims service and uphold the overall client and customer proposition.

As this distribution channel develops and Lloyd’s strengthens its expectations around oversight, the effectiveness of these partnerships and delegated claims operations has never been more critical.

However, the delegated claims operating model is constrained by long standing structural challenges. Scale, and a lack of coordination and standardisation have created friction across the Market, driving inefficiency, duplicative effort, and inconsistent outcomes.

Engagement with Managing Agents, DCAs, and other key stakeholders consistently highlights these issues, reinforcing the need for a more coherent and sustainable approach.

This presents a compelling case for the Market to focus on strategic improvements to delegated claims operations, to develop a more resilient operating model and lay the foundations for a future ready ecosystem - the benefits of which will be improved efficiency, oversight, enhanced decision-making and profitability.

**including Coverholders with claims authority*

Vision

A simplified operating framework, underpinned by enabling technology, strong oversight and data-led insights – which supports the strategic partnership between Managing Agent and DCAs to deliver an effective claims service to customers.

Focus Areas

Three strategic focus areas for the next 3 years:

- Improve **Data**
- Streamline **Oversight**
- **Cost** Management

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Principles for delivering a Delegated Claims Strategy

Act collectively as a Market
The delegated claims model is highly interconnected, and sustainable improvement can only be achieved if MAs and DCAs act collectively, recognising the reciprocal relationships and shared outcomes.

Engage early and continuously
Meaningful engagement and consultation with MAs, DCAs, and key stakeholders will be embedded from the outset and throughout delivery. Solutions will be shaped with the Market, not imposed on it.

Design for adoption, not just delivery
We will prioritise solutions that are practical and scalable, that achieve broad Market buy in. Overcoming historic barriers to adoption is critical to ensuring the Market realises the full value of its investments.

Deliver clear economic value
Initiatives will be designed to deliver tangible economic benefit to the Market, supporting a more efficient and commercially sustainable delegated claims ecosystem.

Enable Leadership and accountability
We will ensure leaders are empowered to lead and are not unreasonably constrained in fulfilling their duties, while ensuring appropriate oversight and governance.

Strategic alignments
We will focus on initiatives that align with the strategic focus areas and deliver value for the Market as a whole

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Data

What's the problem?

Inconsistency, low-quality and issues accessing delegated claims data creates inefficiency and constrains effective performance management and underwriting decision-making.

Why do we care?

Data is the single most important commodity in insurance and MAs need easy and efficient access to good clean claims data to support and manage the performance of its business.

What's the Vision?

Market adoption of a consistent data integration, validation and distribution approach - providing all stakeholders with efficient access to good clean claims data, from which to develop insights to support decision making.

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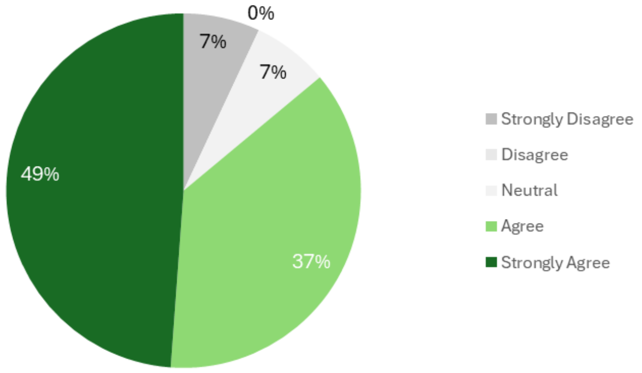
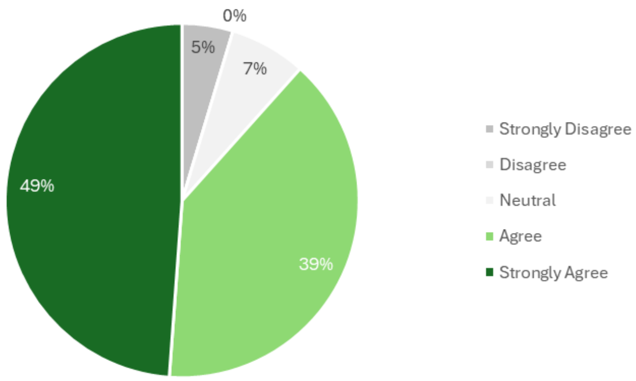
Data – to what extent do you agree with…

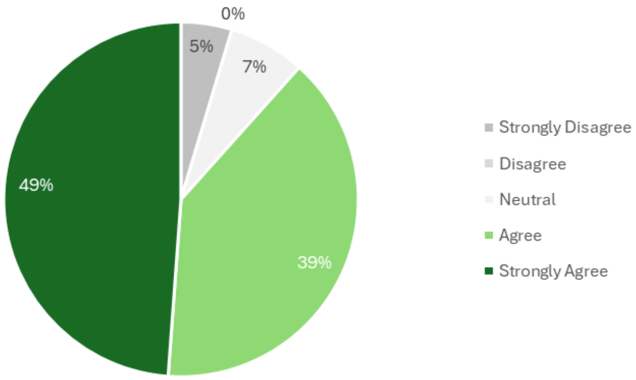
… PROBLEM (MAs)



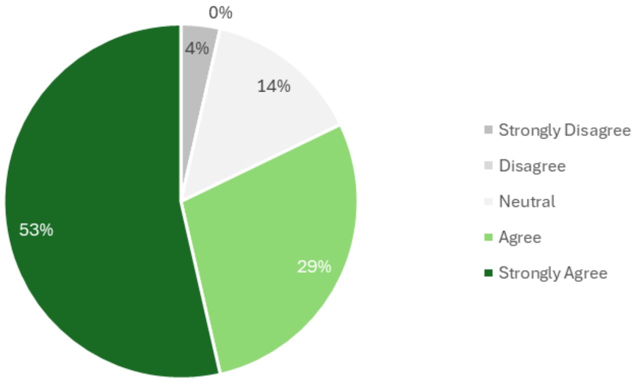
… PROBLEM (DCAs)



… VISION (MAs)



… VISION (DCAs)



KEY POINTS

- 43 MA responses
- 33 DCA responses
- **> 80% agreement across both parties**

Sources: MA Forum 12/03/2026, DCA Forum 26/03/2026

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Oversight

What's the problem?

The Delegated Claims Oversight process is inconsistent and inefficient - placing significant and unnecessary administrative burden on MAs and DCAs to carry out responsibilities.

Why do we care?

Oversight of DCAs is a fundamental duty of MAs to oversee customer outcomes, manage risk, meet regulatory obligations and protect profitability.

What's the Vision?

A solution, which streamlines delegated claims management activities – driving a simplified, efficient and sustainable process, which supports better decision making and collaboration between MAs and DCAs

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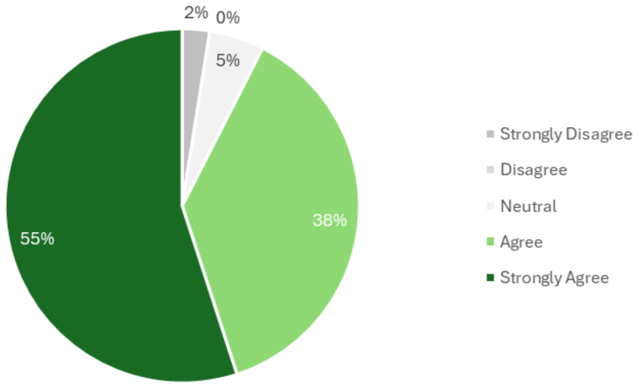
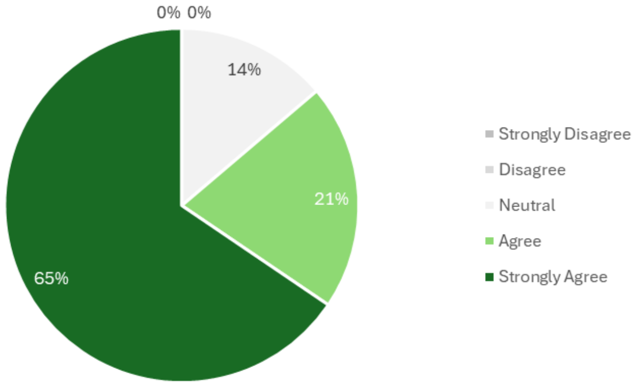
Oversight – to what extent do you agree with…

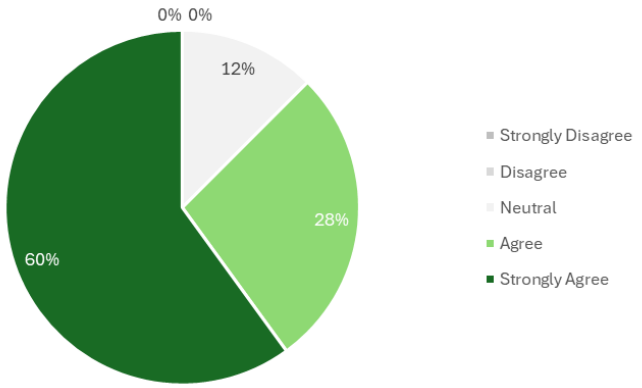
… PROBLEM (MAs)



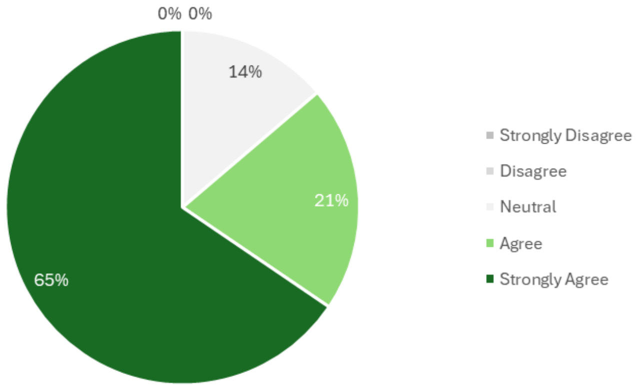
… PROBLEM (DCAs)



… VISION (MAs)



… VISION (DCAs)



KEY POINTS

- 43 MA responses
- 33 DCA responses
- **> <u>85%</u> agreement across both parties**

Sources: MA Forum 12/03/2026, DCA Forum 26/03/2026

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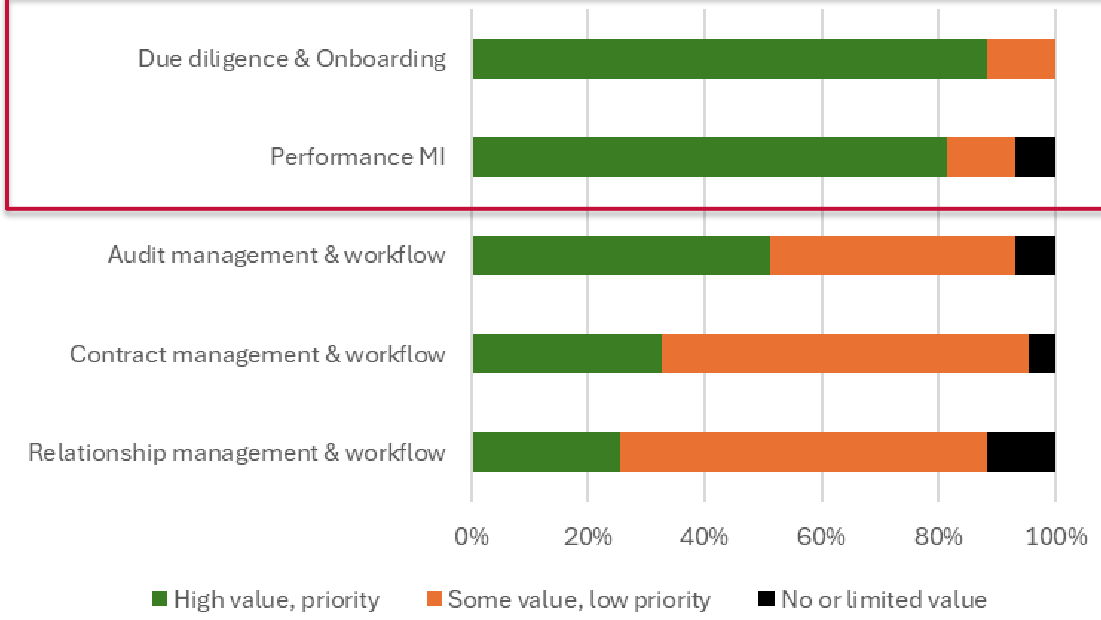
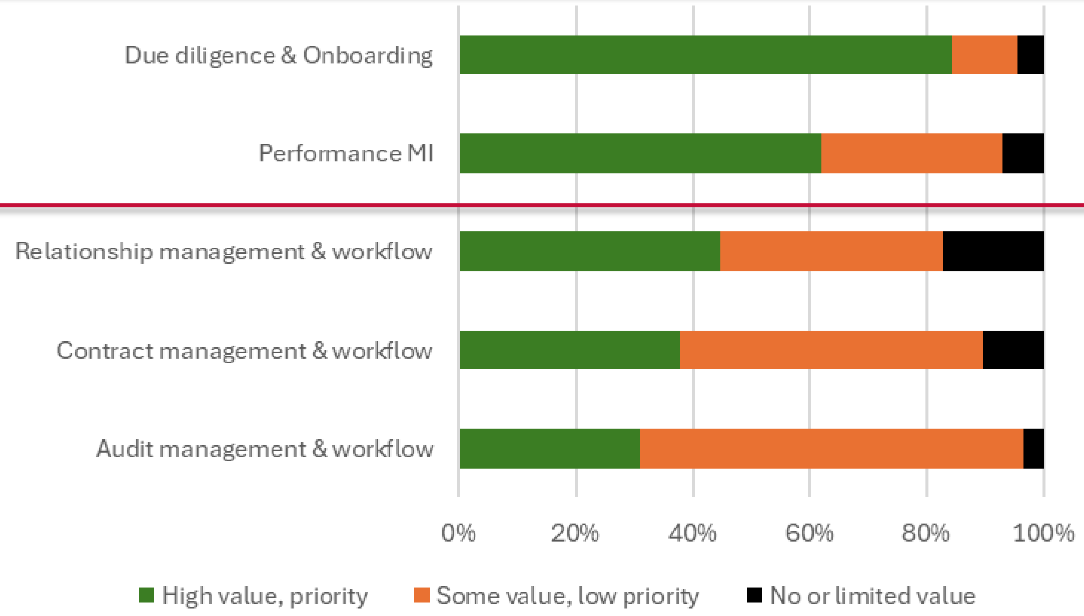
Oversight – where do you place value in a market technology solution?

MANAGING AGENTS



DCAs



Sources: MA Forum 12/03/2026, DCA Forum 26/03/2026

Cost Management

What's the opportunity?

There are opportunities to better understand and manage the costs associated with delegated claims management.

Why do we care?

Maximising opportunities to manage cost associated with delegated claims management contributes to supporting sustainable profitability.

What's the Vision?

A transparent cost model, supported by technology and/or services, which helps to identify and realise cost management opportunities.

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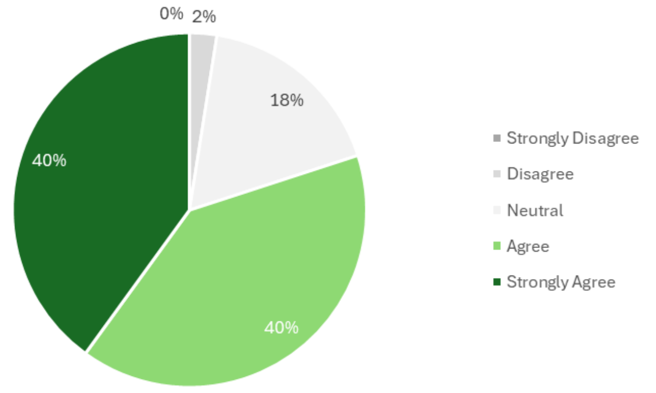
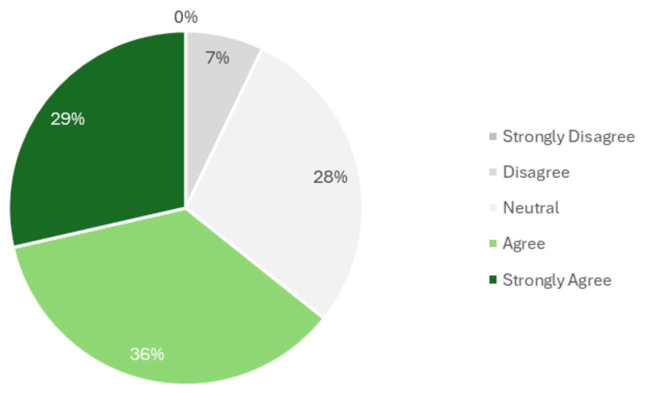
Cost Management – to what extent do you agree with…

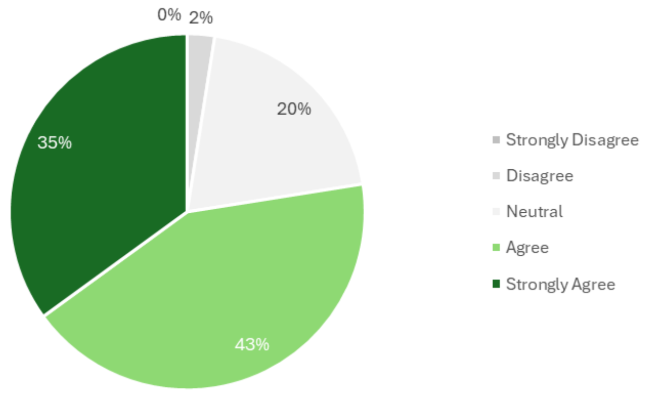
… OPPORTUNITY (MAs)



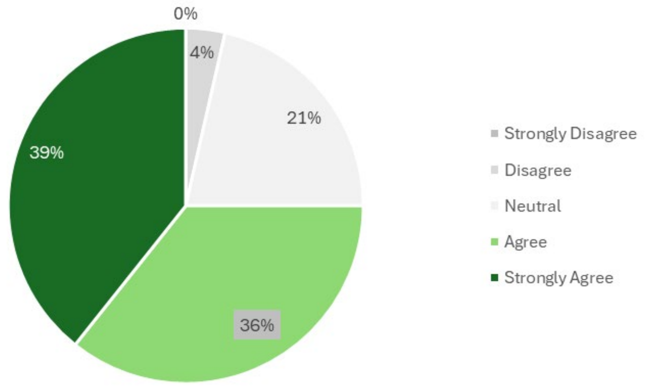
… OPPORTUNITY (DCAs)



… VISION (MAs)



… VISION (DCAs)



KEY POINTS

- 43 MA responses
- 33 DCA responses
- **Some divergence between MAs and DCAs**
- **MAs 80% and 78% agreement**
- **DCAs 65% and 75% agreement**
- **Increased neutrality rather than disagreement**

Sources: MA Forum 12/03/2026, DCA Forum 26/03/2026

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Next Steps

- Validation & prioritisation exercise with LMACC – April 2026
- Formation of working groups
    - Problem statements, solution options, business cases, resource requirements
    - Planning for 2026 and beyond
- Continued engagement with market and its partners

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Chargeback & Gemini

Claims Operations Leadership Group (COLG)

Chargeback

What is the problem?

Chargeback is already used informally in the Market by some MAs for certain, however there is currently a lack of:

- Awareness
- Transparency
- Framework

Aim and ambition?

The aim of this review and framework is to:

- Provide transparency of what is being charged back
- Increase awareness of value-add solutions that can be charged back to drive adoption

Why are we doing it?

If we increase market-wide adoption of value-add solutions this will lead to:

- ✓ Reduced leakage
- ✓ Improved efficiency
- ✓ Improved data quality
- ✓ Improved service to customers

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Chargeback Mechanism Framework: Criteria

Chargeback	**YES**

Using services/tech to identify and prevent claims leakage, therefore directly impacting the financial result e.g.

- ✓ Loss mitigation services (e.g., water/flood)
- ✓ Recoveries
- ✓ Legal bill review
- ✓ Validation of loss estimates

Operational Improvements: Using services/tech to improve key Market processes/data to the benefit to all subscribers to slip e.g.

- ✓ Loss Fund Management e.g. Vitesse classic, which improves payment and liquidity management

- ✓ Data validation e.g. LimeIQ, which improves BDX processing through the Market and delivers better quality data

Chargeback	**NO**

Chargeback **cannot** be applied if the solution:

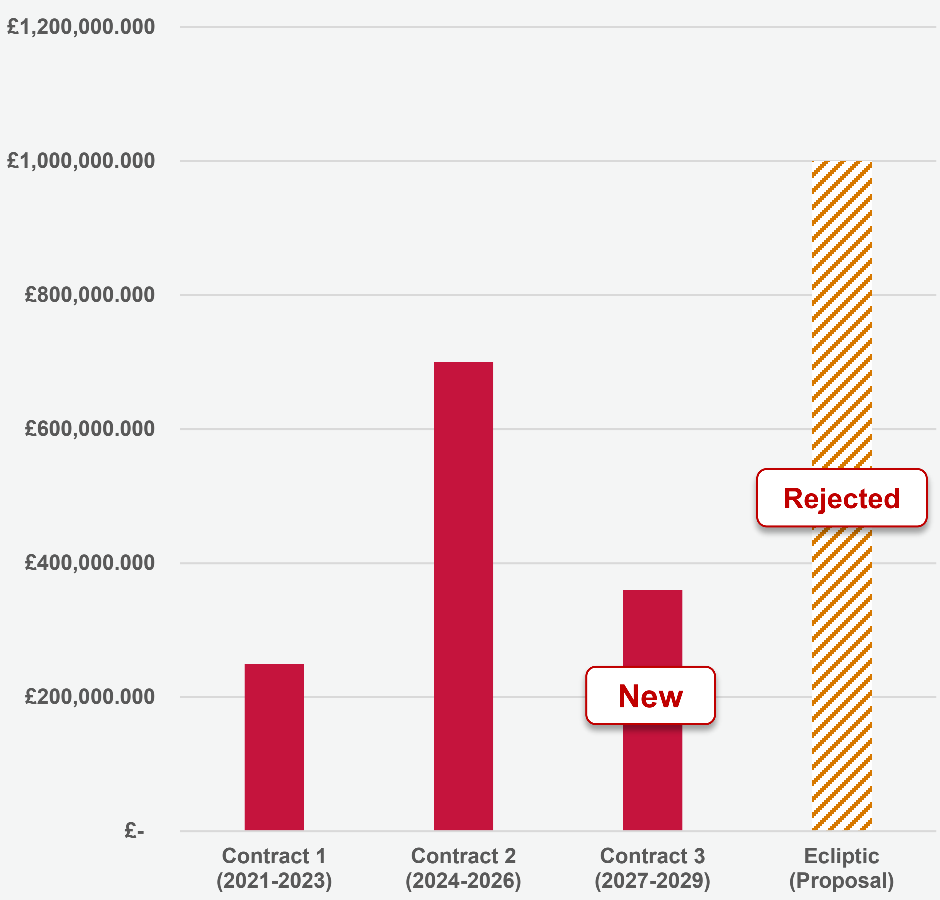
- is in respect of a Lead only responsibility i.e. it cannot be a substitute for capability
- does not have a legitimate, COLG-approved value case to benefit the slip
- has a non-transactional charging model that cannot be apportioned to the slip
- materially impacts the cost base

Characteristics that would **not** be eligible for Chargeback:

- Workflow management platforms used by a Managing Agent to manage the intake and handling of its claims
- Compliance-based activities where a Managing Agent must adhere to laws/regulations, incl. audit
- Intelligence/insights where it can be seen as competitive information-gathering for a lead to support future risk assessment and underwriting.
- Monitoring and efficiency tools that are benefitting or supporting the lead in their internal pursuits to achieve higher standards of service. This includes AI initiatives.

Gemini (Ecliptic)

- Gemini is up for renewal, and **a 3-year term** has been proposed.
- We currently stand at **42 Managing Agents using Gemini** for Expert Fees with over 5,000 invoices submitted and paid for March 2026.
-
- Following strategic contract discussions between LIMOSS and COLG it was decided to **move towards a user-pays model** which was subsequently backed by LMACC.
- New contract, pending approval, will see the **license fee reduce** from previous term and significantly lower than initial proposal. *(see graph)*
- **Transaction cost will see an uplift** from £20 to £27.50 which is still significantly lower than competing services in the market.



CAT Response

From 28th February ongoing

26 AA – Direct
26 AB – Indirect

The LMA Complex Claims Group (claims sector group chairs) has met weekly since the outbreak of the war in Iran, supported by several market-wide briefings from McKenzie Intelligence Services and other external partners.

Claims Group Insights

Political Violence & Terrorism

Cyber Claims Group

ENMETENA ADVISORY

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April 21st, 2026

The Geo-Economics of the War in Iran

Established Impact

Natural Gas: 20% of global LNG market shut-off
- even if war ends today, 3.5% of expected supply through 2029 disrupted

Oil: 11 mbpd lost to market (≈11% of global supplies)
- renewed conflict increases risk to up to ≈18 mbpd

Interest Rate Expectations: 40 bip increase on Average Across Major Developed Market Five Year Yield

- UST, to ≈3.9%
- Bund to ≈2.7%
- Gilt to ≈4.3%
- French OAT to 3.2%

Regional Fiscal Shock

Gulf Majors Can Weather: The wealthiest Gulf states are amply insulated from credit shocks in all but the worst-case scenarios. **Iraq faces most immediate negative impact, despite some oil routes remaining**

Turkey's Adjustment: Ankara sold around 52 tonnes of gold reserves in March to defend lira but is less likely to be impacted in major downside scenarios

Bahrain's Signals: Manama most exposed (11% fiscal deficit in 2025, debt-to-GDP already at 133%). UAE has signed US$5.4bln currency swap. Country's long-term future to be canary in coal mine for regional impact

Egyptian Resilience: Cairo has had some key good news during the war on gas front and will likely remain 'too big to fail' for Gulf but timeline for additional support shortened

Gulf Region Balance Sheets

Country	Date of figure	FX reserves (US$bn)	% of GDP	Months pre-war import cover (approx.)	SWF AUM (US$bn)	SWF % of GDP
Saudi Arabia	January 2026	448 (net foreign assets)	41%	15	PIF: ~1,000	91%
UAE	September 2025	257	48%	6	Multiple: ~2,000	377%
Kuwait	January 2026	40	25%	8.3	KIA: ~1,000	606%
Qatar	January 2026	71 (total int'l reserves)	30%	19	QIA: ~580	242%
Iraq	December 2025	97.4	36%	11	n/a	n/a
Oman	December 2024	18.3	17%	7	OIA: ~53	48%
Bahrain	June 2025	~4	~8%	2	Mumtalakat: ~18	38%

Does a Repeat of 2022 loom?

- **Pre-war inflationary pressure notably lower, while oil market was significantly oversupplied**
- **Natural gas markets had also been headed to oversupply, though that is now no longer a concern, at least in short term**
- **European and US balance sheets are more strained but look for increased impact in US from 15 May (Powell chair expiry date)**
- **AI Growth Story appears unperturbed, doubtful that can be sustained in a major escalation scenario**

Major War Threatens Much Larger Shock

- **US not in position for full-scale ground invasion**

- **Iran's drone stockpile is unknown but in our view larger than public estimates that 60%+ of stockpile has been used**

- **Iran has demonstrated capability of targeting key infrastructure even while it does not have control of skies.**

- **Assets east of the Strait of Hormuz, including Fujairah Port, will be primary targets**

De-Escalation Will Lead to MENA Realignment

- UAE most in favour of additional intervention, Oman and Qatar most opposed
- Positive re-casting of Turkey-Saudi Arabia relationship very likely
- End of Carter Doctrine would be Suez Moment for US in Middle East
- Iranian control of Strait of Hormuz, or even sustained threat, will increase risk of inter-MENA war
- Israeli election due by October have most uncertainty

Drone Impact is Here To Stay

- Immediate impact on naval expenditure (ex-USA)
- US government has put in controls on data
- Naval drones are a far larger risk than sea mines to Strait of Hormuz itself
- Data centres will prove high value targets for hostile groups
- Not just low-cost warfare, but low-cost economic warfare

Some Narratives to Dispel

- **Even decisive Iranian defeat will not be a major ‘peace in the Middle East’ moment / end long-running sources of instability**
- **US-Europe spat remains overblown, Brussels just isn’t ready to compete, on debt or dollar**
- **While this is the second crisis in a year that has seen weakened US flight to safety role, dollar dominance is not at immediate risk**
- **War does not significantly impact the risk of China invading Taiwan, though it does impact risk of renewed US-China trade war**

Thank you!