

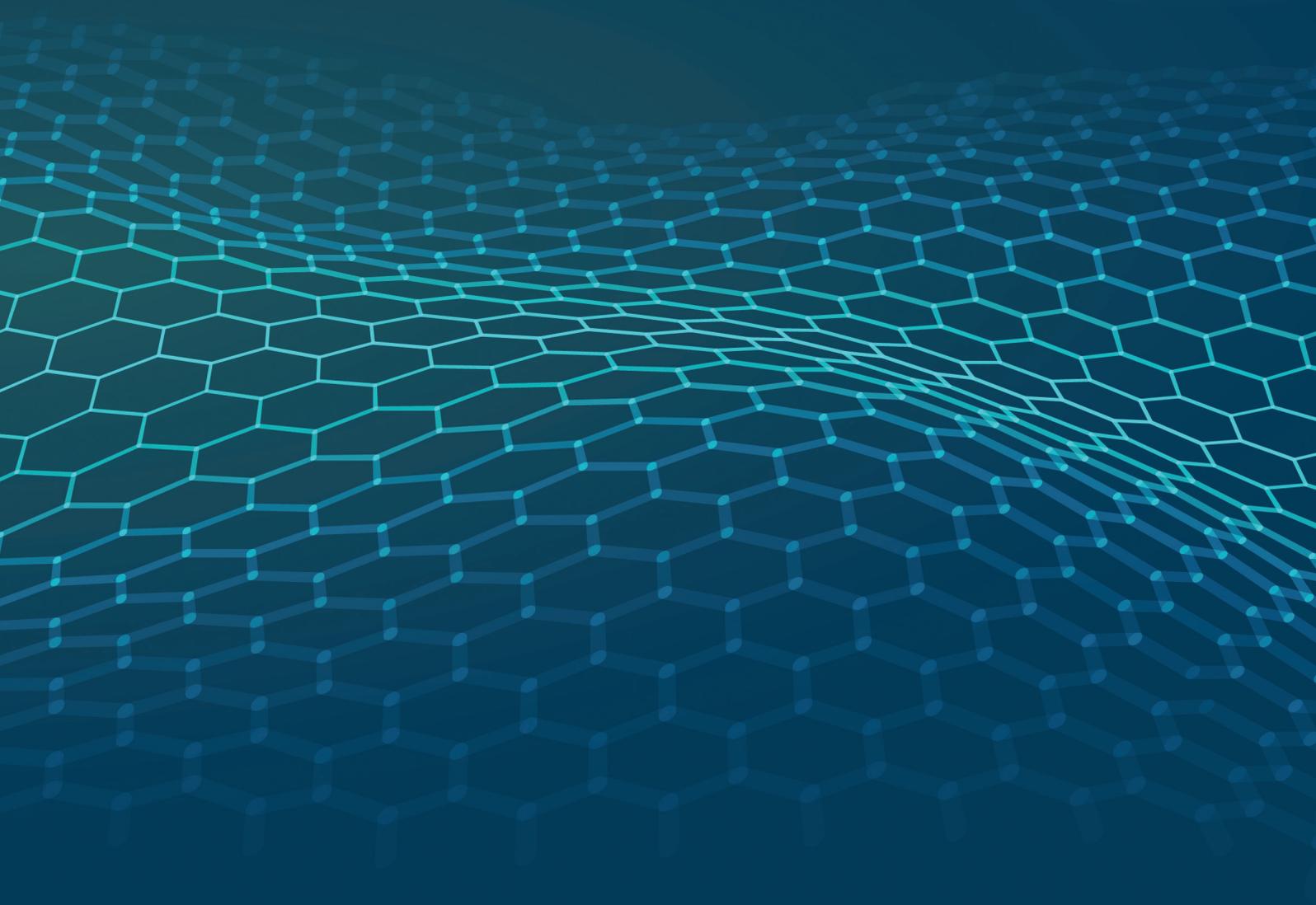
**airmic**

IN ASSOCIATION WITH:

**HDI** **Artex**

# **Captives: A resilient strategy for the future**

The 2026 captives survey  
of Airmic members



## About Airmic

Airmic celebrated its Diamond Anniversary in 2023, and today is the UK and Ireland's largest and most vibrant risk management and insurance association. Airmic has over 450 corporate members, more than 2,000 individual members, and is supported by a network of leading risk and insurance partners and affiliated institutes, associations and universities.

We are growing through welcoming both those in the risk and insurance professions and in roles connected to risk and insurance. We have taken a leading position in the future of risk financing including alternative risk financing solutions. As such, we are in a strong position to represent the views of our members, and to advocate for their needs within business, standards and regulatory bodies, and government in the UK, Ireland and internationally. We are active members of FERMA, the Federation of European Risk Management Associations, and IFRIMA, the International Federation of Risk and Insurance Management Associations.

Our members enjoy access to a wide variety of face-to-face and online events and learning opportunities, networking, special interest groups and regional meetings, supported by a competency framework and mentoring scheme. Our online library of research materials, guides, papers, newsletters and curated readings, feature work by some of the brightest, most innovative, respected and experienced talent.

The logo for Airmic, featuring the word "airmic" in a lowercase, blue, sans-serif font.

[www.airmic.com](http://www.airmic.com)

## About Artex

At Artex, we believe there is more to alternative risk management. As a trusted leader and provider of diverse reinsurance and ILS solutions, our global team operates at the intersection of art and science—where creative thinking meets expertise and superior outcomes are made. That's how we're able to fully understand our clients' needs and deliver the most comprehensive solutions available. Established in more than 35 domiciles internationally, we're here to help you make empowered decisions with confidence, reduce your total cost of risk and improve your return on capital. At Artex, we believe in finding you a better way.

The logo for Artex, featuring the word "Artex" in a bold, sans-serif font. The "A" is blue, "r" is orange, "t" is blue, "e" is orange, and "x" is blue.

[www.artexrisk.com](http://www.artexrisk.com)

## About HDI

HDI Global is a strong and established player within the international insurance market. With more than 120 years of experience, HDI supports over 160+ Captives globally and issues over 29,500 local policies via our HDI Global Network capability. Our colleagues are one team – where underwriting, risk advisory and claims services thrive in an environment of creative thinking, collaboration, and an entrepreneurial spirit. Using our highly developed expertise and worldwide reach, we deliver insurance and risk management solutions for clients across a broad range of sectors, from large global organisations through to small and medium-sized businesses and individuals. And with a progressive approach to appetite and emerging risk, we offer over 26 products across our Corporate, Specialty and Delegated Authority teams. We keep our insurance services relevant and accessible and have the combined resources and strength to cover risks, known and emerging. In doing so we act as a true partner in transformation.

The logo for HDI, featuring the letters "HDI" in a bold, green, sans-serif font. A small red square is positioned to the left of the "H".

[www.hdi.global](http://www.hdi.global)

## Foreword

Organisations face an increasingly complex, uncertain and rapidly changing risk landscape. The business reasons for using captive insurance are no longer dependent on insurance market conditions. In this risk context, captive insurance is now an established and mature tool as part of an agile and intelligent risk financing solution.

The UK government is in the process of establishing a captive insurance framework, in which Airmic has been a key stakeholder. In her Mansion House speech on 15 July 2025, Rachel Reeves, the Chancellor of the Exchequer, pledged to create a “genuinely competitive, bespoke captive insurance framework” in the UK. Airmic and its members have been involved in consultation and Subject Expert Groups (SEGS) set up by the Prudential Regulation Authority (PRA) to contribute feedback towards policy development and technical matters to deliver an appropriate captive regime for the UK.

In this second edition of its captives survey, Airmic continues to seek better understanding of the priorities and experiences of our members. New areas covered in this iteration of the survey include captives governance and access to reinsurance.

Airmic members are often working at a more strategic level. They are using this position to find ways of contributing to the stability of their organisations. We know our members value their captive insurance companies, and are looking to improve utilisation and to deploy their captives in new and emerging areas.

Our survey reflects the views of our member organisations that currently use captives, as well as those that do not but may be considering one in the future. Based on the results, and domicile developments in the UK and elsewhere, we can expect to see captive numbers continuing to grow amongst the Airmic membership. To reflect the level of interest Airmic has developed a [Captive Resource Hub](#) on our website, where relevant contemporary guidance, papers and other documents of interest are stored.

Captive insurance is now part of the risk financing mainstream. Whilst we expect that developments in the UK and the continued importance of the UK as a leading financial centre will fuel the growth of captive insurance, Airmic members do, and will continue to make use of a wide range of captive domiciles around the world. However, presenting current and future captive owners with an additional UK option will strengthen their hand and choices as they implement increasingly agile, intelligent and resilient risk financing strategies.

**Julia Graham,**  
CEO, Airmic

**“This year’s survey reinforces just how integral captives are to modern risk financing strategies. As organisations navigate an increasingly complex and uncertain environment, captives are no longer simply tactical tools – they are strategic assets that enhance resilience and support long-term value creation. The insights shared by Airmic members highlight a clear trend: businesses are using their captives more intelligently, more proactively and with greater ambition. With the anticipated UK captive regime on the horizon, now is a pivotal moment for companies to reassess their risk strategies and ensure they are positioned to take full advantage of the opportunities ahead.”**

- Oliver Davies, Chief Distribution Officer, HDI UK & Ireland



# 1. Demographics and captive utilisation

## Premium and capital

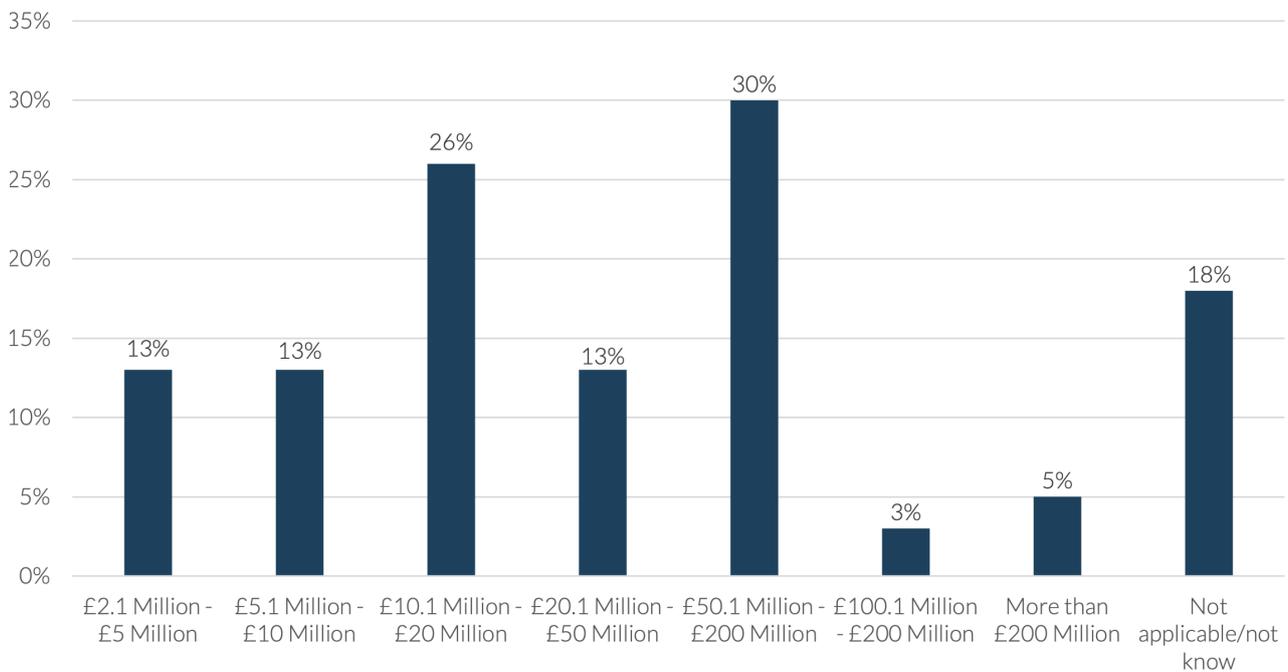
Based on the Airmic 2026 captive survey results, it is conservatively estimated that Airmic members spend more than £5.5 billion in annual premium through their captives and hold more than £25 billion in assets under management in captives domiciled around the world, demonstrating that the captive is a valued and trusted risk financing tool.

While existing captives continue to grow and write new lines of business, the range of annual premium spend shows the

diverse use and scale of captive utilisation by Airmic members. A captive writing between £10 million and £20 million in annual premium is the most common bracket among members, but there is significant utilisation both below the £10 million mark and above it.

Captives vary from mono-line insurers to insurers writing more than 20 bespoke policies with sophisticated reinsurance protection, and these premium numbers demonstrate the variety further.

## Airmic survey respondents – Gross annual premium spend in their captive/s

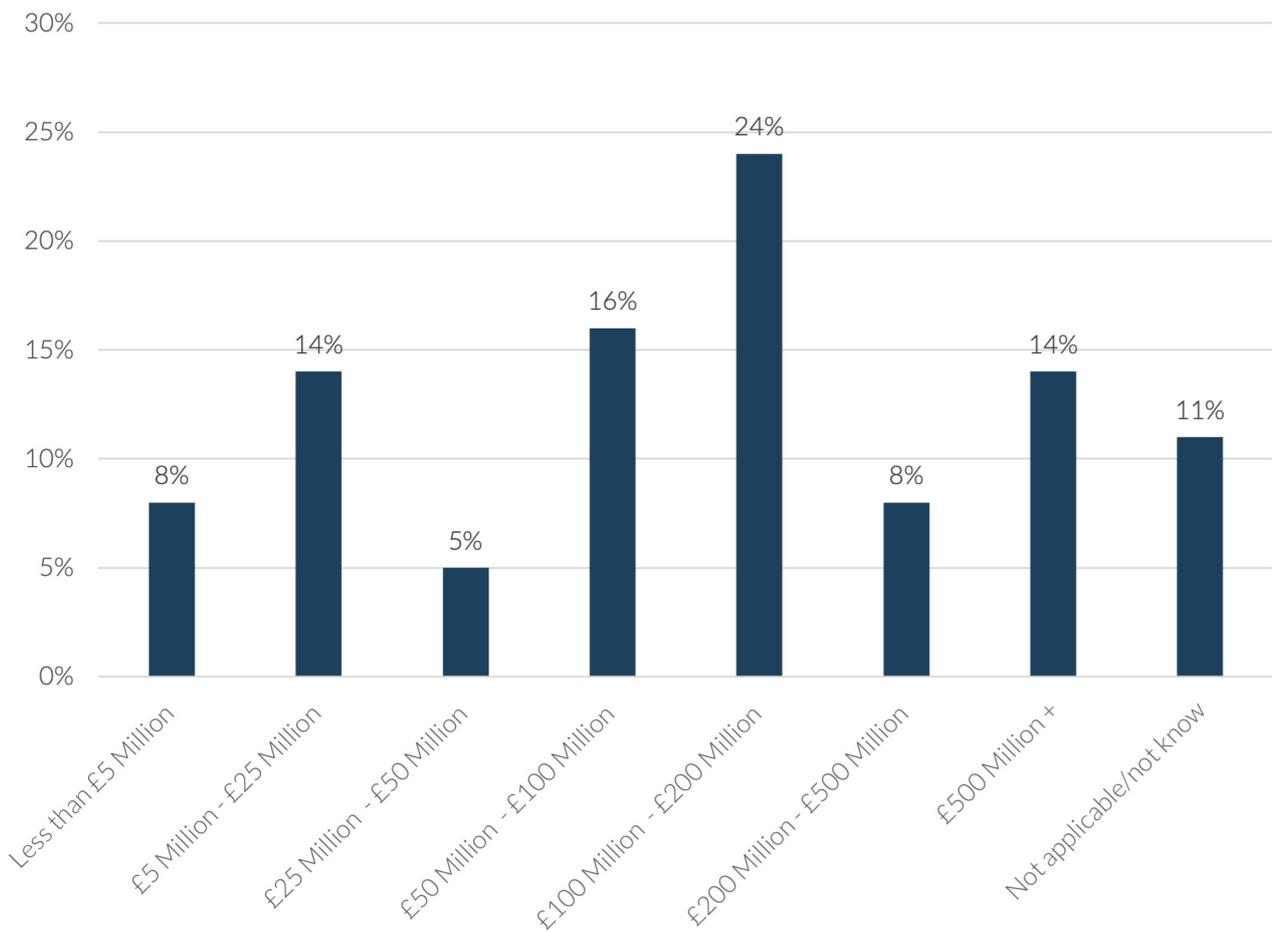


As captives mature, they build capital and surplus and increase their assets under management (AUM). Captives have options in what to do with surplus capital – from loaning it back to the parent group or investing in a variety of assets to deploying risk management bursaries or increasing

retentions and supporting new lines of business. The trend is of captive owners investing their bursaries more proactively in preventative measures such as predictive analytics.

As with the premium ranges, Airmic members' captive assets under management vary widely from under £5 million to more than £500 million.

## Airmic survey respondents – Total assets under management in their captive/s



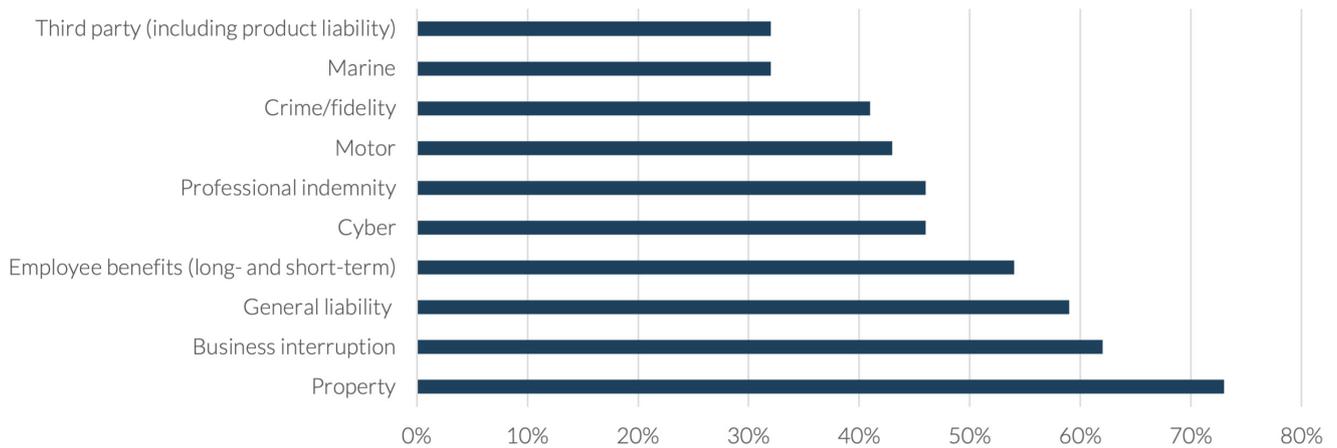
### Lines of business

Nothing demonstrates the flexibility of captives more than the long list of different lines of business that Airmic members are writing through them.

While Property and Casualty covers still dominate the lines of business typically underwritten by captives, the rise of Employee Benefits and associated people-related solutions up the charts, as well as of Cyber and Motor, demonstrates the versatility and increasing value of captives to their parents.

It is widely agreed only around 150 to 200 captives globally are currently reinsuring international Employee Benefits, out of around 7,000 active captives. As more than half of respondents are writing Employee Benefits, this shows that Airmic members are ahead of the curve in this area.

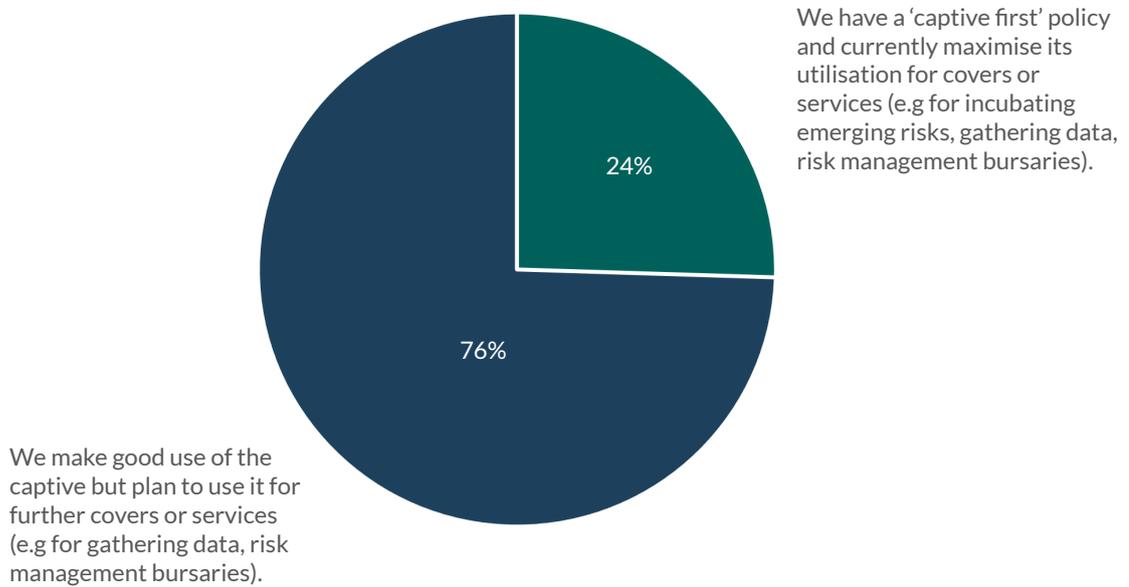
### Airmic survey respondents – Top 10 lines of cover written by their captive/s



## Expanding captive use

More than three-quarters of respondents make good use of their captive, but plan to use it for further covers or services – such as for incubating emerging risks, gathering data and setting up risk management bursaries.

How would you describe your organisation's current captive utilisation?

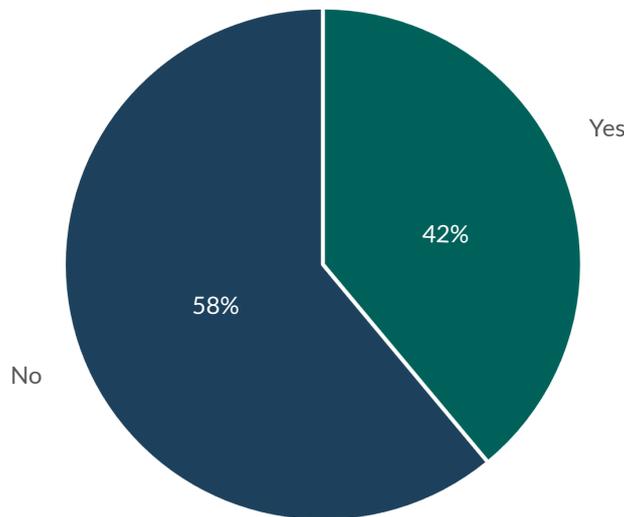


### Market motivations

While captive insurance companies are formed and utilised in all market cycles, it is clear that activity and premium volume written by captives spike in response to conditions in the commercial insurance market.

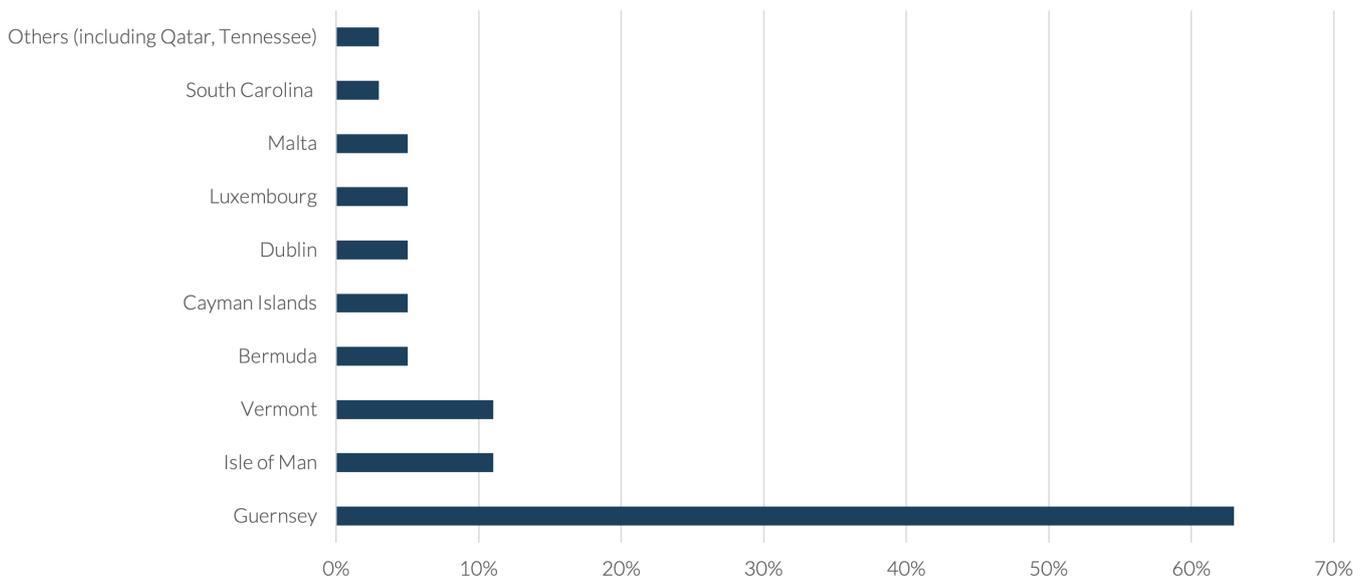
Nevertheless, more respondents than in last year's survey are increasing their use of captives for reasons other than commercial market conditions.

Have you increased utilisation of your captives(s) as a direct result of commercial market conditions?



## 2. Domicile landscape

Where is your captive(s) domiciled?



Every captive has a unique business case and model, which will be influential in determining the best domicile location. If insureds have a large footprint in the European Union and want to write direct business, they may choose Malta or Ireland for their passporting rights across the continent. If the business is running a global programme, supported by fronting companies and mixing life and non-life business, a captive may be better suited to Guernsey or the Isle of Man.

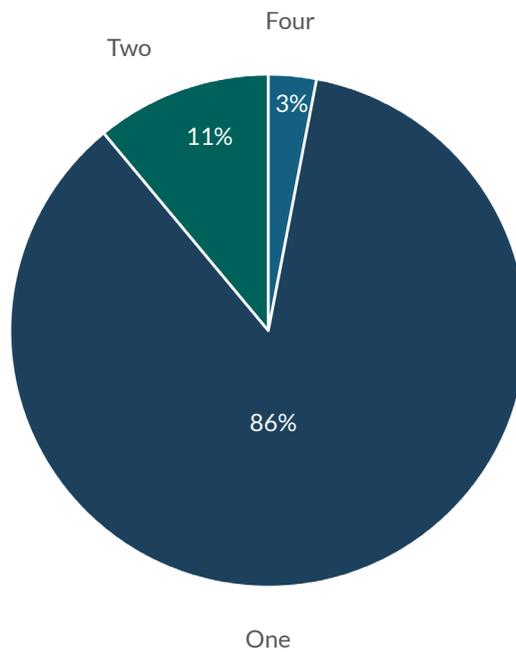
The changing international tax and compliance landscape may also alter domicile preferences and corporates should regularly assess whether their domicile still makes sense today. It is unsurprising that Guernsey remains the go-to jurisdiction for Airmic members, but they have more choice today than ever before.

**“Captive owners should also be alert to some established domiciles responding to a more competitive business environment, and reviewing their regime to remain competitive”.**

- Julia Graham, CEO, Airmic

### Multi-captive strategies

How many captives does your organisation use?



Having multiple captives in place can give insureds increased flexibility in how they organise their risk financing programmes. Fourteen percent of Airmic respondents who currently utilise a captive say their organisation owns more than one.

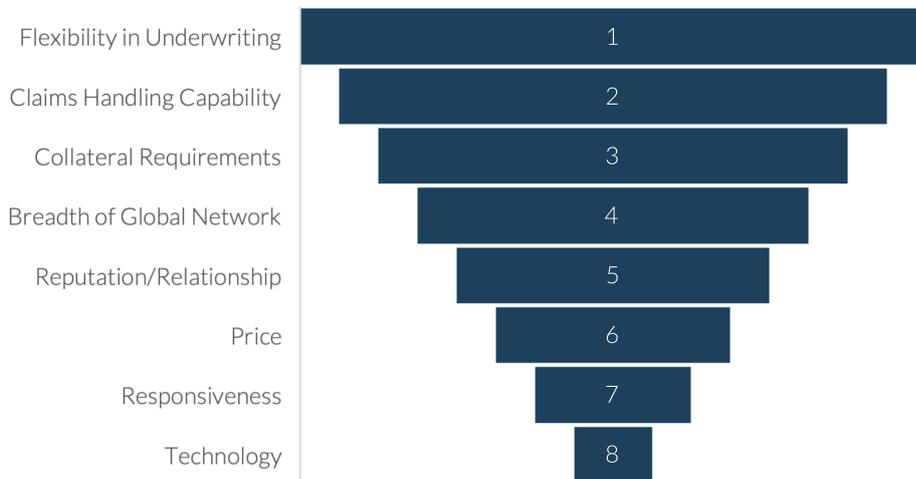
An organisation may own a reinsurance captive in one established jurisdiction, but establish a second captive in a second region for a specific purpose.

### Selecting a fronting partner

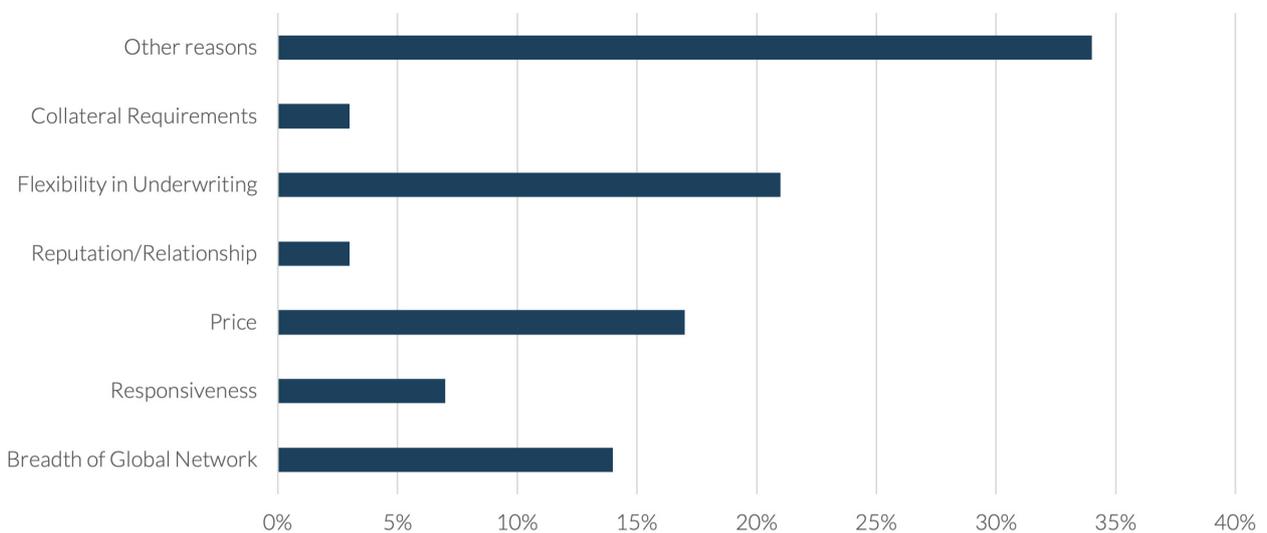
Rather than just considerations around price, Airmic members value flexibility in underwriting and claims handling compatibility more highly when selecting a fronting partner for their captive.

Similarly, if they were looking to move their fronting underwriter, flexibility in underwriting would be their top consideration.

### Airmic survey respondents – Ranking of priorities when selecting a fronting partner



### If you were to look to move fronting underwriter, what would be the main reason?



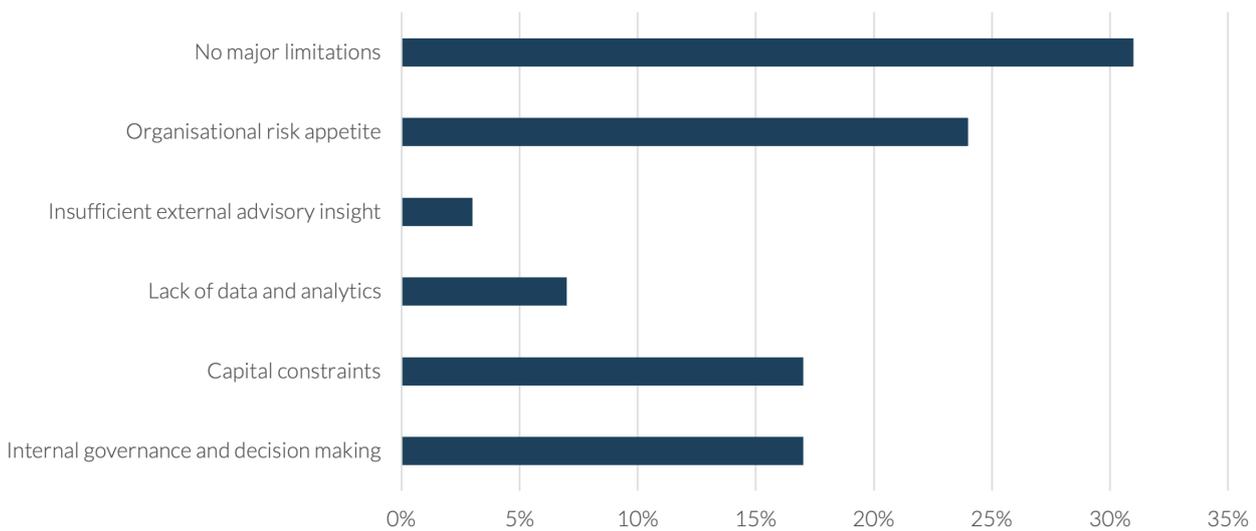
### Improving the value of your captive

The possibilities of what to do with a captive are broader than ever before: ‘Captive First’ strategies, third party business, mixing life and non-life and sophisticated reinsurance structures open up more options for corporate risk managers.

Achieving internal buy-in for such projects, however, can prove difficult and often requires C-suite and board-level sign off. While a new risk financing strategy may look good on

paper, if it does not fall within the group-wide risk appetite or the data and analytics to back it up are not available, it would not be credible. Respondents say a variety of issues can limit their captive’s ability to deliver greater value, from the organisational risk appetite to internal governance and decision making.

### What is it that most limits your captive’s ability to deliver greater value?



**“The survey findings demonstrate the remarkable maturity and adaptability of captive solutions across the Airmic membership. As organisations look to expand into new lines of business and seek broader reinsurance and more innovative access, captives are proving to be a powerful enabler. It is encouraging to see such strong appetite for further captive innovation. The direction of travel is clear in that partnering with an agile and flexible fronting insurer is key to enable captives to continue to play a central role in delivering more data-driven and resilient risk financing frameworks.”**

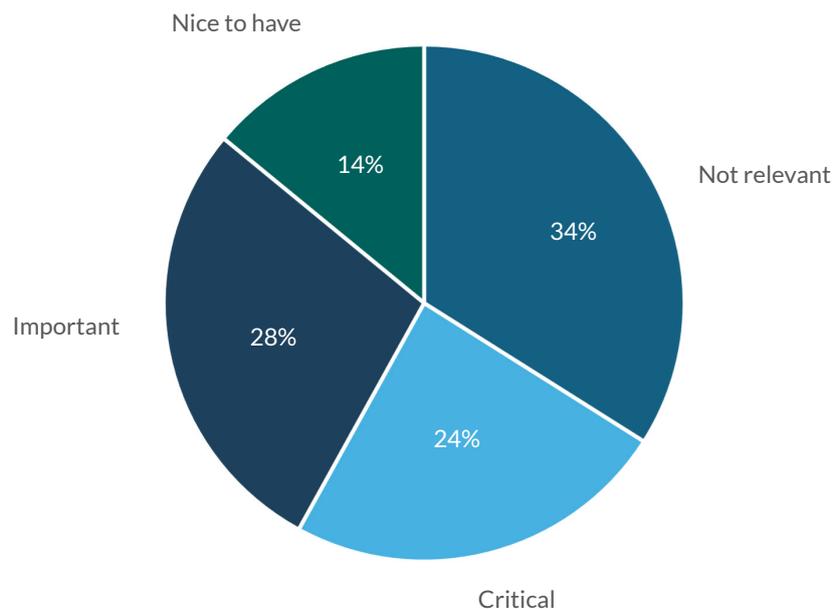
- Dan Sammons, Captive Manager, HDI UK & Ireland

## Access to reinsurance

As discussed above, captives writing more premium and new lines leads to bigger balance sheets and more exposure. A common theme, post-hard market, is re-assessing captive

reinsurance strategies. An increasing number of captives are exploring their reinsurance options, while more capacity and new broker and carrier entrants are keen to meet this demand.

How important is access to reinsurance markets via your captive strategy?



**“Access to diverse reinsurance markets is an enabler for captive growth. As organisations write broader coverage, assume greater risk and underwrite larger premium volumes, they naturally carry more balance-sheet exposure. This means reinsurance strategy becomes not just prudent, but essential. In the current, post-hard market environment, we’re seeing captives increasingly re-evaluate their structures to secure additional resilience, optimise capital, unlock new capacity and benefit from reinsurers’ insight.”**

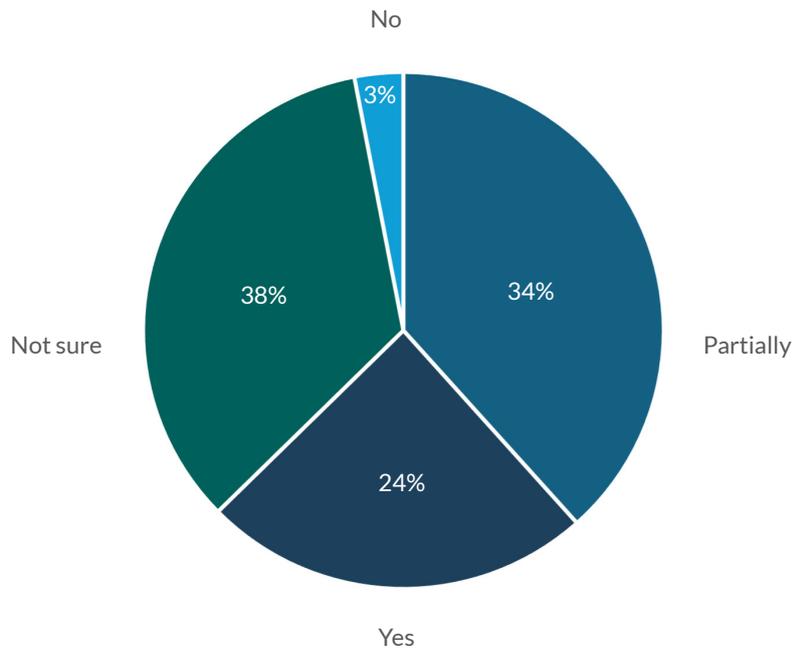
- Paul Eaton, CEO, Artex EMEA

# 3. Captive governance

There is no “one size fits all” approach to forming or refreshing a captive board. When composed of a combination of appropriate individuals from the insured and expert independents, a captive board plays an essential role by holding the captive’s operation to account, providing independent oversight and expert insight.

Independent directors are key to demonstrating and delivering the substance, good governance and independence increasingly demanded from regulators and tax authorities around the world.

Do captive boards have the right level of independence and expertise to challenge the parent organisation effectively?

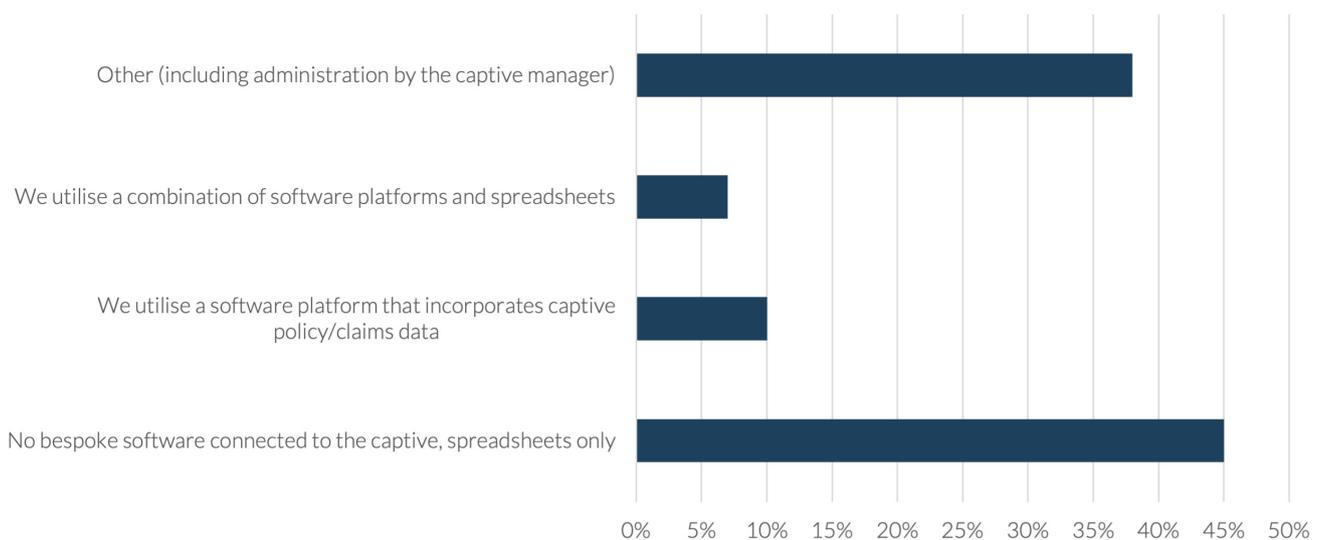


## 4. Technology and data

The use of manual processes and spreadsheets to manage captives continues to be common. With growing pools of data and opportunities increasingly available for the use of predictive analytics, captives can provide the source for modelling scenarios to support informed decision-making and capital allocation.

Artificial Intelligence (AI) offers the potential to help automate and streamline many time- and resource-heavy processes and activities. Where AI is used by respondents in captives, it has helped with claims trend analysis, counterparty and capacity checks, and policy comparisons.

How are you currently managing your captive insurance arrangements in terms of software and processing?

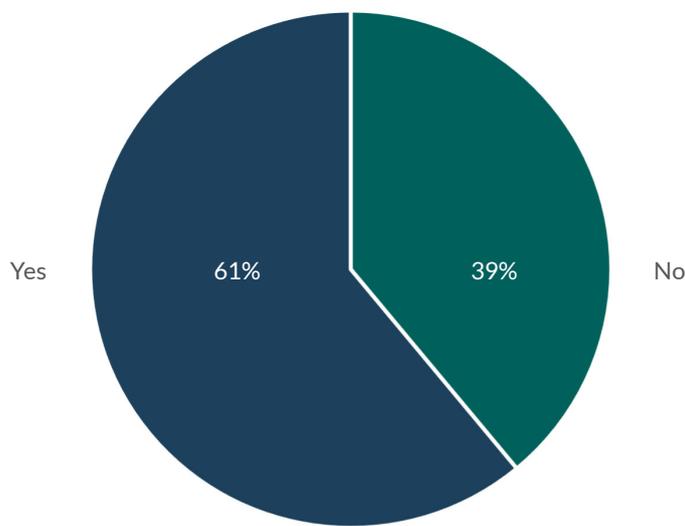


**“While captives are increasingly adopted by organisations, there remains huge untapped potential particularly in the areas of technology and data. This needs to be supported by stronger captive governance in order for organisations to be comfortable with allowing their captives to harness the latest technology and better understand their data and, ultimately, better manage risks for their parent organisation.”**

- Kelvin Wu, President, Singapore Captive Insurance Association

# 5. The UK's upcoming captive regime

Does your organisation currently use a captive?

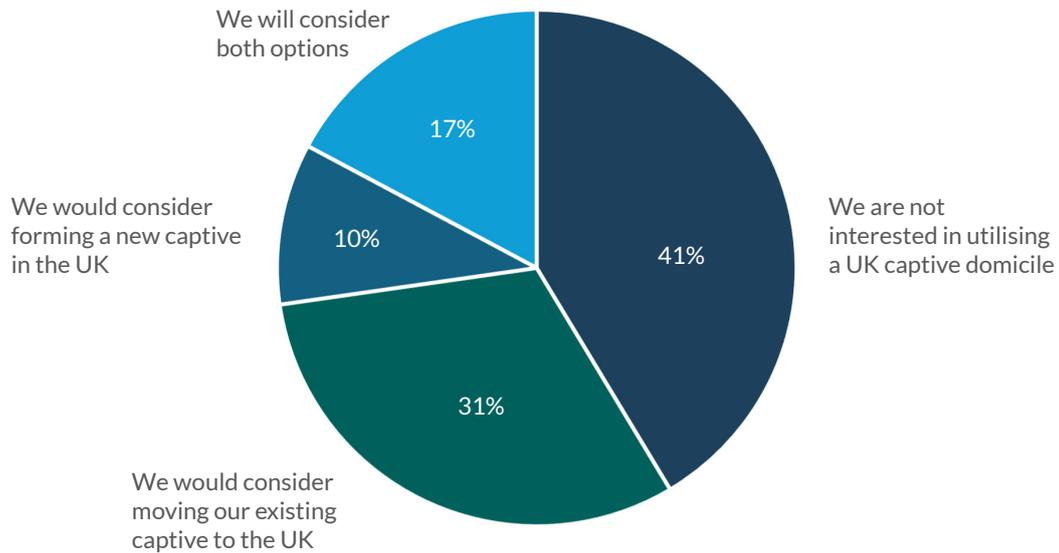


Although the UK's business community has a relatively mature penetration of captive utilisation and more than 300 UK-based organisations already own a captive, interest in new formations continues.

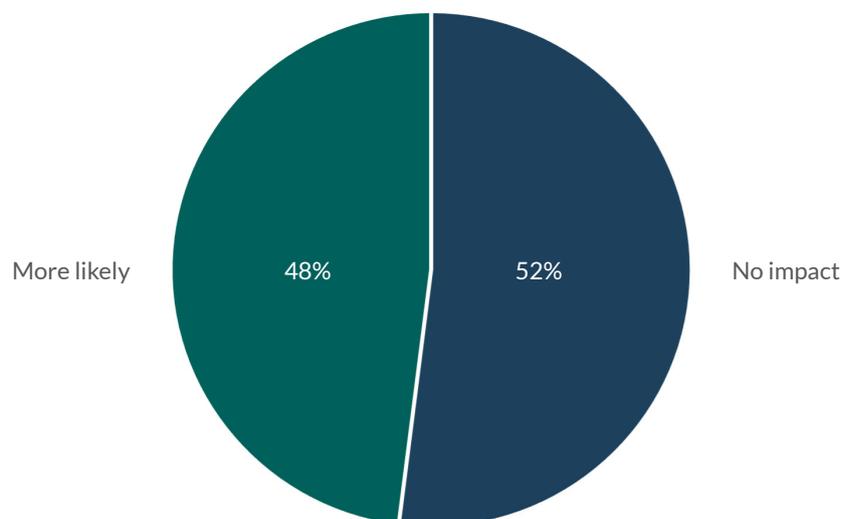
Among those who do not currently own a captive, nearly half of respondents said the UK's new captive regulatory regime would make them more likely to explore forming one.

Among respondents who currently use a captive, 31% would consider moving their existing captive to the UK, if the new regulatory regime to be implemented in 2027 were proportionate.

If the new UK captive regime is proportionate, would you consider moving your existing captive to the UK or establishing a new one in the UK?



Will the possibility of domiciling a captive in the UK's captive regulatory regime make you more likely to explore forming one?



**“It is hoped that the expected arrival of the UK as a viable domicile option in 2027 will give the domestic captive market another shot in the arm, raise the profile of captives and encourage those businesses currently sat on the fence to jump off and go captive!”**

- Richard Cutcher, Captives Ambassador, Airmic

### **About our respondents**

The survey was conducted in February 2026 and received 70 responses from Airmic members from a variety of sectors. Responses also came from a combination of existing captive owners and members that do not currently own a captive.

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