

Lloyd's Culture Strategy 2022-2027

Mark Lomas, Head of Culture, Talent & Communities

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Introduction



Our purpose:

Sharing risk to create a braver world

Being braver isn't about ignoring the risks; it's about understanding them, then finding a way to move forward. We understand risk – and by working together we can build a more sustainable, resilient and inclusive future.

More sustainable, creating long term growth that serves not just the market, but the ecosystems and society we're part of.

More resilient, using evidence and expertise to be better prepared and to protect what matters most.

More inclusive, building somewhere in which everyone sees a place for themselves.

This is a braver future at Lloyd's; working alongside industry leaders, policy makers and market partners to enable the progress our customers want and the world our children deserve.

A more sustainable future ■

To build for the long term, we have to think for the long term. And as we think about the threats that will define our planet for centuries to come – from a changing climate to changing technology – we see a role for risk management in every challenge. At Lloyd's, we're working to protect our shared future and promote thriving communities. This includes working to support the global transition to a low carbon economy, through our work with the Sustainable Markets Initiative and our net zero commitments, as well as investing in communities and charities through our Lloyd's Foundation.

Because when Lloyd's grows, society grows too.

A more resilient future ■

Climate change. Cyber insecurity. Geopolitical instability. The risks that shape our world, shape our work at Lloyd's. We're building resilience by helping businesses and communities prepare for – and recover from – the most prevalent threats facing society today. Our research community, Futureset, is producing cutting edge research to help customers understand risks and put plans in place to mitigate them. Our Lloyd's Lab and Lloyd's Product Launchpad are unearthing the ideas and innovations that will take insurance to the next level – pioneering new ways to keep customers safe and thriving.

Through evidence, experience and expertise, we're helping society prepare for the worst and to protect what matters most.

A more inclusive future ■

Societies and organisations draw strength from the building blocks that make them up. The wider the base, the stronger the structure. A braver future requires a broader spectrum of ideas, skills and perspectives. At Lloyd's we want to build a workplace everyone can take part in and contribute to. We want to open our market to sharp minds, safe hands and savvy investors – wherever in society they come from. It's why we've committed to ambitious gender and ethnicity goals to make our market more diverse on all levels, but we know we have more to do.

Wider base, stronger structure – braver future.

Lloyd's Strategic Focus

2022



**Performance
& Risk
Management**



Digitilisation



Purpose



Culture

Why is culture important to Lloyd's?

We risk losing the war for talent, because Insurance is not a destination career.

Cybl research 2022: Insurance 10th out of 16 sectors as ranked by school leavers

Diversity and inclusion are demonstrably good for business

McKinsey: Diversity Matters Reports 2018 & 2021

We are expected to show leadership, and we have a good story to tell about long term culture change

Lloyd's Market has risen from 19th of 30 to 8 on FSCB Culture Benchmark between 2019 and 2022, MP&P shows increasing diversity year on year

Our Journey...



How we started our culture work...

We defined our Culture principles and started the process of measuring culture in the corporation and market defining aspirations for some protected groups...



The future direction for our culture work

...we will now focus on embedding the culture principles and take an inclusive approach for all diverse groups including social mobility, based on our data, insights and engagement forums...

Our strategic aim

To transform the culture in Lloyd's by embedding inclusive practices that enable high performance. We aim to change perceptions of the industry so that it becomes a destination of choice for global talent.



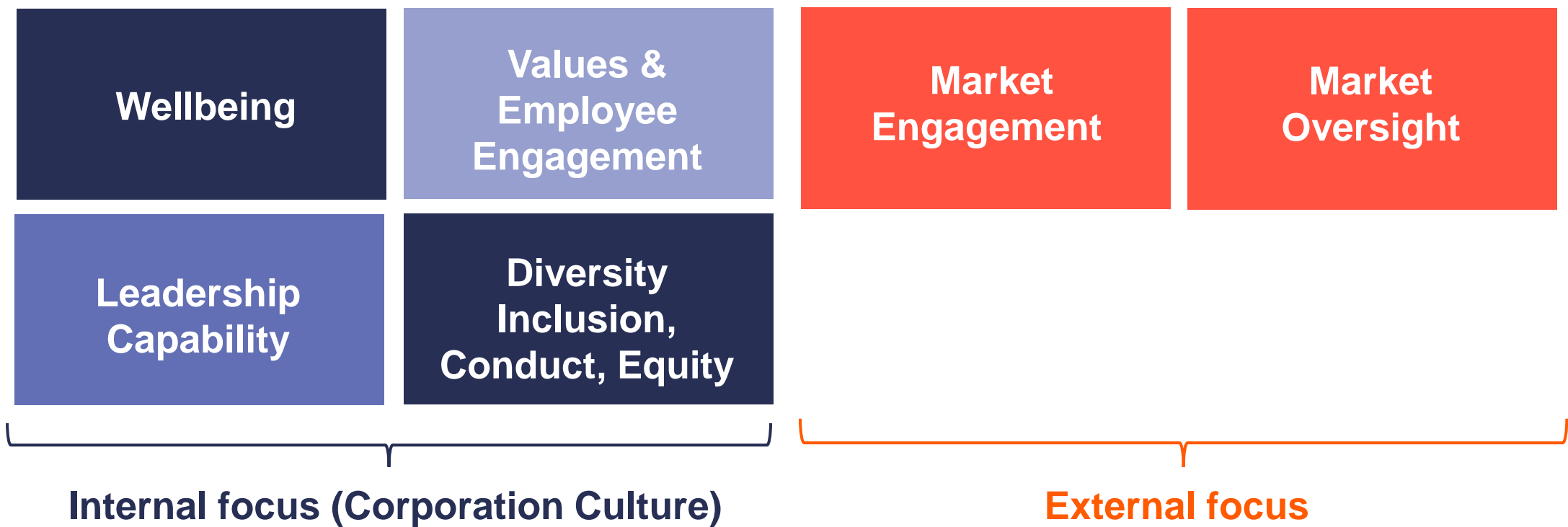
Our 5 Culture Principles

Lloyd's should be diverse, creating an inclusive and high-performance culture. In order to support this, Lloyd's will:

- 1.** ■ Demonstrate leadership focus on fostering an inclusive and high-performance culture at all levels
- 2.** ■ Foster inclusive behaviour with zero tolerance for inappropriate behaviour.
- 3.** ■ Foster psychological safety to encourage speaking up, access diverse perspectives and focus on continuous improvement
- 4.** ■ Ensure diverse representation within their workforce and their leadership levels reflecting society. Be inclusive in hiring and retention and contribute to the Market being a destination of choice for talent.
- 5.** ■ Understand their employee population, use data and insights to create an inclusive employee experience.

How we organise our Culture Work:

Our work on culture is divided into the six themes set out below.
By utilising a thematic approach we give clarity to our people and the Market on what Lloyd's means when talking about our culture work.



LLOYD'S

The Corporation

Developing Leadership Capability

Developing Leadership Capability



1. Focus on the right capabilities

We focus on the key capability areas that will drive the required change



2. Defining leadership expectations & supporting leadership capability

We have clarified Leadership Expectations with the Leadership Behavioural Framework and measurement of our Senior Leaders against 6 key competencies required to develop leadership capability



3. Investing in the right people

We will take a measured and targeted approach to investment



4. Focus on successors & high potential talent

We will focus on identified talent and successors ensuring focussed development plans are defined.

Defining Leadership Expectations and supporting Leadership Capability

Enabled by:

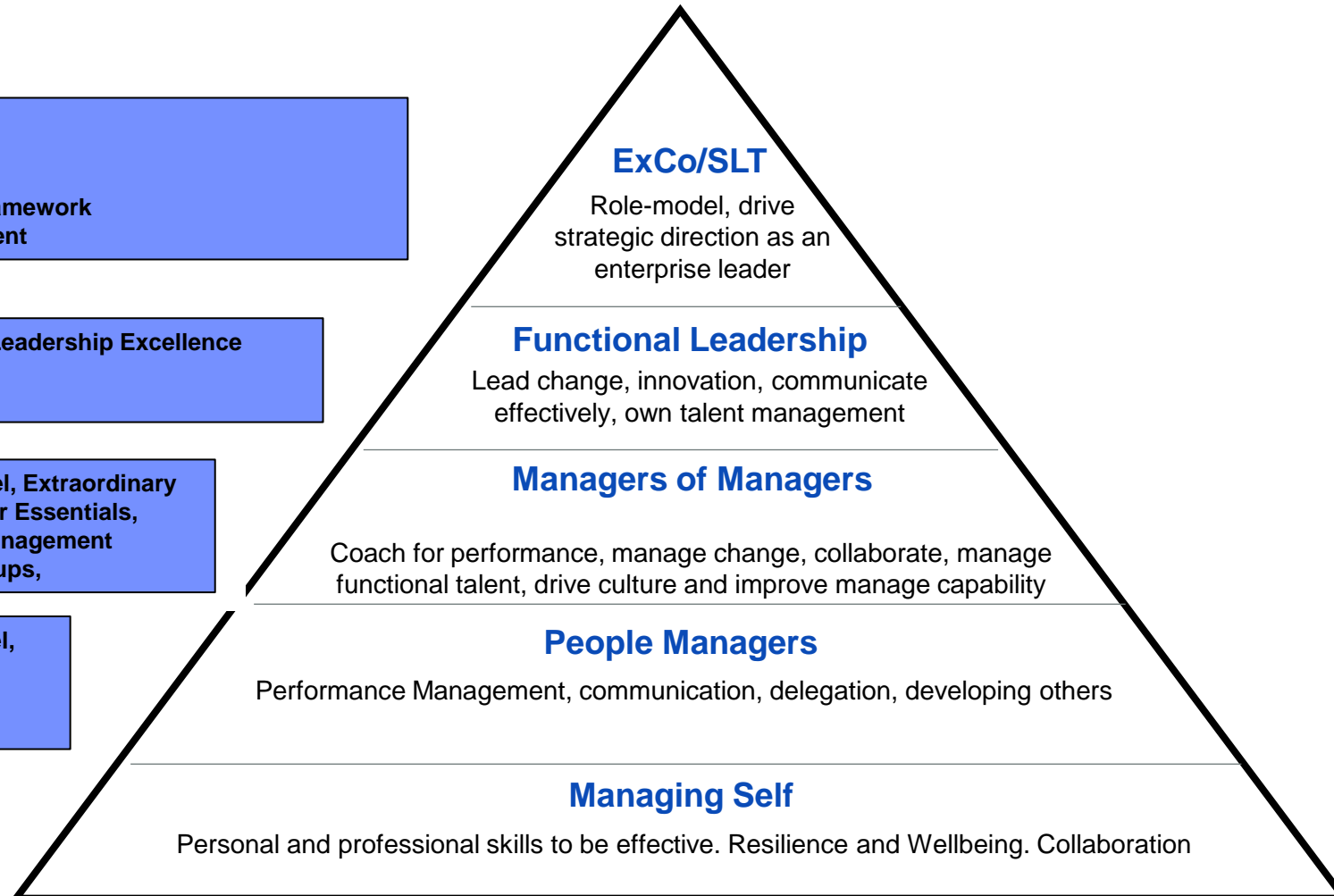
Coaching,
SLT Insights Sessions,
Extraordinary Leader 360
Leadership Behavioural Framework
Key Competency Assessment

Extraordinary Leader 360, Leadership Excellence
Sessions

Inspirational Manager Model, Extraordinary
Leader 360, People Manager Essentials,
Leadership Programme, Management
Programme, Manager Meetups,

Inspirational Manager Model,
Manager Meetups, People
Manager Essentials,
Management Programme

Induction, Workday
learning, Career
Programmes (e.g.
mentoring, Advance)



*Exco = Executive Committee
SLT = Senior Leadership Team*

How we measure Leadership Performance



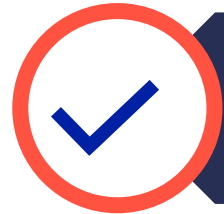
360 degree feedback



Culture & Engagement survey results



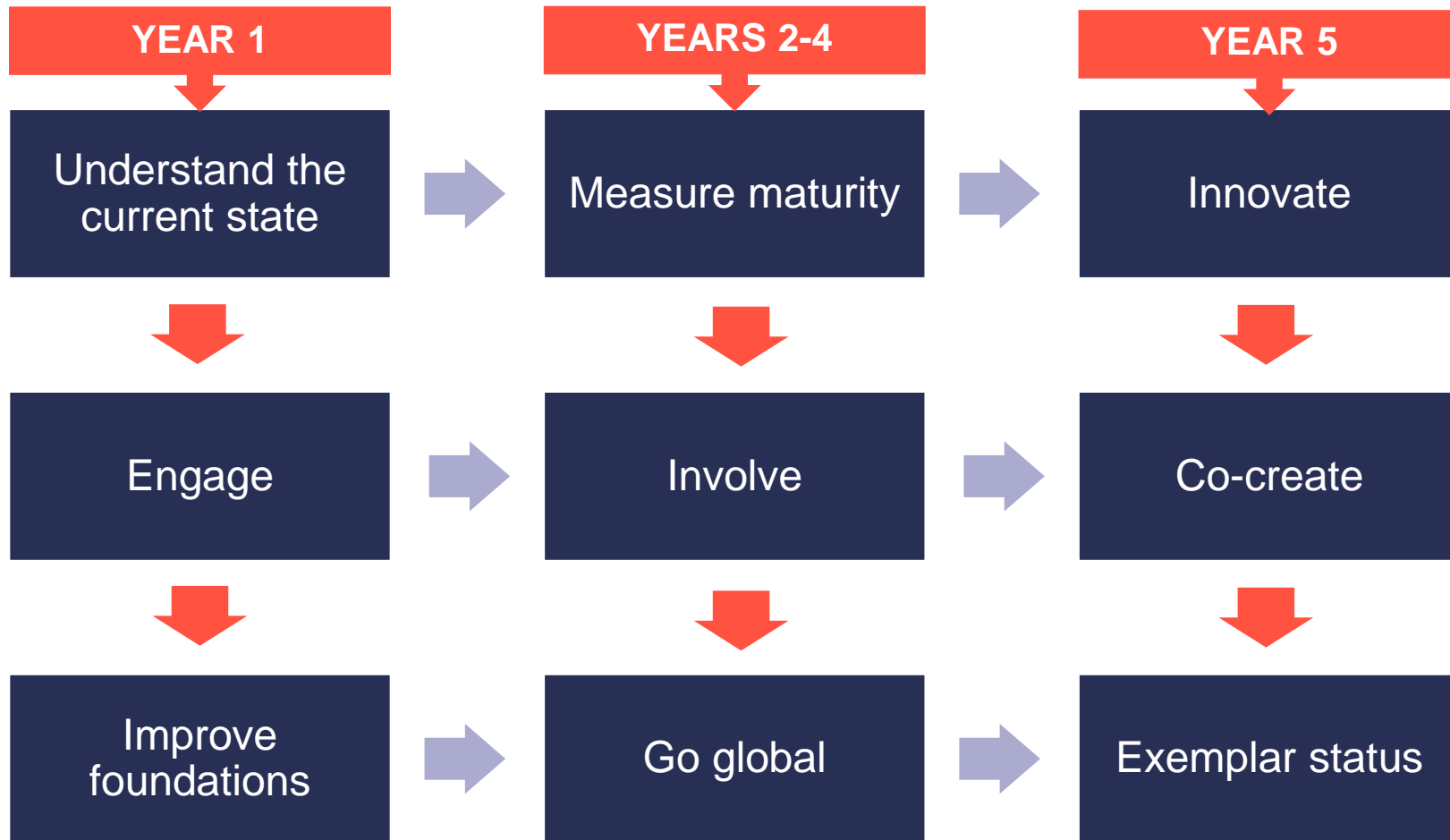
Performance against Leadership Behavioural Framework



Performance against strategic scorecard objectives



Our 5 year D&I development model



How we will embed diversity & inclusion:

People Practices

Measure: Clear Assured Gold/Platinum status & Edge Leader Certification, Social Mobility Employer, Armed Forces Covenant Gold standard retained

Inclusive Procurement & Supplier Diversity

Measure: Clear Assured Gold/Platinum status

Access & Accessibility

Measure: Disability Confident Leader Status, Web Accessibility Accreditation

Communications, Events, & Community Engagement

Measure: Clear Assured Gold/Platinum status

Data & Insights

Measure: Peakon results above benchmark & Clear Assured Gold/Platinum status

Global Approaches and practices

Measure: Clear Assured Gold/Platinum status (global index)

Our engagement forums



Employee Resource Groups: Lloyd's Together Network focussed on engaging staff around D&I



Employee Change Forums: Providing consultation and embedding engagement



Insurance Inclusion & Diversity Forum (IIDF): Engagement Forum on D&I matters



Social Mobility Working Group: An engagement forum on Social Mobility Matters



Inclusion@Lloyds: An engagement and consultation forum on Market related D&I matters

Values & Engagement

How we will embed Values & Engagement at Lloyds: Our Model

Measuring how our people feel about the culture at Lloyd's and advocacy for Lloyd's as an employer

Stay

Measuring how our people feel about developing skills, developing careers & how performance is managed

Strive

Measuring the wellbeing of our staff aligned to our Wellbeing model

Thrive

How we will embed values and employee engagement



**Employee
Engagement &
Culture
Surveys**



**Values
Recognition
Scheme**



**Employee
Change
Forums**



**Lloyd's
Together
Network**



**Leadership
Behavioural
Framework**

Our engagement forums



Employee Change Forums



Lloyd's Together Network



Wellbeing Champions



Executive Leadership Group (ELG)

Wellbeing

How we will manage Wellbeing at Lloyds: Our Model

Physical Wellbeing

- Fitness challenges
- Health webinars
- Wellbeing walks

Emotional Wellbeing

- Webinars on mental health
- Resilience training and interventions

Social Wellbeing

- Coffee mornings with wellbeing champions
- Increase membership in ERGs

Financial Wellbeing

- Financial advice webinars or in person events

How we will embed Wellbeing

Prevention

- Life Work Balance – flexibility, agility and leave policies
- Remote working hub for managers and employees
- DSE Equipment – Home & Office
- Wellbeing Champions and MHFA Network
- Work+Family Space
- Headspace App
- Physical Activities: e.g. 10k Challenge etc
- Resilience Training and Workshops
- Hybrid working guidance

Early Intervention

- Doctor@Hand
- AXA Stronger Minds
- Headspace App
- Employee Assistance Programme
- Mandatory training for people managers *
- Mandatory resilience and mental fitness training for senior leaders *
- Clear Talents (Internal & External Assessment)

Post Intervention

- Occupational Health Assessment
- Return to work action plan – returning to work after long term sick
- Assistive Technology implementation
- Workplace adjustments implementation

Our engagement forums



Employee Change Forums



Lloyd's Together Network



Wellbeing Champions and Mental Health First Aiders



Executive Leadership Group (ELG)

Measures of Success

The Corporation



Our goals and Measures of success: The Corporation

Goals

1. A diverse workforce & leadership
2. Inclusive practice enable high performance
3. Values are part of everyday conversations at Lloyd's
4. A highly engaged workforce
5. Wellbeing supports high performance

Measures of success

1. Lloyd's is a diverse organisation, Gender parity at leadership level and 20% ethnically diverse
2. Lloyd's achieves D&I Accreditation, Integrated Level on the Culture Maturity Model, and Established level against PBO Principle 13
3. 90% of staff feel the values are meaningful
4. Engagement & Culture scores are at Market Median
5. Wellbeing scores are above benchmark for all groups in the corporation

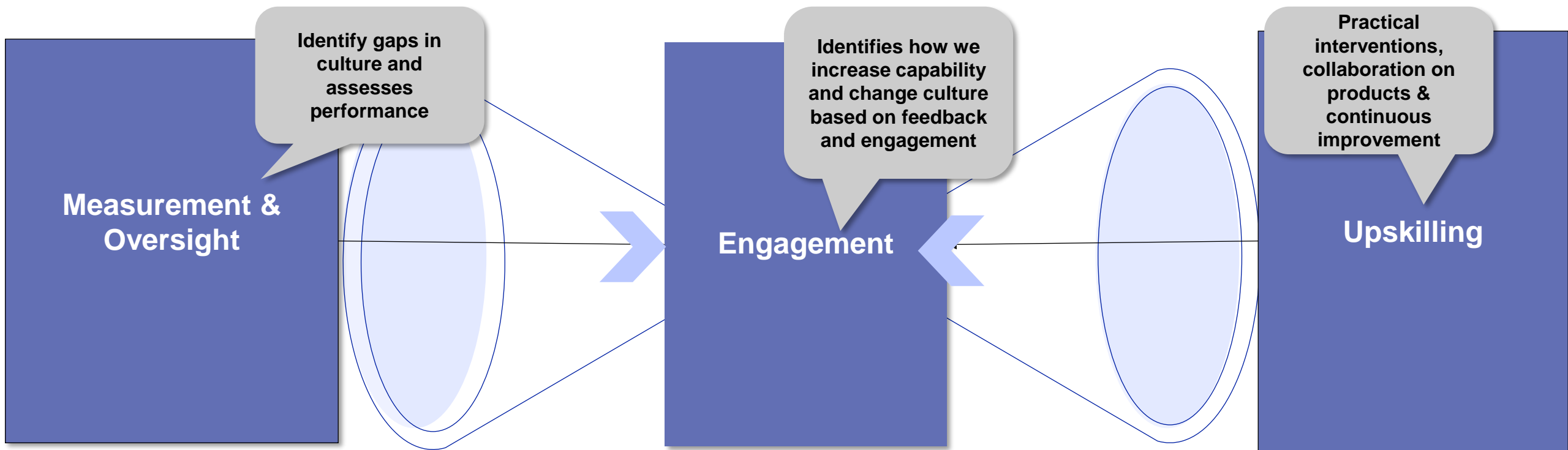
The Market: Market Oversight & Engagement

Market Oversight: Our 5 Culture Principles

Managing agents should be diverse, creating an inclusive and high-performance culture. In order to support this, Managing Agents should:

- 1.** ■ Demonstrate leadership focus on fostering an inclusive and high-performance culture at all levels
- 2.** ■ Foster inclusive behaviour with zero tolerance for inappropriate behaviour.
- 3.** ■ Foster psychological safety to encourage speaking up, access diverse perspectives and focus on continuous improvement
- 4.** ■ Ensure diverse representation within their workforce and their leadership levels reflecting society. Be inclusive in hiring and retention and contribute to the Market being a destination of choice for talent.
- 5.** ■ Understand their employee population, use data and insights to create an inclusive employee experience.

Developing a high performing, inclusive culture for Lloyd's Market: Our Model



How we will embed our culture work with the market:



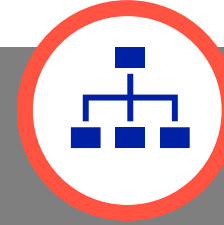
Culture Survey & Dashboard:

Measuring current perceptions of market culture and provides firm and benchmarking data for the Market



M,P & P Survey:

Measuring the maturity of culture practices, policies and key diversity metrics across the Lloyd's Market providing firm and benchmarking data for the Market



Culture Principles Oversight process:

Measuring the maturity of managing agents in relation to culture and is fully integrated into the Lloyd's oversight process.



Toolkits, Upskilling & Support:

Providing best practice advice, upskilling training and a range of culture and learning services available to the Market. Our Speak up line provides signposting support on behavioural issues

How we will engage with the market



HRD & Oversight Forums: Ensuring HRD's and Oversight are engaged with Lloyd's strategy, tools and annual plans



Dive In Festival: Raising awareness and engagement with D&I across the market



Inclusion@Lloyd's: A market wide engagement/consultation forum



Partner Networks: Six networks that support D&I in insurance, GIN, iCAN, NGIN, Families, LINK, iDAWN which aim to raise awareness and engagement around D&I



Inclusion Insurance and Diversity Forum (IIDF)- *60+ D&I leads across the market*

Measures of Success: The Market



Goals & Measures of success: 2027

Leadership has taken ownership for reputational transformation

- Enforcement action is rare, penalties are reducing year on year
- 50% of managing agents have achieved external accreditation and all have achieved the expected maturity level against the new Culture Principles
- Broker progress against diversity and inclusion practices is improving year on year

Data is a proof point validation for talent

- Women in Leadership target achieved (35%), stretch target of parity in leadership progressing, 1 in 3 hiring ambition regularly delivered
- Data collected across all protected groups and socio-economic categories
- Policies and practices delivering a strong care framework that retains talent
- Data is published for both enforcement and celebration

Lloyd's is valued and attractive to **Talent**

- School leavers rate insurance within the top 10 industries as a career destination
- % of under 30s in the Market is growing year on year
- Leadership populations are increasingly diverse

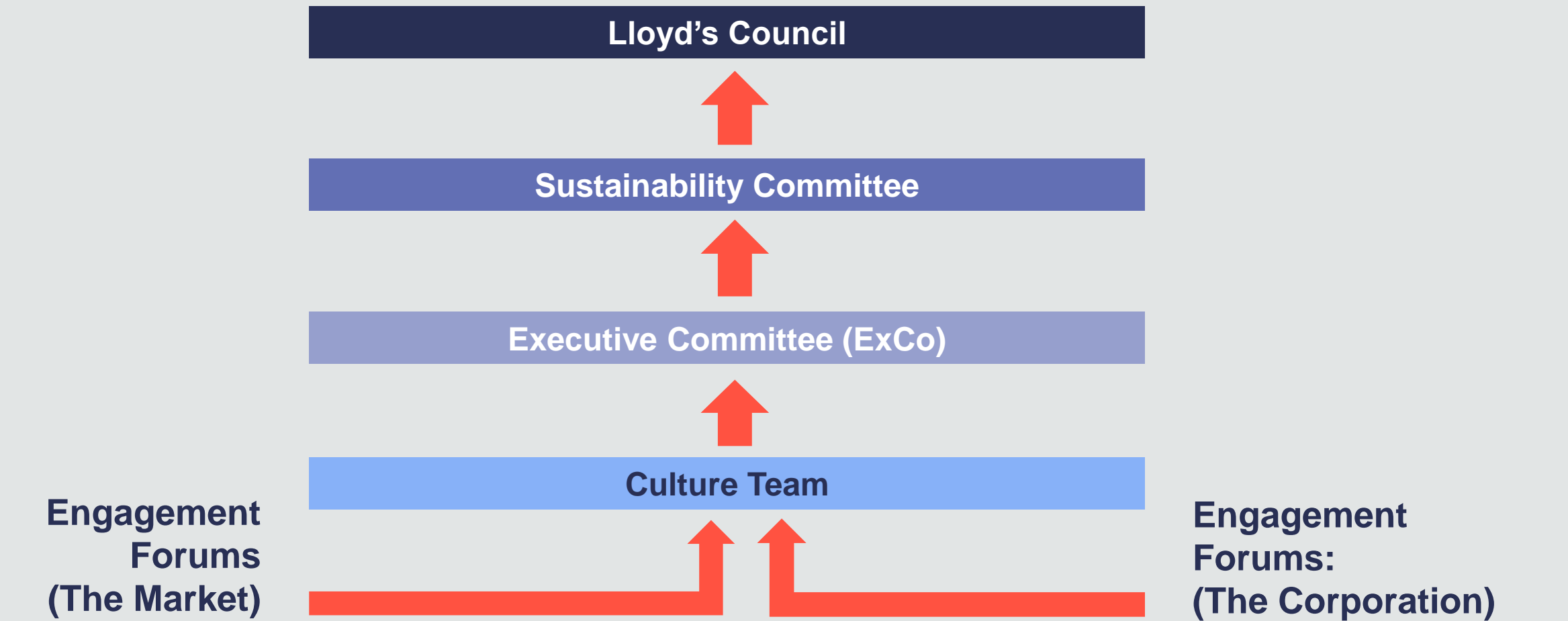
Engagement

Oversight

Enforcement

Culture Strategy Governance

Our Governance Model:



Communicating our Culture Work



How we will communicate our work to stakeholders



**Annual Report &
Sustainability reports**



**Culture Dashboard and
Insights hub**



MP & P insights report



**Inclusion@Lloyds,
Partner networks and
industry groups**