

# Sharing risk to create a braver world







LLOYD'S

# Who we are

The Lloyd's market provides the leadership and insight to anticipate and understand risk, and the knowledge to develop relevant, new and innovative forms of insurance for customers globally.





LLOYD'S

# Where we've come from

We began more than 300 years ago as a few  
courageous entrepreneurs in a coffeeshop.  
Forging a history of innovation and an appetite  
for risks requiring innovative solutions.



## A proud history of firsts

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Lloyd's issues the first...motor policy	<b>1904</b>
...aviation policy	<b>1911</b>
...satellite policy	<b>1965</b>
...political risk policy	<b>1971</b>
...cyber policies	<b>1999</b>
Lloyd's develops risk policies for drones, the sharing economy and driverless cars	<b>2000s</b>
Lloyd's establishes the first dedicated facility for new product innovation	<b>2019</b>



# An appetite for risk

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## 300 years of progress

“Not a breeze can blow in any latitude,  
not a storm can burst, not a fog can  
rise, in any part of the world, without  
recording its history here”

A journalist describes the Underwriting  
Room at Lloyd's, 1859

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# Unrivalled expertise

The Lloyd's market brings together the best minds in the industry to create innovative, responsive insurance solutions.

3,500

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Expert underwriters and  
brokers in the Lloyd's  
building

43,000

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People operating in the  
Lloyd's market

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- 330 years of insurance expertise
  - Bespoke solutions
  - Collaboration
  - Responding to emerging risk
  - The best minds and the right expertise

## Case study

### The coldest journey

Covering: Search & rescue  
Environmental damage  
Personal accident

- In 2013, Jardine Lloyd Thompson (JLT) and a group of Lloyd's syndicates developed a bespoke policy to cover one of the largest and most challenging polar expeditions ever undertaken.
- The unprecedented 4000km journey would see explorers spend 273 days, mostly in complete darkness at temperatures as low as  $-90^{\circ}$ .
- Lloyd's was instrumental in making the expedition possible. The market played a critical role in obtaining permissions from the UK Foreign and Commonwealth Office to protect the Antarctic environment as well as underwriting the majority of the policy.
- The placement of this bespoke policy is an example of creative insurance broking and a testament to Lloyd's collaborative drive to take on the unprecedented and place risk that others could not.

Extreme explorations



Why Lloyd's?

# Lasting partnerships

We build a partnership with you for the long term. Our community of underwriters and experts stay connected with their clients to ensure each Lloyd's market policy is the perfect risk transfer solution.

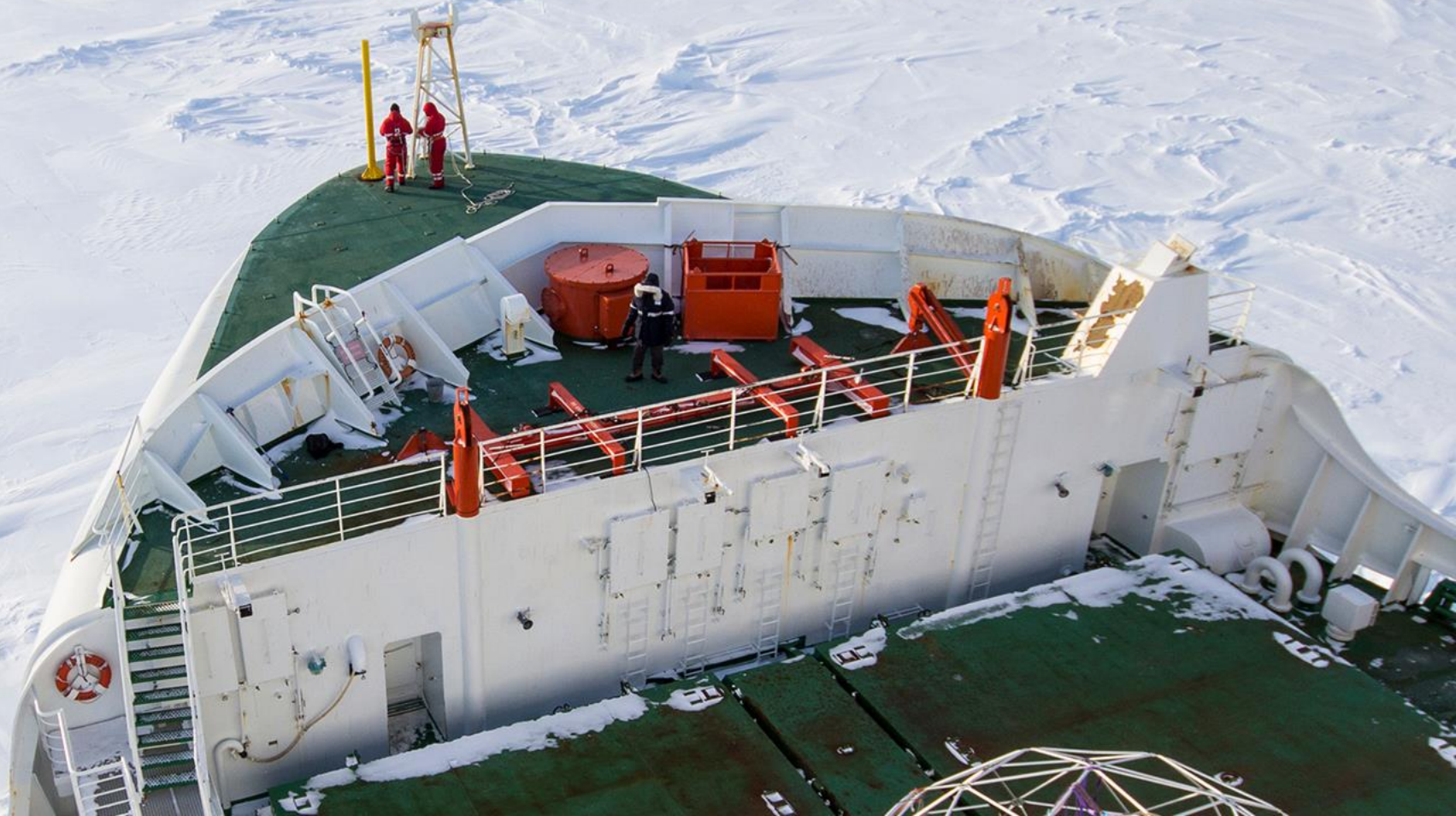
\*Syndicates in run-off. Ceased as at 31.12.2019





# What we promise

We've built our reputation as the world's leading insurance and reinsurance market by protecting what matters most to people, businesses and communities to ensure they recover in times of need.





# Complete confidence

- Robust financial strength
- Exceptional financial backing
- Gross written premium £35.9bn

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## Excellent financial security

Standard & Poor's (Strong)

**A+**

Fitch ratings (Very Strong)

**AA-**

A.M. Best (Excellent)

**A**

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## Lloyd's Chain of Security

Syndicate level assets

**£53bn**

Member's funds of Lloyds

**£28bn**

Central assets

**£3bn**

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## How do we enable confidence?

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### Robust financial strength

Our excellent capital strength reaffirms that Lloyd's remains in robust financial position to support valid claims.

Lloyd's subscription model offers risk managers and brokers two distinct advantages over individual company market insurers. The first is the ability to spread risk through a subscription model. The second is that the market is partly shared, backed by an additional layer of mutual security (the chain of security).

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### Financial security

With £80bn+ in assets making up Lloyd's Chain of Security you can be confident your policy has the highest possible financial backing.

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### Financial ratings

Lloyd's has excellent financial rating thanks to our high standards, oversight and diverse base of capital providers.



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# What we do for you

The Lloyd's market is here to help businesses, organisations and individuals, from around the world, who seek to mitigate the impact of potential risk.





# Global choice

We are the world's largest insurance marketplace and global distribution network with access to onshore insurance and reinsurance in over 100 countries, through a single market.

3,950

Coverholder office locations  
with a local route to Lloyd's

335

Brokers you can work with

93

Syndicates of specialist  
underwriting expertise



# Global choice

- 200 + lines of business
- A global network of expertise

Accident & Health / Agriculture & Hail / Aviation / Financial Institutions / Crime/ Cargo / Casualty / Contingency / Cyber / Difference in Conditions / Directors & Officers / Employers Liability / Energy / Engineering / Extended Warranty / Financial Institutions / Fine Art / Legal Expenses / Livestock & Bloodstock / Marine / Medical Expenses / Medical Malpractice/ Motor / General Liability / Nuclear / Pecuniary / Personal Accident XL / Political Risks, Credit and Financial Guarantee / Power Generation / Professional Indemnity / Property / Space / Specie / Term Life / Terrorism / Yacht



The background of the entire slide is a photograph of a modern interior space, likely a laboratory or office. It features large glass panels, a bright yellow lamp, and a blurred view of the outside world. Overlaid on this are several large, semi-transparent grey shapes: a circle in the top left, a vertical bar in the center, and a large circle in the bottom left.

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# Harnessing innovation

We champion tech innovation and talent through initiatives like the Lloyd's Lab, which helps to connect the brightest and best talent from the technology sector to Lloyd's capacity and helps to develop new ideas, new ways of working and of serving customers.

600

InsurTech applications to join in the  
Lloyd's Lab over three cohorts

Lloyd's Lab



# Harnessing innovation

## Case study

### Parsyl

- IoT quality assurance and risk management
- Data lead claims efficiencies
- Adopted by the Lloyd's market, through the Lloyd's Lab

Take Parsyl, a supply chain data platform that combines low-cost sensing hardware and large-scale data mining to allow insurers to better anticipate risk and improve the claims.

Parsyl's product was bought to the market via the Lloyd's Lab and syndicates can now offer enhanced coverage for marine cargo classes, giving us a deeper insight into every insurance product placed.

We recognize that our success and future partly lies in the value exchange between our knowledge and expertise and young technological innovation.



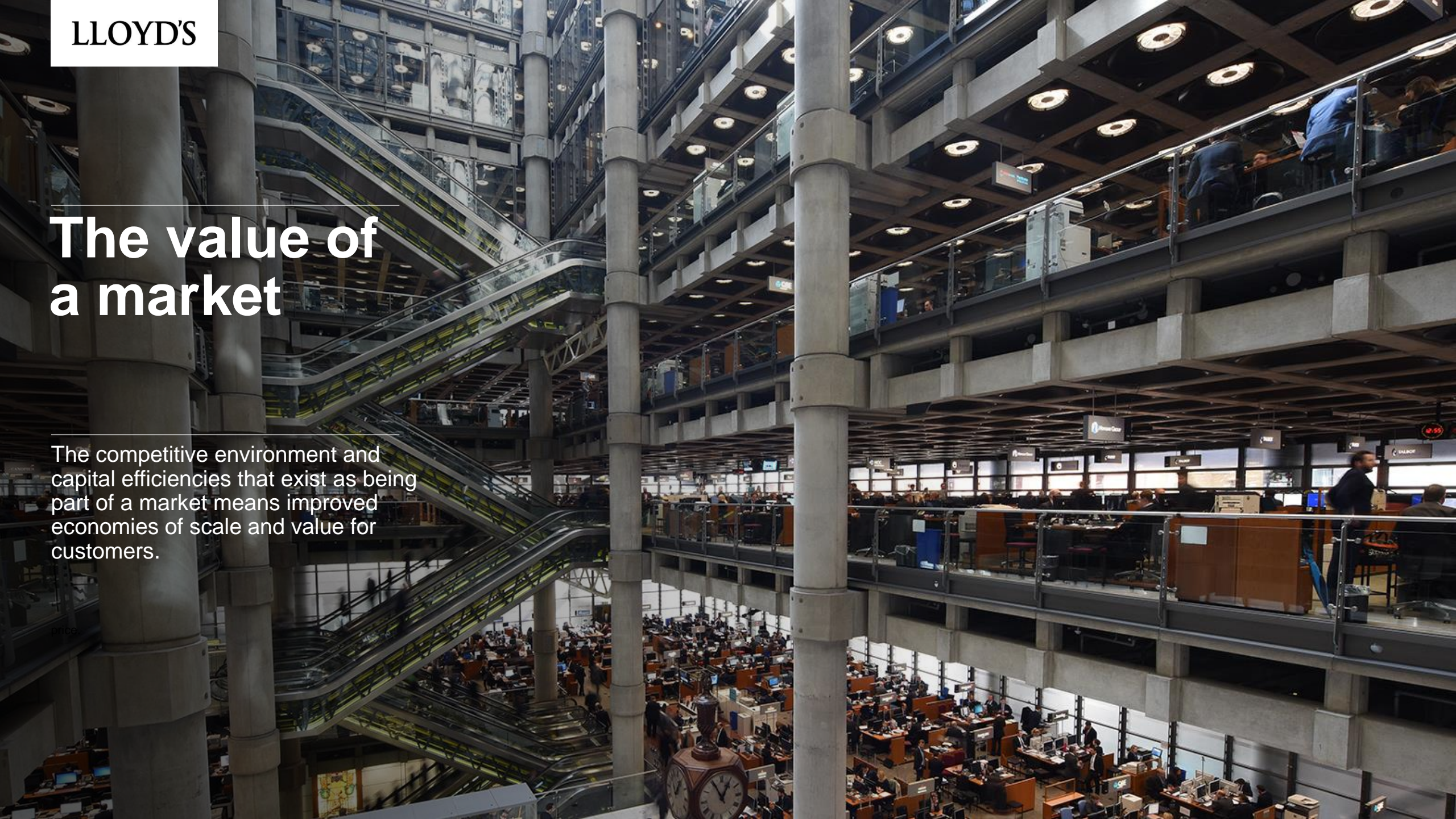
# Invaluable insight

Lloyd's is a centre of insurance knowledge, market participants have access to research reports, data and underwriting modelling, all which help to understand risk and create the perfect coverage.



# The value of a market

The competitive environment and capital efficiencies that exist as being part of a market means improved economies of scale and value for customers.





The Lloyd's difference

# Sharing risk to create a braver world

[www.lloyds.com/purpose](http://www.lloyds.com/purpose)





Sharing risk to create a braver world

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**For more than three centuries,  
the Lloyd's market has been  
sharing risk to protect people  
and businesses, inspiring them  
to create a braver world**





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# Appendix slides

For use when presenting financial data to brokers, coverholders and managing agents

- Five year review
- Global business breakdown
- How the market works

Lloyd's performance

## Five year review

	2019	2018	2017	2016	2015
Gross written premium	£35,905m	£35,527m	£33,591m	£29,862m	£26,690m
Combined ratio	102.1%	104.5%	114.0%	97.9%	90.0%
Result before tax	£2,532m	- £1,001m	- £2,001m	£2,107m	£2,122m
Return on capital	8.8%	-3.7%	-7.3%	8.1%	9.1%



Lloyd's performance

# Global business breakdown

£ billion in gross written premium in 2019

36

% US & Canada

52

% Europe including the UK

28

% Central Asia & Asia Pacific

10

% Other Americas

6

% Rest of the World

4



# How the Lloyd's market works

