

Culture Strategy 2022 – 2027

Mark Lomas, Head of Culture

28th March 2022



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

Lloyd's ESG Approach:

Environment: Climate & Sustainability

Social: Culture & Communities

Governance: Reporting and management of our impact

Our Culture Strategy is part of our overall approach to ESG.

Why is Culture important to Lloyd's...



Responding to talent needs in the market including new entrants and turn-over



Part of our responsibilities in providing a market oversight function



Social impact



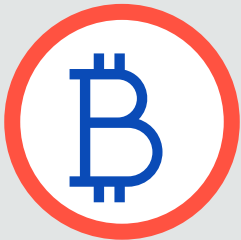
Keeping pace with the competition – Financial services sector and other leading employers



Reputation & Brand



Enabling our global talent to innovate new products



New digital skills and capabilities required

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.



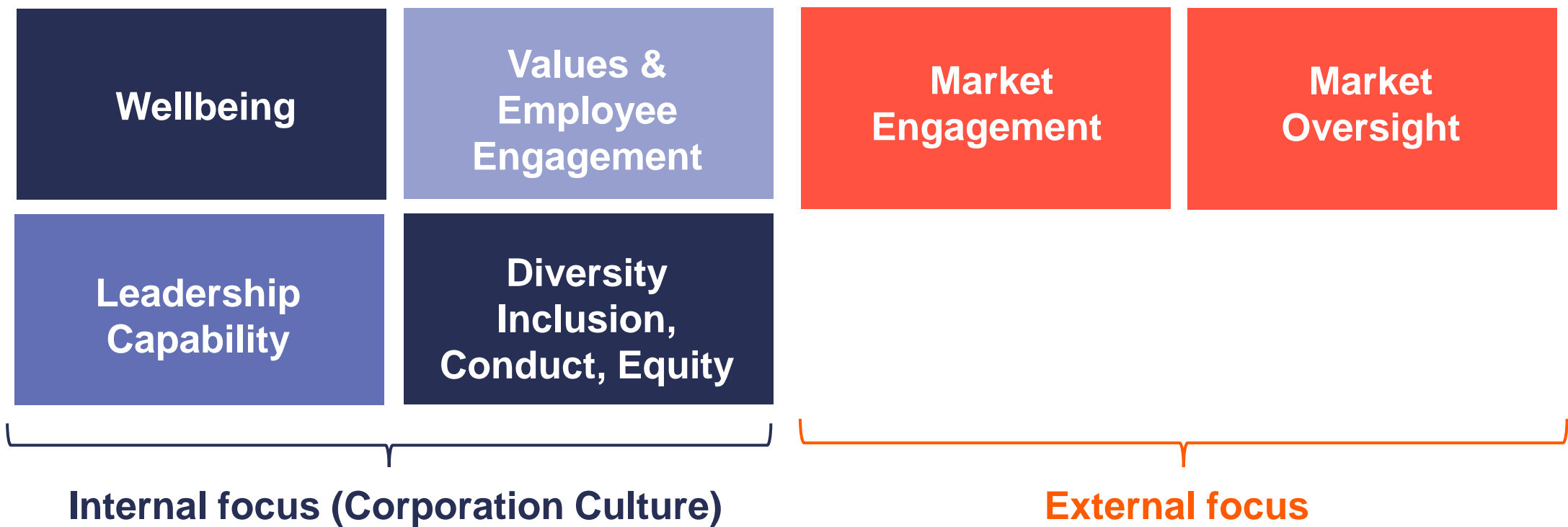
Our 5 Culture Principles

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, high-performance culture.
- 2.** ■ Ensure behavioural expectations are clear and there is zero tolerance for inappropriate behaviour.
- 3.** ■ Encourage speaking up, ensuring there are appropriate tools for employees to do so, and the tone is set from the top.
- 4.** ■ Ensure diverse representation within their workforce and their leadership population. Be inclusive in how they hire and retain talent and ensure they reflect society and their customers.
- 5.** ■ Understand their employee population, collect appropriate data and take action 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

Our Leadership Development Model

Clarify the development need	Development Activity				Performance feedback / measurement
	Experiential learning	Development programmes	Self directed learning	Coaching & mentoring	
<ul style="list-style-type: none"> • Talent review process & succession plans • 360 feedback (Extraordinary Leader) • Personal development plans 	<ul style="list-style-type: none"> • Stretch assignments • Role change / rotations 	<ul style="list-style-type: none"> • ELG Quarterly Insight Sessions • Lloyd's Leadership Programme (Henley) • Positive Action Career Programmes (Accelerate & Advance) • Inclusive Hiring 	<ul style="list-style-type: none"> • Leadership toolkit (Q3) • LinkedIn Learning (via workday) • Gartner Manager Success Workshop and Toolbox 	<ul style="list-style-type: none"> • Executive coaching • ELG Mentoring offer (Q3) • Corporation / Market Sponsorship • Personal networks 	<ul style="list-style-type: none"> • Annual performance review • 360 feedback • Employee engagement results • Culture survey results • Strategic scorecard

Mobilising leadership for culture change

Our key groups to affect Culture Change:

- **Exco**
- **ELG**
- **Line Managers**

Supported by our Employee Change Forums and Lloyd's Together Network

Upskilling & Raising awareness

Personal Participation & Sponsorship

Driving team engagement with Culture activities

Implementing actions to address feedback

Note:

Exco = Executive Committee

ELG = Executive Leadership Group

How we measure Leadership Capability



360 degree feedback



Culture survey results



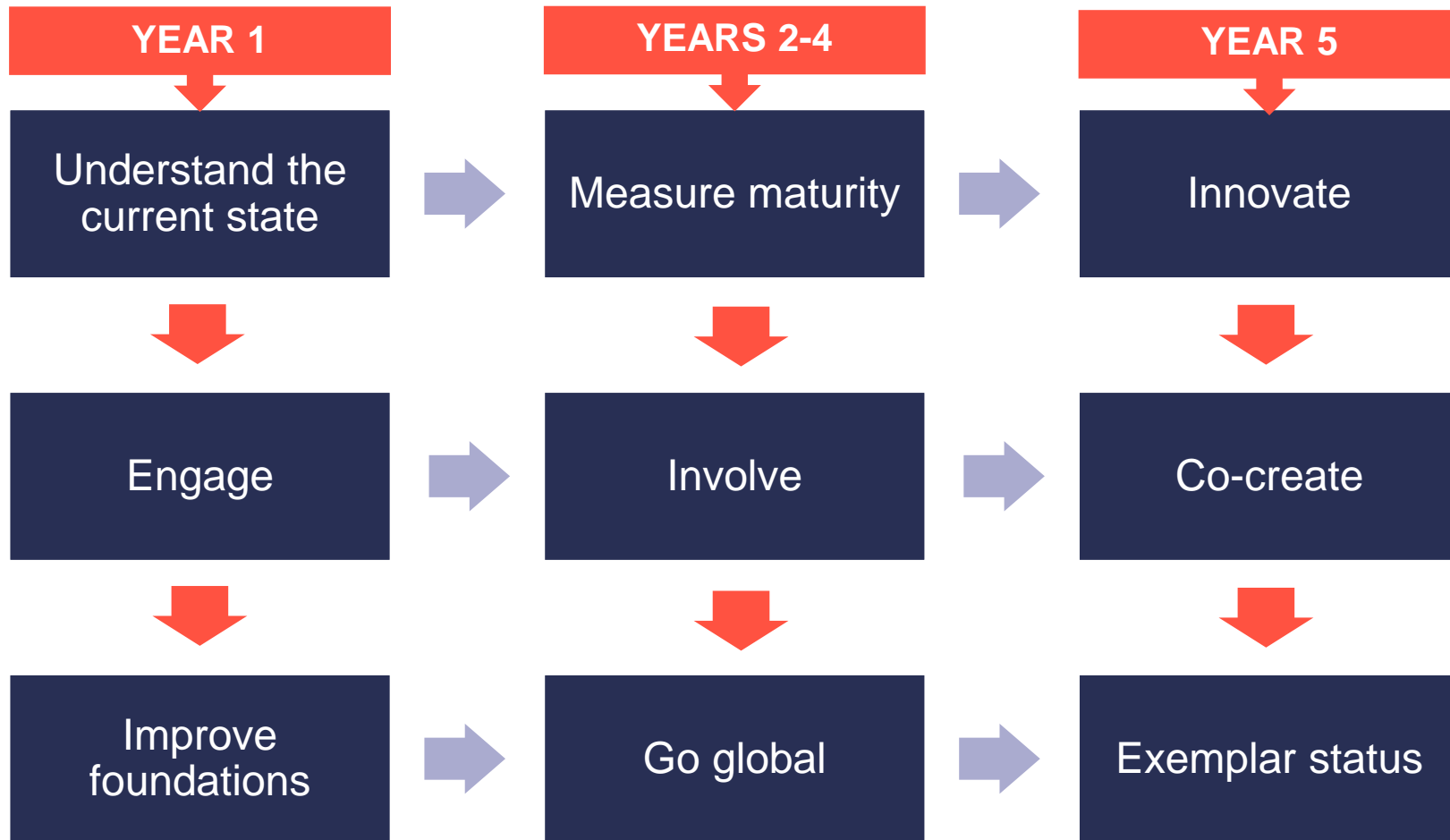
Employee engagement results



Performance against strategic scorecard



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 our ability to retain our talent

Stay

Measuring how our people feel about developing skills and developing their careers

Strive

Measuring the wellbeing of our staff aligned to our Wellbeing model

Thrive

How we will embed values and employee engagement



**Employee
Engagement
Survey**



**Pulse
Surveys**



**Employee
Change
Forums**



**Lloyd's
Together
Network**



**Embedding
Leadership
Capability**

Our engagement forums



Employee Change Forums



Lloyd's Together Network



Wellbeing Champions



Executive Leadership Group (ELG)

LLOYD'S

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)

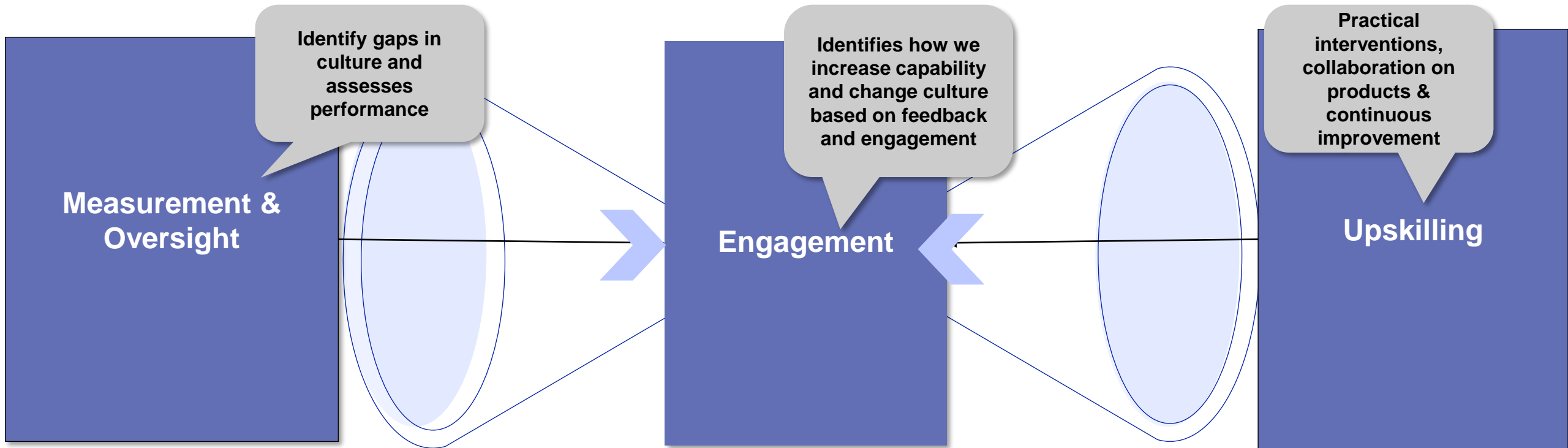
Market Oversight & Market Engagement

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, high-performance culture.
- 2.** Ensure behaviour expectations are clear and there is zero tolerance for inappropriate behaviour.
- 3.** Encourage speaking up, ensuring there are appropriate tools for employees to do so, and the tone is set from the top.
- 4.** Ensure diverse representation within their workforce and their leadership population. Be inclusive in how they hire and retain talent and ensure they reflect society and their customers.
- 5.** Understand their employee population, collect appropriate data and take action 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:



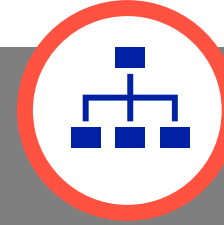
Culture Survey & Dashboard:

measures current market culture annually and provides data on culture & the diversity of market participants



MP & P Survey:

measures the maturity of culture practices and understand how Lloyd's can best support the market



Culture Principles Oversight process:

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



Speak up advice line:

provides independent advice on issues relating to inappropriate behaviour

How we will engage with the market



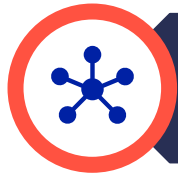
HRD & Oversight Forums: Ensuring HRD's and Oversight are engaged with Lloyd's strategy, tools and annual plans



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



Our goals and Measures of success: The Corporation

Goals

- A diverse workforce & leadership with inclusive behaviours
- Values are part of everyday conversations at Lloyd's
- A highly engaged workforce
- Wellbeing supports high performance

Measures of success

- Lloyd's is a diverse organisation, staff describe the Lloyd's culture as inclusive & Lloyd's achieves D&I Accreditation
- 90% of staff understand the values and feel they are lived
- Engagement scores are above sector benchmarks
- Wellbeing scores are above benchmark for all groups in the corporation

Our goals and Measures of success: The Market

Goals

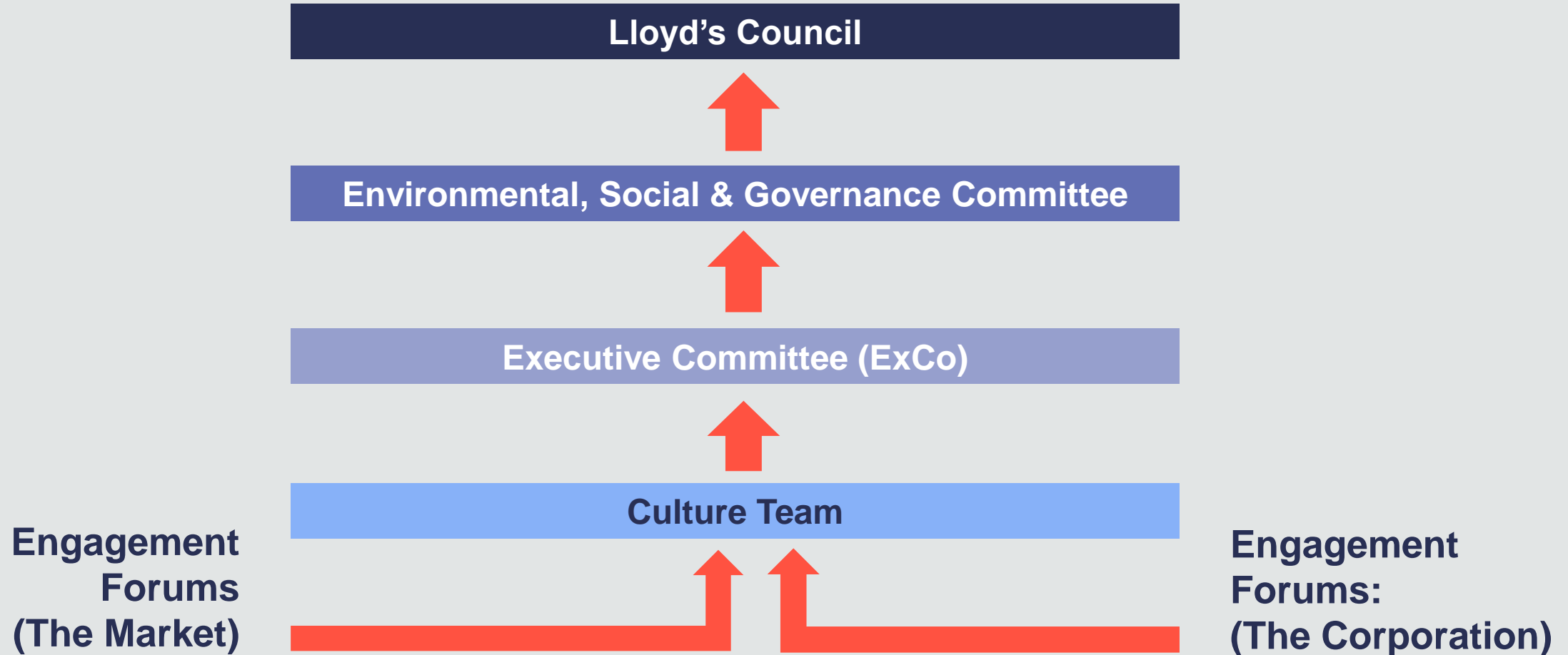
- A diverse market
- An inclusive culture
- A maturing market culture against the 5 Culture Principles
- The market is positioned to respond effectively to D&I regulation

Measures of success

- Data on all diverse groups is understood and diversity targets for the market are achieved
- Culture Survey indicates market culture is described as inclusive by 2027
- Increased maturity measured against the Culture oversight principles and standards of conduct demonstrate improvement based on MP&P and Culture Survey evidence for firms operating in the market
- Lloyd's market can meet the regulatory requirements for data capture and reporting demonstrating improved D&I performance.

Our Governance

Our Governance Model:



Communicating our Culture Work



How we will communicate our work stakeholders



Annual Report & ESG reports



Culture Dashboard and Insights hub



MP & P insights report



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

Year 1 Priorities & Timeline

2022 Strategic Priorities

Culture Strategy Year 1

- 1.** **Culture Strategy developed, agreed and communicated** to provide a clear strategic direction, success measures and align our efforts behind our priorities, leading the market to transform the culture of Lloyd's
- 2.** **Operationalise Culture Oversight** to create **accountability** in the market for culture, diversity and inclusion outcomes. Build capability to assess culture and adapt our approach to align with evolving D&I policy regulation
- 3.** **Refresh Inclusion@Lloyds, align partner networks and forums** with culture strategy priorities so that together we have more impact in building an inclusive and high-performance culture across the market and deliver on external commitments
- 4.** Take a **data driven** approach to culture, diversity, inclusion, engagement and wellbeing by improving **data and insights** in the Corporation and market (including social mobility), and increase transparency with all stakeholders
- 5.** Embed the **Values and engage** people to build the desired culture in the Corporation, so our mindsets and behaviours enable us to deliver strategy and purpose. We reinforce the values through our people practices and mobilising our leaders.
- 6.** **Embed D&I architecture** clearly articulating governance structures, differentiating engagement forums, embedding aspects of Culture and D&I accountability into leadership performance and business operations (e.g. IT & Procurement)

2022 Culture timeline

Use data inputs and key oversight moments to inform our culture strategy and monitor progress

Culture Work Timeline:

Market Policy and Practice insights inc:

- Progress on women in leadership target
- Ethnic diversity inc hiring rate baseline
- Policies and practices insights

Proposed 2022+ Culture strategy, plan and measures of success

Quarterly Corporation diversity scorecard

Culture survey insights:

- Has culture in the market improved?
- Corporation vs Market culture insights
- Where do we need to focus?
- Aligning and mobilising stakeholders
- Update Lloyd's culture narrative and dashboard

Culture Oversight

- Insights and Learning from culture assessment of Managing Agents

Quarterly Corporation diversity scorecard

Progress update

- Culture plan
- Ethnicity commitments and engagement plan
- Inclusion@Lloyd's refresh

Quarterly Corporation diversity scorecard

Key inputs

