

Holding up the Mirror

Reflections on Diversity and Inclusion in the Lloyd's Market:
Inclusion@Lloyd's Interim Report

2017



INCLUSION
@LLOYD'S

Introduction

Dominic Christian,
Chair of Inclusion@Lloyd's

Welcome to the second Holding up the Mirror report on Diversity & Inclusion around the Lloyd's market. This publication is an initiative of Inclusion@Lloyd's, the steering group with the goal of embedding diverse and inclusive best practice to improve our market's ability to attract and retain the best talent, keeping us globally competitive and relevant.

Since we kicked off so comprehensively in last year's inaugural report with in-depth research on practice and policies across the market, this report provides an interim update on progress in key areas. Results show that, perhaps counter-intuitively, you don't need a huge workforce and big budgets to progress successfully. In fact, the smallest firms in our sample all have formal D&I policies in place. Overall, we noted a positive trend in leadership attitudes and engagement and a significant increase in formal governance with more D&I councils established or planned for this year around the Lloyd's market.

It is also really encouraging to note that every respondent reports either a positive or an improving D&I culture, which suggests positive momentum is indeed building. Admittedly, our respondents are among those companies who have already signed the Inclusion@Lloyd's D&I charter. A cynic might say that we are reflecting the achievements of an already enlightened group. I see it differently. It's brave to make a public affirmation in any sphere of business life to uphold new standards, and doubly so when there are so many conflicting calls on our time and resources. But the research on the business case for D&I just keeps coming. It has moved beyond being the right thing to do, to being a competitive differentiator, capable of delivering a business edge. So, bold as the charter signatories undoubtedly are, they are also thinking strategically about how to futureproof their businesses.



As well as capturing our own data through our continuing research, we also recognise the power of storytelling and the importance of sharing experiences to inspire change. In these pages you can read specific accounts of how companies in the market have launched new initiatives in the last twelve months. We also report on the outcomes of the second Dive In, our multi-award winning international D&I festival.

However bullish we are about progress, we must always temper our successes by acknowledging how much work there is still to do. The publication of this report coincides with an invitation to companies who haven't yet signed the Inclusion@Lloyd's D&I Charter to come on board. There has never been a better time in terms of the resources available in support of a D&I commitment or the external forces that are driving the commercial imperative.

I hope you enjoy reading this report and feel inspired by the information in these pages.

**Dominic Christian, Chair Inclusion@Lloyd's
CEO Aon UK & Executive Chairman,
Aon Benfield International**

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1.0

Year in Review

About Inclusion@Lloyd's

Inclusion@Lloyd's (I@L) is the steering group for diversity and inclusion (D&I) strategy, governance and best practice in the Lloyd's market. Its mission is to ensure Lloyd's is a diverse and inclusive market, capable of attracting and retaining the best talent in support of the Lloyd's Vision 2025 goals.

I@L is working to a 5-year plan to deliver its objectives. From its inception, the overarching goal was to raise awareness and gain buy-in for the business case for D&I. This included issuing basic market guidance; encouraging new and existing employee networks; delivering training for all tiers of management and staff and staging high profile events.

The perceived benefits of D&I are moving from simply being the right thing to do, to well-understood improvements in talent attraction, retention, productivity and innovation.

The success of the Dive In Festival (see page 8) and the progress revealed in this year's research bear this out. I@L's mission has evolved in response, from raising awareness to supporting companies with tools that help embed best practice.

Resources

In response to feedback from the market requesting easily accessible tools for better D&I engagement, Inclusion@Lloyd's developed key resources to guide professionals at all levels through successful programmes and serve as practical examples to promote and assist each representative, whether it be HR, Heads of D&I, or executive positions.

5 Steps to Diversity and Inclusion: A practical guide

Inclusion@Lloyd's recognises that the path to creating a more diverse workplace and an inclusive culture that allows employees to thrive can seem like an uphill climb. In response, we developed a practical guide that includes five key steps to assist your business in achieving its D&I goals. Download it from www.lloyds.com/inclusion.



Inclusive Hiring Workshops

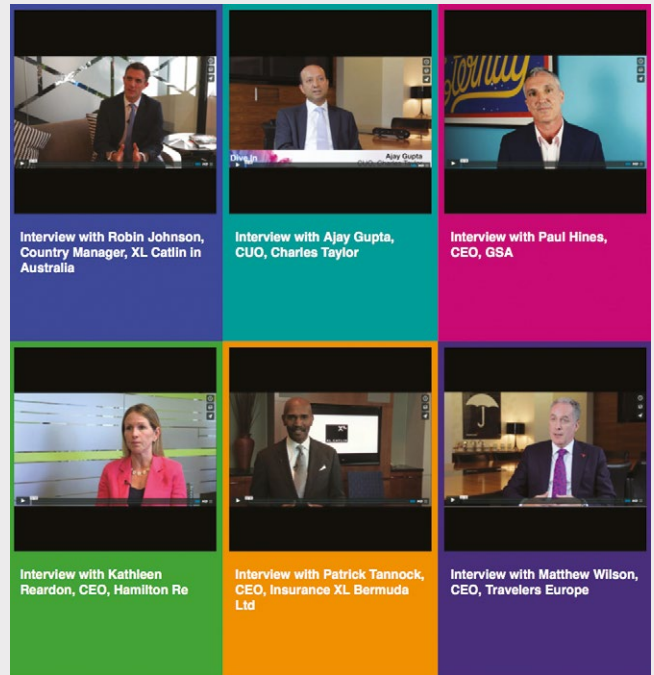
Following the work of Lloyd's in 2015, Inclusion@Lloyd's, in partnership with the Clear Company, carried out an in-depth audit of the current issues and barriers to recruitment practices across the market. The audit found many good intentions but varied capability gaps, including talent sourcing being limited to traditional pools, and a lack of rigour and transparency in interview and shortlist practices.

From these findings, a framework of practical, easy-to-use solutions was created that works to remove hidden barriers to talent and to develop capabilities across market companies.

Inclusion@Lloyd's has so far supported 15 market organisations through inclusive recruitment training and carried out a series of workshops that resulted in 25 accredited participants. A new toolkit is planned for release in 2017.

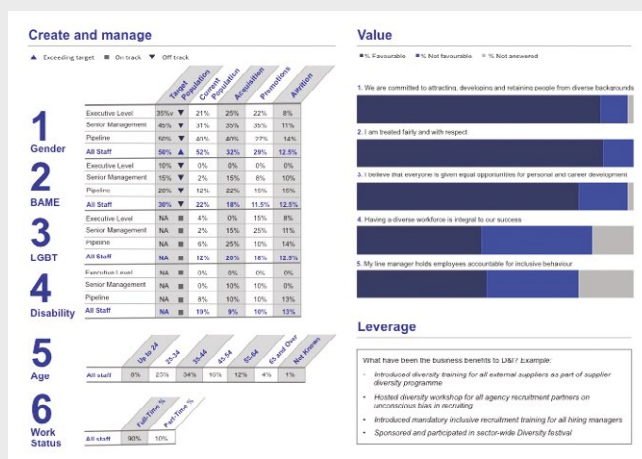
“Here at Market we believe it is important for our managers to be equipped with the right tools to recruit inclusively and consistently. In light of the positive experience we had on the Lloyd’s training course, we have worked with the Clear Company to tailor the course for all of our hiring managers across the UK.”

Joanna Browning
HR Director, Market International



Lloyd’s Scorecard

Inclusion@Lloyd’s created a D&I scorecard to help market companies gain a clear picture of current D&I in their business. As outlined in the final stage of the 5 Steps Guide, the need to report with robust data is invaluable in demonstrating the business case for D&I. By establishing a starting point, it will become easier to demonstrate progress in D&I both at a company and a sector level.



The editable scorecard and guidance for completing it can be downloaded from www.lloyds.com/inclusion. The version that appears here contains data which is for illustrative purposes only.

Learning Videos

We have developed a library of 36 learning videos from inspirational leaders from Dive In 2015 and 2016.

We understand the difficulties that often come with distilling complex topics into bite-sized content, and so each video is just a few minutes long, allowing the viewer to readily access ideas for best practice and to increase understanding.

These resources enable market leaders and D&I champions to deliver key messages and shape discussion throughout their respective organisations. Whether delivered as part of training programmes, showcased during internal events, hosted on employee network portals, or used as pre-requisites for continuous professional development, they are available to all individuals across the market at www.diveinfestival.com/resources.

Year in Review

Inspiring Best Practice

Early in 2016, Inclusion@Lloyd's established the Insurance Diversity Forum (IDF), specifically aimed at HR and D&I professionals. It now comprises representatives from 17 firms across the insurance sector with the collaborative goal of highlighting sector-specific D&I issues and sharing best practice from the industry more widely.

Lloyd's of London sponsored the 2016 programme, Power: Opening Doors for Women in London and Shanghai, providing professional development, leadership opportunities and support to women, while also involving men as gender equality champions. The programme's core objective is to develop women leaders on their individual paths to executive positions.

Inclusion@Lloyd's sponsored the 2016 #BeAGameChanger Awards recognising winners who have contributed to womens' sport on a national and local level.

Building Profile

It was a standout year for recognition of D&I initiatives across the market through a series of high profile awards. Inclusion@Lloyd's won the 2016 British Insurance Awards, Diversity Award, for best practice across the industry as well as picking up five other awards and making four other shortlists or commendations for the Dive In Festival.

Aon was the Insurance Times Awards, D&I Excellence winner for its mental health network initiative, while LINK, the LGBT Insurance Network, was highly commended in the same category for its continued work in helping to build awareness of the importance of inclusive workplace cultures capable of attracting and retaining top LGBT+ talent.

Zurich Insurance proudly scooped the Employers Network for Equality and Inclusion (enei) Employee Engagement Award and achieved the Gold Standard in e-quality, the enei's diversity benchmark, while Lloyd's of London picked up two awards at the Recruitment Industry Disability Initiative (Ridi) awards.





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Photos left and above:

1. Katherine Conway and Paul Martin collect the award for Aon as winner of the Diversity & Inclusion Excellence Award at the 2016 Insurance Times Awards, for its commitment to mental health initiatives.
2. Lloyd's of London won two major awards at the Recruitment Industry Disability Initiative (Ridi) awards in 2016 for 'Greatest Impact' and 'Supply Chain Management' and was highly commended in the 'Employers Choice' category.
3. In 2016, Inclusion@Lloyd's sponsored the 2016 #BeAGameChanger Awards, hosted by The Women's Sports Trust. The two categories that they sponsored recognised winners who had contributed to women's sport on a local and national level. Here, Pauline Miller (Lloyd's) presents the award for Inspiring Initiative (national) to parkrun UK's Head of Event Delivery, Helen Hood.
4. Lloyd's of London sponsored the 2016 Power: Opening Doors for Women in London and Shanghai.

Dive In 2016

Dive In, the market-wide festival for D&I in insurance, went global in its second year in September 2016. The brainchild of Inclusion@Lloyd's, the three-day event attracted over 5,000 attendees and 170 speakers across 10 countries.

With the theme of risk and opportunity, the rallying call was 'Don't get left behind!'. Panel events with industry leaders underscored the bottom-line benefits of diverse workforces and inclusive businesses. Well-known figures inspired audiences with personal stories of overcoming challenges of mental health and discrimination, while workshops with experts in inclusion unlocked unconscious bias, and webinars focused on challenges such as new fathers in the workplace and employees with caring responsibilities for ageing parents.

In a post-event survey, 98% of respondents agreed that D&I are good for business, with a further 82% of first-time festival attendees noting an increase in understanding of D&I as a result of the festival; 98% would recommend the festival to a friend.

Our post-event survey indicated that:

98%

would recommend the festival to a friend

Countries

10

Events around the world

66

Attendees

5,144

Speakers

170

Downloads of the Dive In app

1,430

Visits to the Dive In website

43,680



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Dive In brought the global insurance industry together, with volunteer teams in 16 cities across the world programming and running 66 events. The festival and its messages about the business benefits of D&I were promoted internally and through media partners to a million people working in and around the insurance industry in 10 countries.

These volunteers were mainly drawn from employee resource groups across the Lloyd's market and beyond who united in a shared purpose of promoting the business case for D&I. Their understanding of the issues ensured that the speakers were robustly researched and selected for the relevance of their message.

The festival successfully created a buzz beyond the events themselves. The audience profile of print, online and radio coverage meant news of the festival reached over 16 million people.

“The content was very well suited and included a wide range of information, I loved this year’s festival!”

Festival attendee comment in the post-event survey

Photos:

1. Day one 'Influencing change in gender diversity' in Sydney started with a panel that was chaired by Chris Mackinnon, Lloyd's General Representative in Australia, and was made up of Kelly Lyles, Chief Regional Officer, XL Catlin; Chris Lamb, Global Head of Organisational Development, Lendlease; Suzi Russell-Gilford, Iconic Client Lead Partner, PwC; and Diana Ryall, Founder and Managing Director, Xplore for Success.
2. Iris Teo, CEO, Marsh Singapore, speaks at Lloyd's Singapore for a packed-out Dive In Festival kick-off event on why we should care about diversity.
3. An engaged audience at XL Catlin in Zurich heard from Esther Kramer, Head of Insurance Finance, XL Catlin; Helene L. Westerlind, CEO, Zurich Insurance; Jean-Jacques Henchoz, CEO Reinsurance Europe, Swiss Re; Michael Rüschi, Country Manager Switzerland, XL Catlin; and Nia Joynson-Romanzina, Founder of I³, who all shared their perspectives on how effective D&I practices can deliver strong ROI benefits.
4. Second City Works used the power of improvisation to provide an entertaining demonstration of the benefits of greater workplace D&I during Business Insurance's Absolute Inclusion Leadership Conference in Chicago.
5. Lloyd's CEO Inga Beale welcomed the diverse line-up of talent at the Dive In comedy fringe when entertaining performances brought the house down for the three-day festival finale at Aon.
6. Alastair Campbell gave an honest and open talk on his own experiences with mental health and stressed the important role inclusive workplaces play in promoting mental well-being.
7. Brian Kirwan, CEO, Allianz hosted their event on 'The Modern Family' where panellists Sarah Barker, Ambassador for Mermaids; Neil Grogan, Client Account Manager, Stonewall; Tuvia Borok, Co-founder, P3; and Myles Ruffy, member of the LGBT Insurance Group provided advice for handling conversations about sexual orientation and gender identity within families.
8. Claire Harvey interviewed Tim Hollingsworth, CEO, British Paralympic Association, and Team Great Britain's Paralympic champions Libby Clegg and Ellie Simmonds on their sporting feats and the challenges they overcame.
9. JLT's Question Time debunked a series of disability myths. Experts on the panel included Duncan Slater, Ambassador, Walking with the Wounded; James Partridge, Founder, Changing Faces; Paul Jardine, Executive Vice President, XL Catlin; Bela Gor, Legal Director, Business Disability Forum; and Stephanie Smith, COO, Allianz.
10. Dive In kicked off in London with a host of high calibre and passionate speakers including industry leaders, Inga Beale, CEO, Lloyd's of London and Brian Duperreault, Chairman, Hamilton Insurance Group and Dame Stella Rimington, former Head of MI5 chaired by Carola Hoyos of the FT.

2.0

Around the Market

There have been many great reports on progress across the market in 2016, all with equally valuable stories of experience and activities underway from the smallest to the biggest firms. Below, we caught up with a selection of representatives from five companies to hear about how they are implementing initiatives to support their D&I journey.

XL Catlin



Deirdre Tully

SVP, Global Talent Acquisition and Diversity & Inclusion at XL Catlin

Connecting women across continents

Deirdre Tully, SVP, Global Talent Acquisition and Diversity & Inclusion at XL Catlin

Fresh from landing back home in the US after a global tour with XL Catlin's Women of the World (WoW) network, Deirdre sheds light on the company's continued focus on gender diversity and driving a more inclusive culture, where all colleagues feel empowered to perform and contribute at their highest level.

"We know that women are inherently a diverse group and the attraction, retention and advancement of women is a known industry challenge. Balancing gender diversity is an area where we can make a significant impact. However, companies who focus solely on diversity miss the mark; because if they don't have an inclusive environment for all employees, they'll never reach their full potential."

"Ensuring mid-level, front-line managers are engaged is just as important as leadership. They are the engine of the business."

XL Catlin has rolled out its Women of the World colleague resource group in New York, Stamford, London, and across locations in India, with an additional five new locations planned for this year, Deirdre explains. Its purpose is multi-fold: help women find role models and develop leadership skills; embed career advancing strategies across functions, and give women a community in which to network and learn from colleagues and leaders.

Deirdre highlights, "Although the group is focused on women, we want to build an inclusive experience that encourages all colleagues to share knowledge and ideas and so many events are open to all."

Deirdre makes it clear that XL Catlin continues to drive a culture of reflection internally, challenging the status quo and pushing the boundaries of both perspectives and processes. "Our D&I strategy starts at the very top, and both global and regional leadership teams have readily engaged in launching eight key D&I initiatives since Q1 2016. We're particularly proud of our inclusive family-friendly leave benefits. Likewise, our workforce flexibility initiative challenges all colleagues and our leaders to think more broadly about talent and work arrangements – like part-time, remote working, and job sharing."

On roles and responsibilities, Deirdre highlights that the D&I strategy runs down and across the organisation, stemming from executive sponsorship. "Ensuring mid-level, front-line managers are engaged is just as important as leadership. They are often the engine of the business."

Beazley



Rob Anarfi

Global Head of Compliance and Chair of D&I Steering Committee at Beazley

Refreshing focus and staying aligned

Rob Anarfi, Global Head of Compliance and Chair of D&I Steering Committee at Beazley

How has your D&I strategy evolved recently?

We recently refreshed the membership of our Steering Committee as we like to do periodically – it introduces new energy and ideas from a breadth of roles. To complement this, we set up working groups to focus on specific topics; 21 colleagues from these groups also support the Steering Committee with strategic direction.

Our vision for D&I encompasses all areas but we have focused on gender equality in recent years. During 2016 our board tripled female membership, and the board and executive committee have also committed to increasing female representation in the senior management team to 35% by 2020. With this clear indicator of progress, the Steering Committee and working groups are developing an action plan for further areas of our D&I agenda. In my time here, I have seen an increased focus from the board and senior management on D&I, which has resulted in our excellent involvement in programmes such as the Brokerage summer internship programme, of which we host 12 interns during the summer, and in improved gender

“Good things that will last take longer to build.”

diversity (although naturally we have more work to do even in this area).

How has the support been from across the business?

The D&I initiative is wholly aligned with our ‘Being Beazley’ values. That has helped avoid questions of ‘why’; instead there is a lot of energy across the organisation from individuals looking for what actions we can take and how they can help take us towards our vision.

Lack of congruence with an organisation’s culture and values can be a significant barrier to progress, so I would advise anyone to check these fundamentals and ensure that consistency before getting started. Here at Beazley we’re fortunate that our ‘Being Beazley’ values including Being ‘Honourable’ (doing the right thing), ‘Friendly’, ‘Bold’ and ‘Innovative’ to name a few that support our D&I journey.

What have the main challenges been to instilling a business culture that is open to diversity? How did you overcome these?

A key challenge is not alienating others in the process of focusing on some (currently under-represented) groups. We overcame this challenge by working hard to find the right balance between being bold and being truly inclusive when considering actions and solutions. We should never make others feel alienated or excluded.

What words of wisdom can you share with others working on D&I?

First of all, set a vision that key internal and external stakeholders can understand and some measurable goals and actions to take you there. You also need to accept that it could be a long journey. Changing things related to culture often are. Good things that last will take longer to build!

Around the Market

Atrium Underwriters



Victoria Gobey

Senior Underwriter at
Atrium Underwriters



Emma Smith

Senior Underwriter at
Atrium Underwriters

Striking up a job share

Peter Hargrave, Human Resources Director, Victoria Gobey, Senior Underwriter and Emma Smith, Senior Underwriter at Atrium Underwriters

Atrium has recently confirmed a permanent job share agreement for two senior female underwriters, a more common occurrence in the wider working world but perhaps less often heard within the Lloyd's market due its history of operating face-to-face.

After an initial six-month trial and positive feedback from across the business, the pair emphasised the resounding business rewards in addition to the evident personal benefits that the arrangement brought. Both Victoria and Emma wanted to remain with the business but required terms of flexible working after taking time away to have children. "We are excited and proud to be part of a company that was willing to trial a new way of working. The fact that Atrium was willing to take the risk speaks volumes," they concluded.

The arrangement not only increased underwriter presence on the box but safeguarded their joint knowledge and experience, which they then share across the team and business more widely. They agreed that the team is more robust and able to respond to busy times, with the flexibility to have all bases covered through the spread of their expertise.

Peter Hargrave revealed that having encountered very few examples among his industry peers, he set about creating the job share arrangement from scratch, borrowing from an online public resource (Civil Service Employee Policy: guide to job sharing).

Atrium is open to conducting similar arrangements with other employees in the future thanks to the business benefits that the trial demonstrated. He highlighted that Atrium's willingness to actively consider and support flexible working requests and the excellent track record of female staff returning to work from maternity leave is something they are very proud of. For him, the company's inclusivity reaps strong rewards, namely excellent levels of employee engagement throughout the business, in the UK and internationally.

Miller



William Wilson

Head of Human Resources
at Miller

Aiming high with new initiatives

William Wilson, Head of Human Resources at Miller

What sparked the launch of the Inclusion@Miller initiative in 2016? Why did you decide to make D&I a strategic priority?

We believed there were real benefits for Miller. Our sector is not as diverse or inclusive as it should be and we needed to do something different, so we established our Inclusion@Miller group to get some real traction for D&I here. We are fortunate to have had some of our most talented colleagues volunteer to join the initiative and they are making real progress in setting and driving our agenda.

What specific policies have changed as a result?

We have introduced enhanced maternity pay (90% for 39 weeks) and improved paternity pay, as well as greater flexibility by supporting temporary part-time working and the ability to buy extra holidays and sabbaticals – about 15% of our colleagues have taken these options for 2017. Additionally, we opened our work experience week to participants nominated by Evenbreak, Tower Hamlets BEP and The Brokerage and recruited our first eight apprentices (four men and four women). We're

offering summer internships with the same partners and have added Leonard Cheshire to help increase our access to disabled candidates.

We've agreed gender targets to increase female participation in our most senior positions and introduced technology that will enable increased flexible and agile working. We've signed up as a Gold sponsor for this year's Dive In Festival and we'll be hosting an event.

What have been the challenges to changing policies and setting targets?

We needed to make the business case for change and believe that by leading on D&I, we can gain a competitive advantage by attracting and retaining the very best talent. Overcoming a sense that the D&I agenda has been too focused on gender and recognising that this is simply the most obvious challenge and that addressing it will enable the firm to achieve its broader D&I goals has been a challenge for some of us.

Was anything particularly useful or successful that you would recommend to others?

Yes, I think that getting our Inclusion@Miller group started was the first step. It's increased participation and awareness throughout Miller and helped HR engage more of our colleagues and the wider business in setting and supporting our agenda.

What has been the impact to date?

The impact to date has been really positive – we want to be the best place to work in our market and we're making good progress. The results of our recent staff survey were overwhelmingly positive and our overall engagement index was good. Everyone is talking and thinking about D&I and we're all becoming more aware of unconscious bias and how we can counter it.

How has the experience been in implementing D&I objectives in a smaller organisation?

As a smaller organisation, we have the advantage of being very agile and have been able to quickly mobilise, propose, discuss, agree and implement changes.

Around the Market

Chubb



Louisa Lombardo

Resourcing Business
Partner, Human Resources,
Chubb

Setting up the first D&I Council

Louisa Lombardo, Resourcing Business
Partner, Human Resources, Chubb

How has Chubb progressed D&I in the last 12 months?

2016 has been a big year for D&I initiatives at Chubb. In May we established the first D&I Council, bringing together a total of 25 employees from different areas of the business at different levels of seniority, which was a big milestone for us. Our aim is to engage with passionate and enthusiastic people internally and to leverage the momentum in the market and uncover opportunities to drive change.

Seventy per cent of our employees believe that Chubb is already doing enough to promote D&I in the workplace, which is a good sign, and 98% agree that diverse and inclusive workplaces are important. This shows there is still work to be done.

“If an organisation wants to truly improve the diversity of its workforce, it really needs to focus on recruitment.”

What are the key drivers for D&I in your business?

There is clear ownership from our executive team, for example our President of UK & Ireland, David Robinson, regularly highlights the changing demographic of our customers and the importance of understanding and relating to their varied needs.

We are beginning to reflect the diversity of our customer base organically, especially in our newer digital teams and as we evolve our management and organisation structures and promote from within. For example our UK and Ireland management team is now 50% female.

Have you begun to see changes taking place since the formalisation of the Council? What's been the biggest area in terms of progress?

Recruitment is a really crucial area in the D&I agenda, and if an organisation wants to truly improve the diversity of its workforce, it really needs to focus on this area. How we attract, interview, select and onboard new employees; just a simple change to each of these stages can greatly affect the end result. For example, does the wording you use in your job adverts actively encourage applications from all backgrounds; are you using 'macho' language, or words that may discourage those with a disability like 'active' or 'energetic'? How diverse are your interview panels? How are you assessing each candidate? I'm very aware of the pitfalls and I am working hard to ensure our managers are as well.

Do you have any partnerships that support your commitment to D&I?

I'm an active committee member of the Gender Inclusion Network (a cross-market network connecting the gender forums across the insurance industry) and a member of an industry-wide Diversity Forum. There is clearly a real value in collaboration across the market and through establishing these networks we're providing all employees access to events, resources and networking opportunities to learn from our peers and share experiences. This knowledge-share is invaluable and essential if we want to effect change in the market. Without the support and encouragement of the people I've met, setting up the Council would have been incredibly difficult.

70%

of our employees believe that Chubb is already doing enough to promote D&I in the workplace

98%

of Chubb employees agreed that diverse and inclusive workplaces are important

What five tips would you give to other businesses in the industry that want to promote the value of D&I?

As well as encouraging collaboration, in my experience the 5 'B's are essential:

- 1. Buy-in:** the leaders in the organisation need to understand the benefits and role-model the behaviours from an early stage.
- 2. Bought-in:** involve passionate people who are already bought in, the 'do-ers' who are prepared to give up their time and energy.
- 3. Bite-sized:** identify key objectives and break them down into manageable chunks. Don't try to take on too much at once.
- 4. Bespoke:** analyse your own needs and areas of development, rather than trying to replicate those at other organisations.
- 5. Business:** D&I strategy should support the overall business strategy; therefore making sure both are aligned is key.

3.0

Research

The state of Diversity and Inclusion in the Lloyd's Market
Research by Inclusion@Lloyd's

The Aim

Following the first comprehensive research into the state of D&I in the Lloyd's market last year (available at lloyds.com/inclusion), these pages present an interim update on key results.

HR executives from signatories of the Inclusion@Lloyd's Diversity and Inclusion charter shared data and insights on the landscape of D&I in their organisations. The results provide a useful benchmark for other firms in the Lloyd's market. The research also highlights areas where further support is required from Inclusion@Lloyd's, and will help inform our strategy for the year ahead.

Participants represent 32 companies with employee bases ranging from 90 to 72,000 globally, answering both quantitative and qualitative questions on a voluntary basis. Responses have been anonymised and aggregated, and the resulting data and insights are non-attributed.

What We Found

Overall, there is an upward trend across key metrics and indicators of D&I reflecting the progress made by charter signatories in establishing and embedding policies, practices and behaviours in their organisations.

Results show for a second year running that you don't need high staff numbers and big budgets to make progress happen. In fact, the smallest firms in response to this research all have formal D&I policies in place. Initiatives can be successfully run by engaged individuals in organisations of all shapes and sizes given tools for success and the right support.

Frameworks for action

Increasingly, market organisations are recognising the importance of formalising commitments to diversity as a foundation upon which to build further activity. More than half of respondents (53%) now have a formal D&I policy in place compared to 35% last year, and we are committed to pushing this number higher through our work with the market.

This is bolstered by a significant increase in formal governance structures such as D&I councils set up and in planning for this year. These committees can help ensure that representatives from around the business help draft the D&I policy or help roll it out, bringing different skills and ideas to the table. Learn about Chubb's experience establishing a D&I Council on page 16.

37.5%

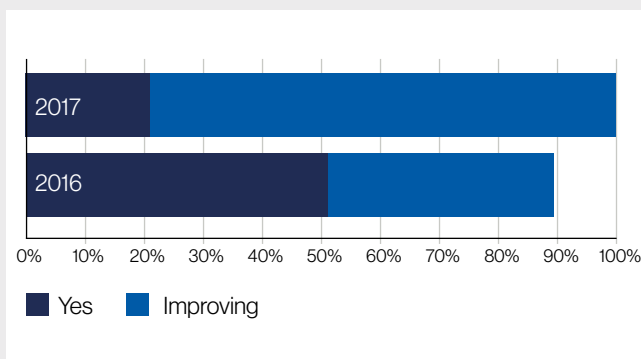
of respondents operate a diversity council or steering committee, almost double that of 2016

Raising the benchmark

We know that internal culture is an important part of making D&I initiatives a success from top to bottom of an organisation. It is interesting to note a significant drop in respondents who feel they have achieved a positive D&I culture in their organisation compared to 2016. This is likely due to an increasing awareness and understanding of what D&I best practice looks like. In short, companies are aiming higher.

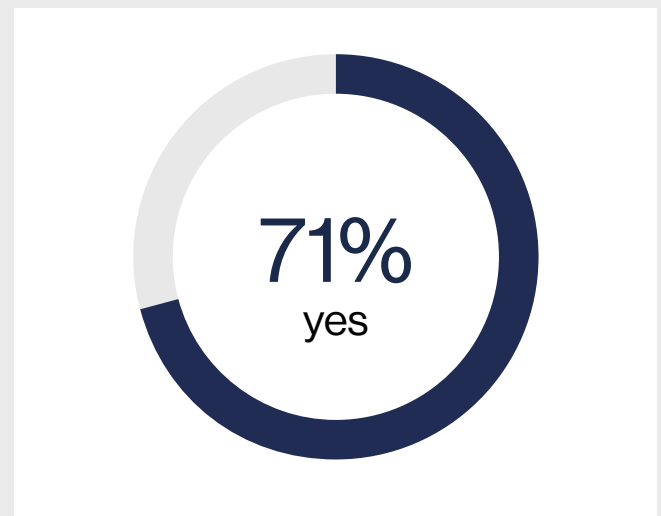
This is borne out by the fact that many more reported an improving D&I culture, suggesting that more HRDs recognise that although achieving a truly positive D&I culture is challenging and complex, the steps they are taking are making an impact. Crucially, all respondents this year report achievement or progress in business culture, with no negative responses to this question.

Would you say there is a positive D&I culture in your organisation?



The raised benchmark is echoed in the reduction in the number of firms reporting 'very engaged' leaders from 35% in 2016 to 28% in 2017. Yet the percentage of organisations reporting a 'hardly engaged' executive leadership has fallen by over half since 2016, indicating an overall positive trend in leadership attitudes and engagement.

Do you currently have any training or development in place that includes D&I?



Employee resource groups are crucial to driving the culture and progress of D&I. They are the engine of the organisation's ambitions to achieve its D&I objectives and encourage participation from cross-practices and levels throughout each business. This year, the percentage of firms with ERGs has almost doubled, climbing from 17.5% in 2016 to 35% today.

Measure what matters

There has been an increase both in the number of firms collecting demographic data, and the breadth of what they capture. All firms capture data on gender and age, and over 60% capture nationality and marital status. Almost half capture ethnicity, with lower figures for disability (34%), religion (21%) and sexual orientation (14%). One firm also captures employees' status regarding care giving, veterans, transgender identity and educational background.

Research

The state of Diversity and Inclusion in the Lloyd's Market Research by Inclusion@Lloyd's

Gender and beyond

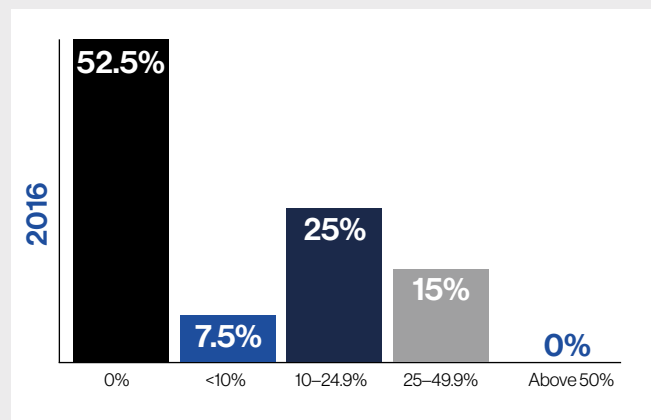
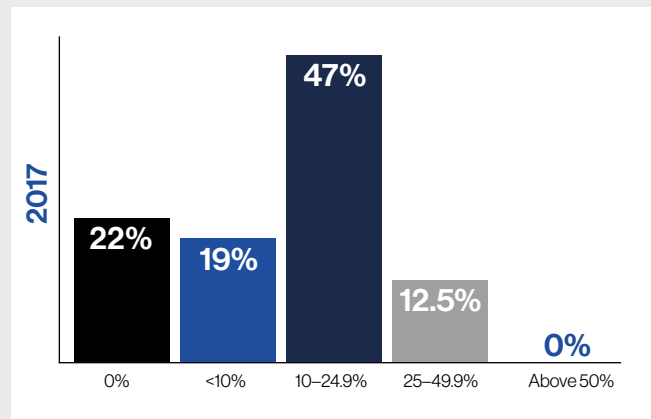
Many companies choose to concentrate on gender equality as the primary focus of D&I initiatives because it's one of the broadest issues (women make up 51% of the UK population) and easy to measure. Significant progress has been made by the insurance industry as a result. Our research sample shows a marked fall in the number of companies with no women on their board from 52.5% in 2016 to 22% this year. There is still a gap in the executive layer, however, with no companies able to report that women occupy 50% of their leadership positions.

More external focus on this topic, from the introduction of the Gender Pay Gap report, to the launch of the Women in Finance Charter and the Hampton-Alexander Review, have bolstered proactive steps towards programmes to support female leadership in many firms.

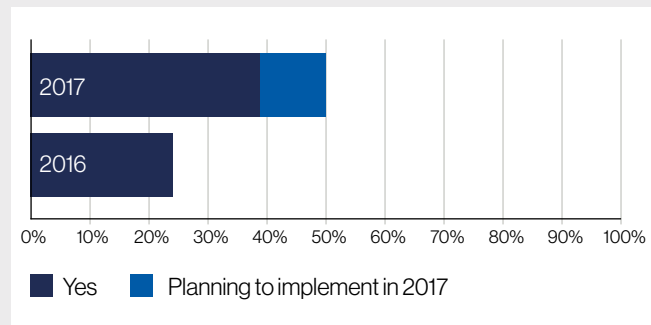
But further to gender, initiatives such as OUTstanding, the leading LGBT+ executives list, as well as the newly expanded EMpower Ethnic Minority Leaders and Future Leaders lists, continue to shine a light on role models and progress across functions and industries.

This enhanced focus is reinforced by our research findings, which reveal that more companies are recording demographic data and increasing the breadth of what they capture.

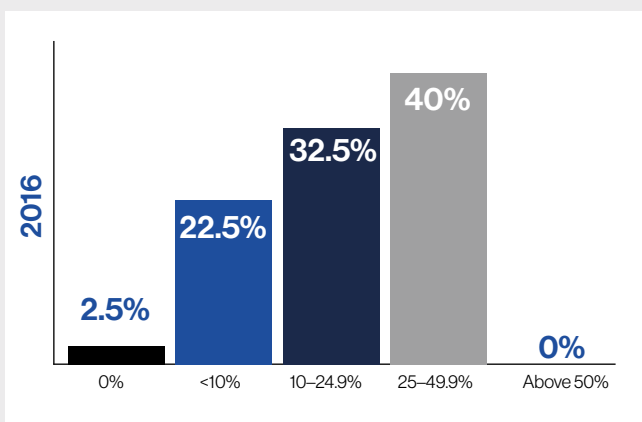
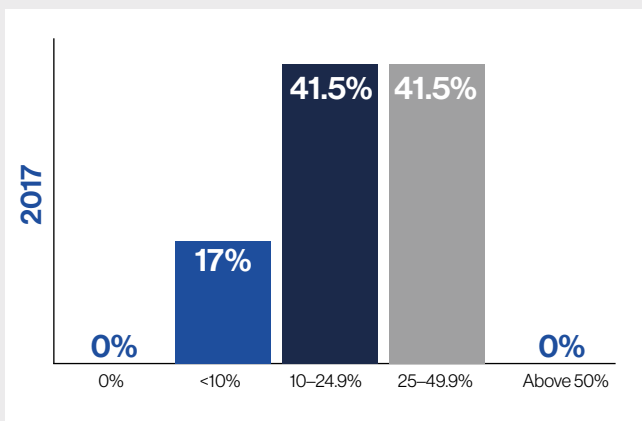
% of women on board



Do you operate a Diversity council or steering committee?



% of women in leadership positions



Summary

While it is encouraging to see such widespread progress, from awareness and education to rolled-out initiatives and policies, there is still some way to go to fulfil long-term objectives.

In terms of the support provided by Inclusion@Lloyd’s, our research respondents told us they value the events, dialogue and practical advice provided by Inclusion@Lloyd’s. Some called for increased

sharing of best practice, initiatives and employee resource groups (ERGs) throughout the market; further information on unconscious bias training; and greater transparency and benchmarking of the industry with a focus on transforming cultures.

Now more than ever, Inclusion@Lloyd’s will increase focus down the line on building a pipeline of female leaders, understanding and reinforcing the use of data and metrics, boosting capabilities in inclusive hiring, and developing broader tools for unconscious bias training to ensure the industry is fit for the future.

“Our research demonstrates progress in strategy and governance through establishment of steering groups and councils and also in D&I training provision in firms across the Lloyd’s market. These advances encompass 3 of the 5 steps we have identified as being the foundations of best practice.”

Pauline Miller,
Head of Diversity and Inclusion at Lloyd’s

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