

## **Welcome to the end of the year edition of the Lloyd's Canada Chronicles.**

As we quickly approach the end of 2023, most importantly, I wanted to take a moment to congratulate all Lloyd's stakeholders – coverholders, open market correspondents, brokers and syndicates, on another mutually successful year for our marketplace. Lloyd's holds a privileged position in the commercial P&C marketplace in Canada and it is entirely because of your support and collaboration.

From a volume perspective, we were happy to see continued robust growth in Canada with a 19.5% increase in Net Premiums Written (NPW), reaching CAD\$5.75 billion by the end of the third quarter 2023. Our combined ratio stood at 70%, which should translate into a predictable renewal season for 01/01 binders and business. Although this strong underwriting performance is a testament to a longstanding and shared commitment to excellence, it cannot allow for complacency in the face of ongoing economic challenges and global volatility. The impact of Canada's tightening monetary policy on interest rates, inflation, and economic activity must be considered in all things we do to assure resilience and our shared on-going success in Canada.

Lloyd's is focused on introducing new risk transfer and risk management tools that provide benefit to our trading partners. To that end, in 2023 we have been busy developing unique business propositions such as the Lloyd's Captive model, which allows captives who are sufficiently sophisticated to become a syndicate, facilitating the ability to insure risks directly in multiple jurisdictions (including Canada) without the need for fronting carriers and the associated fees. We are also developing a multinational platform, unique to Lloyd's, that will permit risks in multiple jurisdictions to be insured in a much more streamlined process. The Lloyd's Lab is the award-winning, global center of insurance innovation, and I am therefore particularly excited that in early 2024 the Lloyd's Lab will launch Cohort 12 with a specific focus on building resilience in the Americas. I hope you will join us in directing Canadian based Insurtech and other innovative ventures to apply to join Cohort 12 of the Lloyd's Lab and gain exposure to the 100 syndicates, 300 Lloyd's brokers and all the stakeholders that make up the Lloyd's global marketplace. For more information about how Canadian startups and insurtechs can apply to join Cohort 12 check out the [Lloyd's Lab website](#). Applications are open from December 11<sup>th</sup> until February 4<sup>th</sup>, 2024.

Throughout 2023 Lloyd's engagement with our stakeholders in Canada has been robust. We hosted successful Coverholder Roadshows in both Vancouver and Calgary, provided a platform for a curated group of Lloyd's coverholders, including Lloyd's Lab alumni, to showcase their risk transfer products to local and regional brokers. If you are interested in participating in a Coverholder Roadshow in 2024 please let us know. In addition, I am proud to say that our first in-person Lloyd's Bootcamp was a resounding success. The Bootcamp, held in Toronto, provided a select group of individuals from coverholders and OMCs, who are relatively new to the industry, with an in-depth understanding of how the Lloyd's market functions.

Lloyd's Canada continued our collaboration with the Canadian Association of Managing General Agents, including Jane Harley, Head of Delegated Authority Oversight, delivering a keynote speech at the CAMGA annual general meeting this past June. Lloyd's was a sponsor of the National Insurance Conference of Canada in Montreal, where Dawn Miller, Commercial Director at Lloyd's, joined a panel to discuss the future of the insurance marketplace in Canada.

For the first time, we also hosted a Lloyd's Lounge at CRIMS, providing syndicates, Lloyd's brokers and coverholders with a dedicated space where meetings could be conducted. I hope you will take advantage of the Lloyd's Lounge at the 2024 CRIMS in Vancouver. Finally, for the first time, Lloyd's Canada attended the Council of Insurance Agents and Brokers Conference in Colorado Springs, USA, to support Canadian based coverholders and brokers attending that conference. Lloyd's Canada will be present at CIAB again in 2024 and would be pleased to support your business development efforts if you are planning on attending next year.

Changing focus, a significant amount of time in 2023 was spent on regulatory engagement. The Lloyd's Canada team has been hard at work engaging with the Government of Quebec and educating the managing agents, Lloyd's brokers, and coverholders about the implications of Bill 96, *An Act respecting French, the official and common language of Québec*. We remain available to offer any support and guidance that might be requested. Throughout 2023 the team has been collaborating with managing agents and coverholders to enhance the oversight of auto/motor underwriting in Canada, setting the foundation for continued profitable growth. We have created the role of Director of Automobile Oversight in Canada to ensure that we possess the subject matter expertise necessary to effectively support the market in this specialized and highly regulated class of business. Finally, Lloyd's has invested significant time and resources to maintain a productive relationship with our Canadian regulators, and continue to dialogue with industry associations, regulators and the federal government regarding various topics including the establishment of a government-sponsored earthquake and flood program.

During 2023 Lloyd's welcomed new colleagues who have quickly become invaluable resources to our stakeholders. Patrick Bisson has joined the Lloyd's Canada team overseeing the Attorney-in-Fact signing process, and Sabine Enderlein, who has been overseeing our coverholder and OMC approval process, will be stepping out from her desk and engaging with the market more directly in the coming year. Most importantly, MaryKate Townsend, who is familiar to most in the Canadian industry, has taken over the critical role of Director of Market Development in Canada.

In closing, allow me to highlight, a few important dates to mark on your calendars for 2024. Based on overwhelming demand, on the 21st of May, in Toronto, Lloyd's will be hosting our Meet the Market event where London comes to town! Look for a save the date notice shortly. Immediately following the Meet the Market, on May 22<sup>nd</sup>, we will host a Lloyd's Bootcamp also in Toronto (if you have suitable candidates, please let us know). Finally, the phase 1 implementation of the Lloyd's Blueprint Two will go live on 1st of July 2024. If you currently connect directly with DXC (now Velonetic), you will need to be prepared for the transition.

Looking back, 2023 has been a year of significant progress and success. Most importantly, I am thankful for the collaboration and partnership that our Canadian stakeholders have engaged in with Lloyd's. Now more than ever, I am excited for what the future of Lloyd's in Canada holds. As always, you are welcome to get in touch using the details below to share your feedback. To one and all, I want to wish everyone very happy holidays and a great new year ahead.

Marc Lipman