
Strategic Review

Vision 2025

Vision 2025 was launched in May 2012. It sets out a strategy designed to enable Lloyd's to face future challenges head on while grasping the opportunities of a fast-changing world.

The stated aim of *Vision 2025* is for Lloyd's to be the global centre for specialist insurance and reinsurance. The plan for the delivery of this aim naturally shifts with changing market and business circumstances and its successful delivery requires a partnership between the Corporation, and managing agents and brokers.

The five-year goals detailed on the next page were set in 2014 so each has four years remaining.
More detail on each of the eight strategic priorities is available on the Lloyd's website at lloyds.com/strategy

Global market access Lloyd's must develop new trading rights in developing markets, supported by effective operational infrastructure, to reflect long-term shifts in the global economy and the dispersal of insurance capacity. This may require a shift away from Lloyd's historic preferred model in some territories. Efforts to increase Lloyd's presence in developing economies will not come at the expense of Lloyd's position in established insurance markets or imperil its existing relationships with distribution partners, clients and regulators.

Five year goal

- Lloyd's premium from developing economies will increase, with greater growth in those territories in which Lloyd's is investing in enhanced market access.
- Lloyd's position in developed economies will be maintained.
- The breadth of Lloyd's distribution and market access will improve with an increased number of distribution relationships in each distribution channel.

Ease of doing business The modernisation of operations and processes remains a high priority. By building a leading industry service proposition covering the London market, international operations and delegated authorities, Lloyd's seeks to make the market more attractive to existing and new business in London and local markets alike.

Five year goal

- Doing business in the Lloyd's market will be more efficient and more attractive. It will be as easy to deal with Lloyd's as other insurance markets.

Market oversight The unique nature of Lloyd's, as a market of independent businesses backed by a mutual Central Fund, requires the Corporation to play a supervisory role. This role covers performance management, capital setting and risk management. In addition to these supervisory activities, it is important that Lloyd's market oversight is supportive of sustainable profitable growth, innovation and is valued by all stakeholders.

Five year goal

- Lloyd's average combined ratio should be favourable to Lloyd's peer group over a five-year period and losses to the Central Fund should be within the market's risk appetite.

Capital Maintaining the attractiveness of Lloyd's to a range of capital providers will underpin the market's future success. Further increasing the diversity of the market's capital base, both by type and by geography, is an important objective.

Five year goal

- Lloyd's will retain its unrivalled diversity of capital, through growth in all types of capital participating at Lloyd's (private, trade, institutional and other).

- The geographic diversity of the Lloyd's capital base will significantly increase, subject to this capital bringing new business and people.

Innovation Lloyd's has cultivated a reputation for innovation and will build on this in the coming years with a focus on product innovation, thought leadership, and alternative capital and alternative products. The existing strengths and expertise of the market, combined with developments in analytics and technology, provide a strong basis from which to develop this capacity for innovation into a competitive advantage.

Five year goal

- Lloyd's reputation for innovation will be demonstrably enhanced, in part through embracing 'alternative' capital and products.

Talent Everyone within Lloyd's is termed as 'talent' – each individual brings their skills, knowledge and experience to their work every day. This is the basis on which the talent programme is being developed. It takes into account those already in place and identifies gaps from a skill set perspective not only in the organisation as it exists now but for where it needs to be in the future.

Five year goal

- The market's workforce will be significantly more diverse and inclusive, and have a higher proportion of professionally qualified staff.

Brand Lloyd's 327-year old brand is globally recognised and highly valued both within the insurance industry, and broader society. The positive role Lloyd's plays in times of crisis, is well documented and the current strength and buoyancy of the marketplace is held in high regard. Nonetheless, as globalisation gathers pace and competition intensifies a programme of work intended to protect the Lloyd's brand and ensure its future power and relevance is underway with the full support of the market.

Five year goal

- Lloyd's brand is globally admired and is attractive to customers, market participants and other stakeholders who make decisions that are relevant to the market's success.

Global corporate social responsibility (CSR) Lloyd's is a responsible global corporate citizen through its ethical principles and practices and sharing of knowledge and expertise. Lloyd's is already highly regarded for the CSR activities it undertakes in its local community, as the market grows and diversifies, so will this activity.

Five year goal

- Lloyd's is a responsible global corporate citizen through its ethical principles and practices, and sharing of knowledge and expertise.

Franchise Goal *To create and maintain a commercial environment at Lloyd's in which the long term return to all capital providers is maximised. Vision 2025* *To be the global centre for specialist insurance and reinsurance.*

<p><i>Market oversight</i> Lloyd's market oversight will be supportive of sustainable profitable growth and will be valued by all stakeholders.</p>	<p><i>Ease of doing business</i> Lloyd's will have a leading industry service proposition, built on excellence in processes, technology and data.</p>
<p><i>Global market access</i> Lloyd's international growth will be enabled by offering optimal trading rights and effective operational infrastructure.</p>	<p><i>Capital</i> Lloyd's optimal capital strength and attractiveness will be designed and demonstrated.</p>

<p><i>Innovation</i></p> <p>Lloyd's will build on its leading edge capability and reputation for innovation in the global insurance industry.</p>	<p><i>Talent</i></p> <p>Lloyd's market and Corporation will continue to attract and retain the best talent through a high performance culture, best practices and inspirational leadership.</p>
<p><i>Brand</i></p> <p>Lloyd's brand will remain admired and attractive to customers and market participants.</p>	<p><i>Global CSR</i></p> <p>Lloyd's will remain a responsible global corporate citizen through its ethical principles and practices, and sharing of knowledge and expertise.</p>