

CEO Update



1. Overview

Q1 was dominated by the resignation of John Neal as CEO of Lloyd's and the commencement of the handover transition from Bruce Carnegie-Brown to Sir Charles Roxburgh before he officially starts on 01 May. The LMA board held a strategy session in March to agree the "key asks" from the LMA of the incoming team – this will be published during Q2. The Lloyd's 2024 results were also announced in late March and further detail on those results is provided below. Other matters of note during the quarter included the LMA's subscription market brokerage (SMB) event and follow-on KC opinion, the launch of our new regulatory horizon scanning report and our 2024 results analysis work – further details are provided below.

2. Primary areas of market focus during Q1 2025

2024 results:

The full Lloyd's results are available via the annual report on their website. The main results to note are as follows:

	2023	2024
GWP	£52.1bn	£55.5bn
COR	84.0%	86.9%
Underwriting result	£5.9bn	£5.3bn
Profit before tax	£10.7bn	£9.6bn
Investment result	£5.3bn	£4.9bn
Attritional loss ratio	48.3%	47.1%
Major claims ratio	3.5%	7.8%
Expense ratio	34.4%	34.4%
Admin cost ratio	11.8%	11.8%
Acquisition cost ratio	22.6%	22.6%
Prior year releases	(2.2%)	(2.4%)
Price movement	+7.2%	0.3%
FX impact	+0.1%	(2.3%)
Volume growth	+4.3%	+8.5%
Capital, reserves, sub loan	£45.3bn	£47.1bn
Return on capital	25.3%	21.0%
Central solvency ratio	503%	435%
Market solvency ratio	207%	205%

While overall a strong result, commentary has generally drawn attention to the lack of movement in both components of the market expense ratio.

High-level class performance was as follows:

	2023 GWP	2024 GWP		2023 COR	2024 COR
Property RI	£8.6bn	£9.9bn		72.8%	75.2%
Casualty RI	£5.2bn	£5.2bn		90%	97.8%
Specialty RI	£3.5bn	£3.7bn		83.5%	106.2%
Property	£14.8bn	£15.9bn		80.0%	81.6%
Casualty	£13bn	£13.4bn		93.6%	90.8%
MAT	£4.3bn	£4.5bn		99.1%	104.3%
Energy	£1.8bn	£1.9bn		84.4%	94.3%
Motor	£0.9bn	£1.0bn		95.7%	89.2%

Finally, the annual report also looked at the principal risks and the high-priority emerging risks facing Lloyd's:

Principal risks	High-priority emerging risks
Sustainable market performance	Climate change
Geopolitical volatility	Technology
Macroeconomic uncertainty	Geopolitical and macroeconomic interdependencies
Climate change	Insurance talent
Blueprint Two	
Operational resilience and evolving cyber security threats	
Talent, people and culture	

With the publication of the 2024 results, Lloyd's also published its estimate for the California wildfires with a best estimate figure of US\$2.3bn net. This gives Lloyd's a market share of 3-5%. 85% of the loss is contained in the property class and 72% of losses are from the 2024 YoA.

For the second year running, the LMA issued its analysis of syndicate results, in conjunction with ICMR. The press release which links to this report is available [here](#).

The report covers the overall performance of the market and conducts a detailed examination of individual syndicate performance. It explores the factors driving growth and profitability across syndicates and analyses the key risk-return profiles with Lloyd's major classes of business. This year, the report includes Reinsurance Property, Casualty and Specialty classes, as well as a deeper analysis of expenses for delegated binder business. Additionally, the report benchmarks the market's performance against liquid specialty (re)insurance investments and catastrophe bond indices.

Various LMA publications and events

In January, the LMA hosted a presentation in the Old Library featuring several eminent lawyers discussing SMB. A recording of the event is available [here](#) on the LMA website. As mentioned in my covering email, this has since been followed by an opinion from a KC – please contact the LMA if you would like to receive a copy.

Following on from the approval of the LMA's legal and regulatory engagement strategy by the LMA board, the LMA has worked with Luther Pendragon to create a monthly horizon scanning

report that will be available to all managing agents. A copy of the first report was attached to this covering email and is exclusively available to members on the LMA website.

The LMA hosted an Old Library event, jointly with barristers' chambers, 7 Kings Bench Walk, to reflect on ten years of the Insurance Act. The panel included Lord Mance and David Hertzell; the law commissioner responsible for drafting the Act. The reflections of the legal community were that the Insurance Act has largely been a success, but some areas of concern were discussed. These included the substitution of conditions precedent for warranties, the use of broker clauses that waive the right to a proper presentation and the s13A implied term regarding the timely payment of claims.

Legal and regulatory matters

The UK Government and the EU are consulting on how to increase the effectiveness of sanctions against Russia, while the US is looking to achieve maximum impact of its sanctions on Iran. As a result, the LMA anticipates there will be new sanctions initiatives to consider. The LMA is also collaborating with Lloyd's in considering scenarios where the UK and US sanctions regimes could start to diverge.

In response to a call for input from the House of Lords about the upcoming renegotiation of the Trade and Cooperation Act (TCA) between the UK and the European Union, the LMA responded with the following requests:

- Maintain at least existing levels of access to the EU
- Work towards a finding of equivalence under Solvency II
- Mutual recognition of professional qualifications
- Youth and professional mobility schemes

The LMA has been closely monitoring the progress of the Retail Investment Strategy (RIS) in the EU, in particular because of an amendment by a French MEP which would, in effect, restrict third country branches outside the EU from doing business other than with respect to that third country. This has significant implications for post-Brexit models of brokers and potentially LIC. There is a very short window for this legislation to be completed at this point and it seems likely that the issue will now be dealt with in a revamp of IDD next year or in 2027.

In response to the new Indian collateral requirements for Indian reinsurance business that came into force on 01 April 2025, the LMA assembled a working group to analyse the various issues, together with Lloyd's India. This resulted in a market presentation and the publication of two model clauses to assist Lloyd's reinsurers with new contractual provisions.

LIC (Belgium) – funds withheld

The reinsurance contract between LIC and syndicates remains at 100% and LIC has continued a dialogue with the Belgian regulator (NBB) over the last couple of years about triggers and potential amounts of collateral held in Belgium for the reinsurance balances. To mitigate regulatory risk, a range of options has been considered with the LMA Finance Committee, seeking to ensure that any arrangement avoids a cliff-edge trigger point but also does not trap significant funds in Belgium, which would add to liquidity constraints. The current proposal involves establishing a working fund in Belgium in which premium is retained to the level of claims reserves (excluding IBNR). This would apply prospectively only from the 2026 year of account. A working group of market representatives from the treasury and investment

communities has been established to collaborate with Lloyd's on the details of the operational processes and the fund investment options. This will be put to the LMA Finance Committee for discussion and approval before implementation.

Blueprint Two, including PPL and Data Council

Velonetic and Lloyd's announced that Blueprint Two Phase One will not go live in 2025 and that the substantive part of market testing will not commence until Q4. Work has continued during the quarter to consider the most effective cutover approach – the decision on this will be communicated to the market in due course.

The LMG's Data Council ran its consultation to extend the Core Data Record (CDR) to include treaty business. This was signed off by the Data Council in early April and will now pass to ACORD in order to align the data standards with the new CDR fields for treaty business.

Velonetic published the "Exit Plan" to all managing agents at the start of April, requesting signing and return by 30 June. This timing is important as it enables essential preparatory work required for cutover to commence in mid-2025, without further compromise to the delivery plan. The primary purpose of the "Exit Plan" is to obtain individual customer consent to copy confidential customer data and documents into the new public cloud environment in which new digital processing services (DPS) will operate. It also seeks consent to put live certain 'micro-services' in the cloud that will be required for DPS but can be directed at provision of existing 'heritage' services until DPS cutover occurs. This consent is required by existing contracts that managing agents have with Velonetic. Additionally, the plan includes the conditions of service readiness that Velonetic and Lloyd's need to meet and the conditions of market readiness that market firms need to meet in order for cutover to proceed, along with the governance process that will make decisions and approve artifacts posted to the Blueprint Two Data Room.

Cultural matters

Non-financial misconduct – In collaboration with the IUA and LIIBA, a series of sessions have been designed to educate senior leaders across the market on the FCA's expectations on non-financial misconduct detection and incident handling. Invites were sent to identified senior leader roles in late March. Sessions will commence in late April with an INED/Board Director session scheduled for mid-June.

MP&P – The annual Market Policies and Practices (MP&P) return seeks to gather market demographic data across all managing agents and the larger brokers. The return is produced and collated by Lloyd's and then published to the market – this year was the sixth iteration of the return. The return is completed by HR Directors within firms every January and is based on data as at 31/12 the previous year. The aim of the return is to understand the market's workforce composition, as well as the policies and the practices of firms who operate in the market, such that those firms can then progress towards building a diverse, inclusive and high-performance culture. As at 31/12/24, the key headlines are:

- The size of the total market workforce is 63,747, which is 56% male and 44% female. The overall volume of hiring decreased last year to 11,433 new hires from 12,215 the previous year.
- The age profile of the market was steady, with 24% of the market workforce under 30 years and 52% under 40 years of age.
- Market attrition rate is 14% (this doesn't differentiate between voluntary and involuntary attrition).

- Women in leadership (board, ExCo, direct reports of ExCo) increased to 36% – this target has also been achieved by 31 managing agents.
- Women hold 27% of roles on Boards, with women in executive positions on Boards increasing to 21%. 39% of NEDs are female.
- Ethnic diversity of the market workforce increased to 14%, while the proportion of leadership positions occupied by persons from an ethnic minority is 12%.
- 17 managing agents achieved the 1 in 3 ethnic minority hiring ambition, down from 22 firms the previous year.
- There are 7,659 people employed in underwriting, of which 38% are female and 11% from an ethnic minority. Currently, 18% of CUOs are female with the future succession pipeline for CUOs showing a declining proportion of women for the second year running down to 15% female, who are ready now or ready within two years.

Significant people changes at Lloyd's and the LMA

Sir Charles Roxburgh KCB will take up the position of Chair of Lloyd's on 01 May 2025, succeeding Bruce Carnegie-Brown after an eight-year term.

John Neal will be leaving Lloyd's, after six years and joining Aon as its Global CEO of Reinsurance and Global Chairman of Climate Solutions, with the leaving date to be confirmed in due course.

Nathan Adams joined Lloyd's as Chief People Officer in January, reporting to the CEO.

Joe Brace joined the LMA on 08 April 2025 as Operations Director. Rob Myers will be retained by the LMA as a consultant to help progress Blueprint Two, while he transitions to retirement in early 2026.

The LMA announced two new board directors during Q1: Bethany Greenwood replaces Rob Anarfi from Beazley and Emma Woolley replaces Chris Rash from Talbot

3. Q3 2024 areas of focus

- LMA priorities for incoming Lloyd's CEO and incoming chairman, Sir Charles Roxburgh.
- Market implications of US tariffs and possible evolution of sanctions position.
- LIC funds withheld project.
- Non-financial misconduct workshops.
- Various Blueprint Two matters, including:
- Support review of Blueprint Two Phase One Exit Plan (for existing contracts) enabling transition to Digital Processing Services Agreement. Signing requested by 30 June.
- Finalise Blueprint Two programme response to unresolved independent assurance reporting requirements over Velonetic delivery/readiness.
- Track progress with and success of (a) forecast completion of technical build and (b) success of Velonetic internal acceptance testing, noted feedback from Vanguard 9 community.
- Publish operational claims handling guidance. V1 covers pre-cutover readiness; v2 will focus on during and post-cutover.
- Revive focus on Phase Two goals and path to realisation of 'better, faster, cheaper' ambition.
- Participating in conjunction with the LMG and City UK on a response to the government consultation on making access to the UK insurance market easier for new capital.

- l. Relaunch of the LMA website.
- m. Substantive progress on the LMA's project to digitise wordings.
- n. Commencement of Claims CDR creation.

4. Key areas of focus across LMA committees and forums during Q1 2025

Committee	Areas of focus during Q2 2025
Underwriting (Elizabeth Wooliston)	<p>The market had requested more guidance on broker commissions and asked the LMA for such. As a result, guidance was issued towards the end of 2024, and in January, two lawyers and a KC were invited to present their views on the requirements and answer questions. A recording of this event is available here which has been widely viewed.</p> <p>Members of the LMA Leadership Team visited LIC in February to discuss strong market feedback from operations, underwriting and regulation. Underwriting topics discussed included clearer timetabling, secondees allocation, the need to review the LIC playbook and a SharePoint spring clean. All these requests are in flight and should be complete by the end of June.</p> <p>A survey was sent out to gauge interest in GIFT City in India. Broadly speaking there was insufficient interest to warrant Lloyd's opening there, so it was agreed to pick up the conversation again in 12 months' time. See also the Indian reinsurance collateralisation point in the main body of the report above.</p> <p>Work started on the LMA Academy programme 'CUO of the Future', which is being built with advice from a panel of existing CUOs. It is due to be launched in January 2026.</p> <p>CSK (a Floridian law firm) ran two back-to-back sessions on litigation funding and abuse which 'sold out' twice. Slides are available on request.</p> <p>The CUO Committee had discussions with Rachel Turk on her continuing strategy for Underwriting; Patrick Davison on the evolution of oversight for 'high-risk' classes of business; and Peter Montenegro on his reflections on business planning.</p> <p>The LMA hosted the Louisiana Commissioner Tim Temple with a panel from the market, who advised their thoughts on meaningful changes they would like to see in this legislative session. Recommendations included reducing ambiguity on proof of loss and the removal of one-way attorney fees.</p> <p><u>Wordings</u></p> <p>Seven clauses were published in Q1 including:</p> <ul style="list-style-type: none"> • Two clauses to assist with Lloyd's requirement to clearly set out lead syndicate security in all contracts.

	<ul style="list-style-type: none"> • Two minor updates to territorial exclusions for the Terrorism & Political Violence market. • Two clauses to assist with compliance with Indian reinsurance collateralisation/funds withheld requirements. -
Finance, Risk, Actuarial & Sustainability (Paul Davenport)	<p><u>Finance</u></p> <p>The Finance Committee agreed that for 2025, it will focus on Lloyd's reporting simplification, talent and career development for finance professionals, acquisition cost analysis, premium collection efficiency and supporting Lloyd's asset infrastructure initiatives.</p> <p>The reporting simplification project steering committee has been re-constituted to comprise three finance committee members and three underwriting/portfolio management representatives from managing agents. The next phase of the project will focus on four workstreams: QMA delta removal, performance management data review, Solvency UK, and re-platforming of RRA and RRQ submissions.</p> <p>Following the Solvency UK briefing by Lloyd's on 27 March, a market pilot has been launched, inviting as many managing agents as possible to participate.</p> <p>The Finance Next Gen group will focus on delivering the Finance Committee priorities around talent pathways, acquisition cost management and premium collection efficiency.</p> <p><u>Treasury and Investments</u></p> <p>The new Treasury & Investments Group has been set up for 2025 under the Finance Committee, with representation from 17 managing agents with Sharon Ingham (Blenheim) and Sufen Lim (TMK) confirmed as committee chair and deputy chair respectively. Priorities for the group focus on the two major projects for this year:</p> <ul style="list-style-type: none"> • Lloyd's asset infrastructure implementation of Blackrock's Aladdin. • Design and implementation of the LIC funds withheld arrangement. <p>Other focus areas for this group will be Lloyd's investment platform, overseas trust fund management responsible investment policies, Lloyd's asset reporting requirements and other cash flow constraints such as premium collection issues.</p> <p><u>Actuarial</u></p>

Reserving return transformation – the new RRQ and RRA returns were successfully completed. As signposted last year, there will be a delay in publishing underwriting development triangles for Q1 until May.

Reserve benchmarking will be revisited after the reserving return submission in June, with feedback from the market expected in Q4.

The individual annual attestation requirement for Solvency UK compliance is being analysed to determine the information managing agents need to provide Lloyd's.

Partial Internal Model (PIM) survey results: mixed responses were received from managing agents. A PIM approach is being considered for capital setting for the 2027 year of account, subject to approval from Lloyd's and the PRA.

The deferred review process for capital submissions, implemented last year, allowed Lloyd's to review and provide feedback to certain aligned syndicates later than the usual time scales. This year, Lloyd's is exploring expanding this process to allow aligned syndicates to benefit from deferred submissions.

The LMA, in conjunction with Barnett Waddingham, conducted a survey about artificial intelligence in actuarial and risk – the results will be published in Q2.

Exposure Management

The cyber group's Practical Management of Cyber Exposures and Aggregations paper was published. This paper highlights the key issues in managing cyber risk today, including data quality and governance.

At the Exposure Management working group forum, attendees and Lloyd's shared updates on recent developments and priorities for 2025. Materials are available on the LMA Finance and Risk Activity Tracker.

Risk

The CRO Committee 2025 priorities focus on enhancing the strategic value of the ORSAs, advancing the management of geopolitical risks supporting the development of Lloyd's Principles-Based Oversight framework, and supporting managing agents with risk culture assessments.

The CRO committee reviewed the findings of the Risk Next Gen Committee's ORSA workstream, whose focus was on improving the strategic value of ORSAs. The Lloyd's governance & risk oversight team is set to publish its own thematic analysis of ORSAs in Q3 this year.

The PBO working group is engaging with Lloyd's on changes to pricing methodology and delegated authority oversight.

	<p><u>Sustainability</u></p> <p>The sustainability committee is focused on development and assessment of transition planning expertise for both managing agents and clients, through both the ongoing LMA/KPMG work on ‘underwriting the transition’ and engagement with the Sustainable Markets Initiative (SMI) through Lloyd’s. The committee continues to monitor developments in climate resilience, sustainability reporting and transition finance.</p>
<p>Claims (Janine Powell)</p>	<p>A “Claims Briefing” was held in the Old Library to outline the LMA Claims Committee’s priorities for 2025. The briefing also outlined the primary risks and opportunity focus areas for the claims sector groups and shared a progress update on the LMA Claims strategy. Kennedy IQ also attended to present the science behind their augmented AI solution “SmartRisk”.</p> <p>The LMA hosted an inaugural broker forum, supported by members from Marsh’s claims leadership team and moderated by the LMA’s Claims Director. Around 45 senior claims leaders attended to hear views on topics, including evolving customer expectations, social inflation, trends in class actions and impacts on claims from the changing geopolitical landscape.</p> <p>Claims Strategy – digital and innovation: in conjunction with Lloyd’s Lab and LIMOSS, the LMA and the claims community informed and supported a successful market services proof of concept (POC) with technology firm DataMnr. The search for companies for the second POC is underway.</p> <p>Claims Strategy – talent: the LMA established the emerging professionals claims community with the aim of facilitating networking and collaboration, broadening knowledge, supporting career development and providing a platform to elevate and promote early claims careers. Separately, the LMA has commenced work on establishing the early talent career pathway for claims.</p> <p>CA Wildfires (cat code: 25A): the LMA mobilised its complex claims group to coordinate support for responding to claims across the impacted lines of business. The LMA updated and (re)issued the reinsurance advance payment protocol and communicated updates issued by the Californian commissioner for insurance. Various situational briefings were held including a presentation from US Counsel and MIS to over 200 claims practitioners.</p> <p>Claims Sector Groups: various activities of note, including an educational trip for property claims handlers to Los Angeles to learn about responding to earthquakes, successful lobbying of Lloyd’s to establish a reliable, scalable contingency solution for central settlement, a cyber claims seminar with MDD forensic accountants focused on AI and accounting issues, contribution to the LMA’s submission to the UK government’s ransomware consultation and finally the LMA consolidated our four emerging professional groups into one.</p>
<p>Legal & Regulatory</p>	<p><u>Legal</u></p>

<p>(Arabella Ramage)</p>	<ul style="list-style-type: none"> - See reports above on SMB, horizon scanning, Indian reinsurance and the EU retail investment strategy. - The Legal Committee is continuing work on the legal and regulatory aspects of the enhanced underwriting paper. - The LMA submitted a response to the Civil Justice Council's (CJC) consultation on litigation funding. Along with other market associations, the LMA asked that consideration should be given to regulating litigation funders. Ray Koh was asked to speak at the CJC's event on litigation funding and the LMA has now been invited to join the CJC's consultation group. This means insurers now have a seat at the table. The ABI was very supportive of this application. - The Home Office is consulting on various proposals to reduce frequency of ransomware attacks in the UK, including banning payment of ransoms by critical infrastructure, compulsory notification of a ransom demand and a requirement for authorisation to pay the ransom. The LMA formed a working group to prepare a response and this included consultation with the cyber committee and LMA financial crime committee. The LMA also worked closely with the ABI and Lloyd's to ensure consistency of responses. The principal asks are more details as to how the proposals would be put into action, that any notification process should not delay payment of a ransom, and that if information is to be gathered, it should be done consistently and the results should be made available to promote awareness of the risk. - The LMA gave presentations on the Economic Crime and Corporate Transparency Act 2023 (ECCTA) with Beale and Co. and are now preparing a document to assist the market with understanding any changes required to demonstrate compliance with the new duty to prevent fraud coming into force in September this year. - Keith Moskowitz DLA presented on the blurring of lines between surplus lines and admitted insurance in the US. - Stewart Buckingham KC presented on Scotbeef – the first significant Insurance Act judgment on warranties. - Jawdat Kurshid KC presented on the new LMA sanctions documentation clause. - The LMA welcomed two new legal and wordings trainees – Max Gross and Muhammed Hammad. <p><u>Regulatory</u></p>
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	<p>- Holman Fenwick and Willan hosted the Compliance Officers quarterly forum and presented on recent regulatory changes, followed by Lloyd's on their 2025 Market Oversight Plan.</p> <p>- Italian NatCat – the LMA coordinated efforts between LIC and interested Lloyd's syndicates to deal with the new Italian requirement to offer NatCat coverage to Italian policyholders. If the policyholder fails to purchase the coverage they lose access to the government backstop.</p> <p>- New Zealand CoFI – the LMA and Lloyd's cooperated with managing agents to deal with the requirements for a fair conduct summary to be provided to policyholders. This work is ongoing to try to minimise duplication of training to coverholders.</p> <p><u>Consultation Responses</u></p> <p>- In Q1 2025 the LMA identified and reviewed 59 separate consultations and calls for input by UK and international regulatory bodies. For many, the LMA worked jointly with other stakeholders such as Lloyd's, LMG and other trade bodies to influence outcomes. The LMA also provided substantive responses to 13 UK regulatory and government consultations including the following:</p> <ul style="list-style-type: none"> • FCA – CP24/2 Part 2: Greater transparency of our enforcement investigations. • FCA – Modernising the Redress System. • FCA – DP24/1: Part 2: Regulation of commercial and bespoke insurance business. • FCA & PRA – Operational resilience: Operational incident and outsourcing and third-party reporting. • PRA – Proposed changes to the UK Insurance Special Purpose Vehicles (UK ISPV) regulatory framework. • European Affairs Committee – The UK-EU Reset and Cooperation and Trade Agreement. • HM Treasury – Captive Insurance Consultation. • Courts & Tribunals Judiciary - Litigation Funding. • Department for Business and Trade – Strategic Steer to the Competition and Markets Authority. • National Security Strategy (Joint Committee) – Undersea Cables Call for Evidence. • Foreign Affairs Committee – UK Sanctions Strategy Call for Evidence. • Environment Agency – Applying Environment Act 2021 civil sanctions.
HR & Academy (Fiona Temple)	<p>- In January, the LMA held an event for HR Directors (HRDs) and Heads of Talent where we launched the LMA Academy events for the year. We were joined by the LMG to outline its early talent initiatives and the Lloyd's Culture</p>

	<p>and Learning team. A short survey was run for HRDs and results shared with participating firms on several HR hot topics.</p> <ul style="list-style-type: none"> - 16 Academy events were delivered in Q1, attended by 258 delegates amounting to almost 2,300 market learning hours. The events were: Working in the Lloyd's Market for Professionals, two x Introduction to Lloyd's and London Marketplace, Commercial Acumen for Underwriters, Contract Wordings – Liability, Global Macro Economics, Data Visualisation with Python, Foundation in Underwriting, Understanding GAAP Reporting, Financial Acumen for Claims, Introduction to Financial Crime, Delegated Authority, Understanding IFRS17 Reporting, Introduction to Python, Understanding the Board in a Lloyd's Managing Agency and Analysing Financial Statements for Underwriters. - The LMA designed two new programmes for launch in Q2: Contingency Underwriting and Claims Ecosystem. - Two focus groups for market early talent leads were held. Ten managing agencies were represented alongside the CII, Lloyd's and the LMG. - Two new early talent events were designed in Q1. Storytelling with Data for Early Talent and Defining AI and Automation for Early Talent which will launch in Q2. The LMA concluded the RFP process for a vendor to design and deliver the LMA Academy Early Talent 'Kick-Starter' programme for launch later in 2025. - A series of video interviews with The Insurer TV were launched to spotlight some of the highly influential women on the LMA's Board and in the Lloyd's market, as part of our continued commitment to representation and visibility in the market.
Operations & Delegated Authority (Rob Myers)	<ul style="list-style-type: none"> - <u>Transition to Blueprint Two phase one and the DPSA contract (Digital Processing Services Agreement)</u> – the Exit Plan was published at the start of April to all managing agents with a request to sign by the end of June. This was the culmination of several months' work including engagement with and feedback from a selection of managing agents and insurance company representatives through Q4 and Q1. - <u>Data-first electronic trading</u> – Operations Committee supported the recommendation to proceed with a sourcing exercise through LIMOSS to procure a central market solution enabling connectivity for managing agents to multiple e-trading platforms. A working group of managing agents is operating to agree requirements for the RFI/RFP processes. - <u>Computable Binding Authority Agreement (CBAA)</u> – work continues on the review, revision and reformatting of wordings. The LMA has started to develop requirements for the (digital) wording objects library.

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| | <ul style="list-style-type: none">- <u>Blueprint Two Phase One testing</u> – the updated approach to conducting Velonetic, Lloyd's and market testing has been shared with market associations and a selection of managing agents, including the Operations Committee members. The topic will be covered in the market briefing at the end of April.- <u>Blueprint Two Phase One cutover approach review</u> – market associations were asked to convene a working group of market firms to assess the risk of the current big bang or 'full-service cutover' approach and explore implications of other viable phased cutover options. Findings of this review have been shared with and accepted by a sub-group of the LMA CRO Committee. The conclusions will be presented to the Lloyd's Council TTC later in April and included in the agenda for the market briefing event at the end of April.- <u>Early talent/job simulations</u> – following the success of the LMA claims team initiative in this area, the LMA Next Generation COO Community is identifying roles in the operations space which would be suited to a similar initiative.- <u>Committee effectiveness reviews</u> – both the Operations and Delegated Authority committees produced positive results which have been shared with the respective committee members. No significant concerns were raised requiring urgent attention.- <u>Lloyd's central settlement: operational resilience</u> – support Lloyd's work to define (and eventually test) a back-up solution for payments in the event of the central settlement service being compromised and not being available.- <u>Streamlined coverholder compliance</u> – support Lloyd's with the finalisation of remaining question sets and prepare for the sourcing of a central technology solution to replace Lloyd's ATLAS. |
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