

LLOYD'S

Lloyd's Global Compact 2019 Report

Our commitment to support the
United Nations' sustainability principles



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Foreword

John Neal, CEO, Lloyd's



I am delighted to publish our first ever United Nations Global Compact report that sets out our responsible business approach in 2019.

As society starts to think about post Covid-19 recovery, it is more important than ever that businesses take the opportunity to think about the kind of world we want to return to and “build back better”.

At Lloyd's, we are working with the rest of the insurance sector and the UK Government to help customers recover from the impacts of Covid-19 and look at what ways we can build greater resilience to systemic threats like pandemics over the longer term.

These include a focus on innovation to ensure we offer our customers new products and services that protect them from their changing risk profiles in a post-Covid world, as well as Recover Re, a government-backed reinsurance vehicle designed to provide “after the event” cover for pandemic-related business recovery.

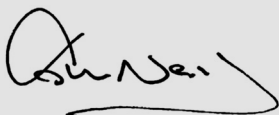
However, our response and that of all other business sectors must go wider if we are to tackle the many challenges society faces, such as inequality, poverty, disease and climate change. We must reflect on how we could build a better, fairer, less polluted, lower carbon world and work together to achieve it. The principles of the better, fairer UN Global Compact and the Sustainable Development Goals help business sectors focus and work consistently towards this ambition.

The Corporation of Lloyd's (the body that provides services to the Lloyd's market) signed up to the Global Compact because we felt its principles dovetailed with Lloyd's purpose of “sharing risk to create a braver world.”

We also felt that by committing to them it would push us as an organisation to move faster, show leadership and demonstrate best practice to the 90 or so syndicates that make up the Lloyd's insurance market.

More broadly, the principles strongly align with the inherent social purpose of insurance in general, which is to help millions of people, communities and businesses recover quickly after disasters by paying claims.

This report represents a continuation of Lloyd's journey to become a more responsible organisation. Our ambition throughout 2020 and beyond is to build on our progress and commitments as described to benefit our people, our customers and society.



About this report

As a new member, this is our first report on the Corporation of Lloyd's activities (2019) in relation to the Global Compact's ten universal principles for human rights, labour, the environment and anti-corruption. Our actions in these areas improve our responsible business practices, thereby supporting the United Nations Sustainable Development Goals.

About Lloyd's

Lloyd's is the world's leading insurance and reinsurance marketplace. It comprises more than 50 insurance companies (managing agents), over 300 registered Lloyd's brokers and a global network of nearly 4,000 local coverholders (managing general agents), who operate in and bring business to the Lloyd's market. The Corporation oversees and supports the Lloyd's market, ensuring it operates efficiently and retains its reputation as the market of choice for specialist insurance and reinsurance risk. (Note: this report details the Corporation's commitment to the United Nations Global Compact, not that of the Lloyd's market as a whole.)

Lloyd's responsible business approach

The Corporation of Lloyd's is committed to being a responsible global corporate citizen by adopting ethical principles and practices, sharing knowledge and expertise, and by making a positive contribution to social and environmental issues. The Corporation operates in a way that meets fundamental responsibilities in the areas of human rights and labour, as well as environment and anti-corruption.

In 2018, we carried out research to understand better our employees' attitudes to responsible business, how the Corporation was performing as a responsible organisation, and what behaviours and actions were required to bring our responsible business strategy to life.

Through an employee survey, interviews and focus groups with employees from a cross-section of roles and departments, including the Executive Committee, participants were asked what responsible business meant for the Lloyd's market in general and the insurance sector. The findings identified four key areas for Lloyd's responsible business approach to address:

- Influencing and working with the market
- Core services, products and operations
- Workplace and culture
- Role in the community

The Corporation of Lloyd's signed up to the United Nations Global Compact in 2018, and in so doing committed to communicating its responsible business approach to its stakeholders on an annual basis.

For more information on the United Nations Global Compact, visit www.unglobalcompact.org 

Our role in the community

The Corporation not only has its own responsible business initiatives, but also manages three independent charities and a volunteer programme on behalf of the Lloyd's market in London. Our initiatives focus on innovation, managing risk, building resilient communities and empowering individuals to reach their potential.

The organisations we support are:

- **Lloyd's Charities Trust:** building resilient communities by supporting causes relevant to the market and our people
- **Lloyd's Patriotic Fund:** the market's military charity
- **Lloyd's Tercentenary Research Foundation:** managing the future of risk
- **Lloyd's Community Programme:** helping individuals achieve their full potential through volunteer support from the Lloyd's market

In 2019, our community initiatives achieved the following:

£956,000

donated to charitable organisations

2,900

business volunteers from more than 70 companies across the Lloyd's market

184

organisations supported worldwide, reaching more than 18,000 people directly

Our commitment to human rights



Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure they are not complicit in human rights abuses.

1. Our commitment to human rights

Introduction

As a global business, with licences to operate in more than 200 territories, the Corporation recognises the importance of upholding human rights. We respect the dignity and rights of every individual who works for us and in the Lloyd's market, as well as those who we work with.

The Corporation fully supports the principles set out in the United Nations Universal Declaration of Human Rights and the International Labour Organisation core labour standards. In doing so, we underpin the Lloyd's market's inherent social purpose of supporting people, businesses and governments by building resilience, reducing risk and helping them recover quickly after disasters by paying claims.

Lloyd's Minimum Standards

The Corporation has a responsibility to ensure our marketplace works in accordance with our values. We do this through our Minimum Standards, which cover all areas of operation and conduct.

See [Lloyd's Minimum Standards](#) for more information.

Complaints

Most Lloyd's policyholders have had a positive experience dealing with the market. However, when issues arise in the UK, Lloyd's has a two-stage complaints procedure to deal with them fairly; for complaints outside the UK, managing agents are responsible for dealing with them, in accordance with the rules in each country.

What we achieved

In 2019 we enhanced our Minimum Standards to provide more robust guidance on responsible business practice. This included demonstrating that:

- The Board and senior leaders establish and oversee the responsible business culture and ethos of their organisations, which includes guidance on ethical values and behaviours
- There is guidance and a process in place for employees to raise concerns and report misconduct
- Their governance and management structures acknowledge the importance of, and have processes in place, to address the social, environmental and ethical impacts of their operations
- They comply with all relevant legislation

What we will do in 2020

We will continue to work in collaboration with our key Lloyd's market stakeholders to share good practice around responsible business activities and to encourage knowledge sharing.

1. Our commitment to human rights

Modern slavery

We have a zero-tolerance approach to human right abuses and modern slavery. In practice, this means we are constantly trying to improve our business practices, systems and controls to combat slavery and human trafficking.

To that end, we work with all our suppliers, contractors and business partners in our global supply chain through our supplier code of conduct, which asks them to tell us about the controls they have in place relating to anti-bribery and financial crime, their approach to diversity and inclusion, and their environmental and health and safety practices.

We also work with them to uphold high standards of conduct regarding safe working conditions, treating workers with dignity and respect, and acting fairly and ethically. This includes those of their employees who work on Lloyd's premises.

We work closely with our suppliers to improve living standards. One way we do this is by being a living wage employer. As a signatory to the Living Wage Foundation, in the UK we guarantee all Lloyd's employees including those working for our sub-contractors, a fair wage that reflects the cost of living. We also make it simple for people to report wrongdoing or illegality regarding wages.

What we achieved

- Agreed a new Human Rights Policy and strengthened our Modern Slavery Act statement
- Introduced a supplier performance and risk management framework
- Refreshed our tender vetting and on-boarding process in relation to suppliers' positions on human rights and other environmental, labour and anti-corruption issues
- Reviewed supplier contract templates to ensure they capture human rights requirements
- Conducted annual risk and performance reviews of critical supplier relationships and vetted new ones
- Re-launched our English language coaching programme between Corporation staff and the employees of our service providers

What we will do in 2020

- Invest in e-procurement tools that make it easier to vet and monitor suppliers
- Include modern slavery risk in our supplier performance and risk management framework

1. Our commitment to human rights

Health and safety

The Corporation has an active working group, the Health Safety and Environmental Co-ordination Group, that ensures the safety and protection of the Corporation's employees, and that the guidelines as laid down in the Health and Safety at Work Act 1974 and in the Corporation's occupational health and safety, environmental and security policies, are adhered to and demonstrate best practice.

Fair treatment

We ensure that all Corporation employees and all companies in the market have a clear understanding of what is expected of them in relation to speaking up about inappropriate behaviour, acting with integrity and being respectful. There are several policies in this area including the Whistleblowing Policy and the Diversity and Inclusion Policy, and there is also a helpline for Corporation and market employees to ring should they need advice in this area. If behaviour standards are breached, we can act against the perpetrators, which can include banning them from working in the Lloyd's market.

Family care provisions

As part of our commitment to employee welfare, in 2019 we revised and reissued our care policies, which now lead the sector by providing significantly more benefits than the statutory requirement. For example, our family care provision provides 26 weeks paid leave for primary or secondary caregivers when they start a family, with an additional four weeks full pay to support a phased return to work. It applies to all genders, regardless of how they choose to start a family. The policy also offers five days of paid emergency leave, sabbaticals, flexible working practices and a "dress for your day" ethos.

What we achieved

- Applied sanctions, including bans on entering the Lloyd's building and working in the market when appropriate to ensure minimum standards are adhered to

- Set up a confidential, independently managed, 24/7 bullying and harassment advice line
- Issued clear and simple standards of business conduct to the Lloyd's market and began a review of the market policies and practices
- Ran a successful #SpeakUp campaign in 2019 that seeks to address directly the Lloyd's annual culture survey findings to encourage everyone to take responsibility and act when they witness or experience inappropriate behaviour
- Introduced active bystander training to empower individuals to act and intervene whenever they witness inappropriate behaviour
- Launched market-leading family friendly policies at Lloyd's and a best practice guide for the market
- Appointed a Talent and Culture Non-Executive Director for Lloyd's to ensure inclusive leadership ☺
- Created an external expert advisory group to ensure inclusivity, set metrics and design action plans

What we will do in 2020

- Establish gender balance targets to increase the number of women at the senior leadership level across the Lloyd's market
- Publish a Lloyd's culture dashboard with CEO responsibility to measure progress in 2020 on the culture within the Corporation and the Lloyd's market
- Extend our inclusive hiring training to our charity partners to encourage best practice in the charity sector

1. Our commitment to human rights

Community impacts

We work with several charities through Lloyd's Charities Trust to advance human rights. Between 2016 and 2019, these included RedR UK, Build Change and Whizz-Kidz. For more information on our partnerships, see our impact report here. [↗](#)

What we achieved (2016-2019)

- Supported RedR to develop the skills of 3,400 humanitarian workers responding to global crises
- Partnered with Build Change to improve the resilience of communities by retrofitting homes in Medellin in Colombia and Manila in the Philippines to make them stronger and better able to withstand disasters, and to help communities influence local governments
- Funded mobility therapists working with Whizz-Kidz to improve the lives of 470 disabled children

What we will do in 2020

- Embed our new partnership between Lloyd's Charities Trust and Habitat for Humanity Great Britain to build community resilience in disaster-affected countries

Relevant links

- [Modern Slavery Act statement](#) [↗](#)
- [Supplier Code of Conduct](#) [↗](#)
- [Sustainable Procurement](#) [↗](#)
- [Talent Development](#) [↗](#)
- [Future Culture at Lloyd's](#) [↗](#)
- [Business Conduct](#) [↗](#)
- [Data Collection toolkit](#) [↗](#)
- [The Clear Company](#) [↗](#)
- We also have a [Human Rights Policy](#), [Whistleblowing Policy](#), [Anti-Bullying and Harassment Policy](#), [Diversity and Inclusion Policy](#) and [Talent Development Policy](#) for the Corporation of Lloyd's

Our commitment
to fair labour



Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; and

Principle 4: the elimination of all forms of forced and compulsory labour; and

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

2. Our commitment to fair labour

Introduction

Lloyd's strives to be a leader in the sector in attracting, developing and retaining talent, recognising we need world-class employees to compete in the global insurance marketplace. The Corporation supports this aim by creating an inclusive workplace and providing equal opportunities for everyone, regardless of race, nationality, gender and religion. Lloyd's complies with all equal opportunity, civil rights, human rights and labour laws.

Inclusivity

The Corporation promotes inclusivity at work through six employee resource groups: the Cultural Awareness Network, the Families Network, Inspire – our gender network, the Personal Assistant Network, and Pride and Allies and Workability (encouraging disability-friendly practices in the Corporation).

Each year, we take part in the Stonewall Workplace Equality Index to benchmark our progress on LGBT inclusion in the workplace. In 2019, the Corporation was placed 95th, rising more than 100 places in two years, and making the Top 100 of the index for the first time.

As part of our commitment to create a diverse and inclusive market we lead Inclusion@Lloyd's, a market-wide group representing senior leaders from across the Lloyd's market, providing strategy, governance and best practice for Lloyd's and the wider insurance market.

We also lead and sponsor the Dive In festival, which promotes diversity and inclusion in the insurance sector around the world. Spread across three days, 2019's events took place in 32 countries and more than 60 cities. The 2019 theme was #time4inclusion in response to Lloyd's research that found that CEOs see time as the biggest barrier to creating inclusive cultures in their organisations.

What we achieved

- Produced a wide range of resources and toolkits to individuals and companies on diversity and inclusion topics
- Ranked in the Top 100 Stonewall Workplace Equality Index for the first time
- Delivered the fifth Dive In festival in 2019 with events in 32 countries and more than 60 cities
- Held the Dive In Impact Awards, acknowledging the people, networks, and organisations who reflect its mission, and have made a marked impact in Diversity and Inclusion within insurance

What we will do in 2020

- Expand Dive In to have more of a global presence across the Lloyd's market
- Extend Lloyd's new family friendly policies to its global offices

2. Our commitment to fair labour

Gender equality

The Corporation is committed to creating greater gender equality within the organisation and throughout the Lloyd's market. In 2019, the Corporation reported a gender pay gap of 23.6%, an increase of 3.7 percentage points compared to last year, which showed a gap of 19.9%. This is primarily due to changes to our executive team last year.

There has been better progress on the mean bonus pay gap, which at 28.3%, represents a decrease of 1.8% compared to last year. The median bonus gap has also decreased - by 9.6% to 33.2%. While 2018 figures were partially impacted by the way we paid bonuses that year, the mean and median bonus figures over the past three years show the gap is closing.

Lloyd's is a charter signatory of the Women in Finance Charter, a UK Government-backed initiative designed to improve gender diversity in senior positions across the financial services sector. As part of our commitment, we set a target to achieve at least 40% male and at least 40% female representation in our senior management population by 2021.

We carried out several other steps to promote gender equality, including:

- Rolled out unconscious bias awareness learning and supporting resources for senior leaders
- Signed up to the [Working Forward campaign](#) [Ⓞ] to support new parents, which has led to the recent introduction of gender-neutral parental policies in the UK
- Introduced a market-wide female development programme, [Advance](#) [Ⓞ], and implanted mandatory inclusive hiring workshops for all hiring managers that will help us achieve our gender targets

What we achieved

- Ran mandatory on-line training modules on conflicts of interest and diversity in the workplace
- Put 33 future female leaders through the market-wide Advance programme
- Put 38 people from the Corporation and market through Lloyd's management training programme

What we will do in 2020

- Grow the Advance programme to include a virtual offering, increasing the number of cohorts
- Continue and grow targeted training and development programmes to increase gender balance
- Put in place a gender balance plan in 2020 that will set clear and measurable targets for improving the representation of women at senior levels within the Lloyd's market

2. Our commitment to fair labour

Wellbeing

This year, we made a wide range of resources and toolkits available to colleagues and companies on diversity and inclusion, including resources for working parents and mental health at work toolkits. Lloyd's also has its own Wellbeing Centre in the Lloyd's building in London providing a range of medical services to the Corporation and the Lloyd's market.

What we achieved

- Ran a varied programme of workshops, events and resources to support wellbeing across the Lloyd's market through Wellbeing@Lloyd's
- Formalised a network of wellbeing champions with 120 trained and visible champions in place

What we will do in 2020

- Run a wellbeing campaign to raise awareness of personal resilience and mental wellbeing
- Release a wellbeing strategy for the Corporation and roll it out to the Lloyd's market
- Grow our network of wellbeing champions in the Corporation and the Lloyd's market

Relevant links

- Lloyd's 2019 Gender Pay Gap report [Ⓞ](#)
- Family Guidance [Ⓞ](#)
- 5 steps to diversity and inclusion [Ⓞ](#)
- D&I scorecard [Ⓞ](#)
- DiveIn [Ⓞ](#)
- Inclusion@Lloyd's [Ⓞ](#)
- Inclusive behaviours in insurance [Ⓞ](#)
- Women in Finance Charter [Ⓞ](#)
- Working forward campaign [Ⓞ](#)

Our commitment
to the environment



Principle 7: Businesses should support a precautionary approach to environmental challenges; and

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

3. Our commitment to the environment

Introduction

The Corporation is a founding member of ClimateWise, the global network of leading insurance industry organisations, and is in regular dialogue with insurers, businesses, NGOs and policymakers to address the challenges of climate change. The Corporation has a number of initiatives in place to reduce its carbon footprint through a combination of environmental and energy reducing activities.

Responsible investment

The Corporation has a responsible investment strategy that is built upon three core pillars:

- Protecting the Central Fund assets by considering environmental, social and governance risks
- Promoting responsible business practices in companies through activities such as corporate engagement and shareholder action
- Providing capital to support a sustainable future, through investments in green and social impact bonds, and by excluding investments in coal-focused companies

As part of this approach and acknowledging that coal combustion is believed to be the largest single cause of global greenhouse gas emissions, we implemented a coal exclusion policy in April 2018. This is applicable to those Central Fund assets held directly in segregated portfolios.

For the full details of our approach in the [Lloyd's Central Fund strategy](#) ©

ClimateWise

Climate change affects everyone, and recent natural disasters show the cost climate change could cause insurers in the future and the devastating impact it has on businesses and communities. Lloyd's is therefore in regular dialogue with insurers, businesses and policymakers to address the challenges posed by climate change that affect our sector and society in general.

In 2007, Lloyd's became one of the founding members of ClimateWise, the global network of leading insurance industry organisations focused on driving action on climate change.

The ClimateWise principles were developed following consultation between The Prince of Wales's Business & Sustainability Programme, Lloyd's, the Association of British Insurers and other insurance market participants. Lloyd's is an active member of the group, which has more than 30 insurance companies as members, including ten managing agents in the Lloyd's market.

The latest ClimateWise report can be found at <https://www.lloyds.com/about-lloyds/responsible-business/environment/climatewise> ©

3. Our commitment to the environment

Lobbying

Our government policy team engages directly with UK and EU regulators to discuss regulatory policy to facilitate adaptation and mitigation of climate change. For example, in January 2019, we provided a detailed response to the FCA's discussion paper on climate change and green finance.

Reducing our carbon footprint

The Corporation has been working with Avieco (formally Carbon Smart), our environmental consultants, to track greenhouse gas emissions from our global operations. These are published each year in our annual report. In 2019, we continued to reduce our emissions on a total global basis from 9,732 tCO₂e (tonnes of carbon dioxide equivalent) in 2018 to 8,364 tCO₂e – a reduction of 14%. We have reduced our total global emissions per full time employee (FTE) by 23% from 9.4 tCO₂e/FTE in 2018 to 7.3 tCO₂e/FTE in 2019. We introduced reporting against the Energy and Carbon Report Regulations in 2019, one year prior to the regulatory requirement.

The Corporation has a “zero to landfill” policy with 82% of our waste from UK offices recycled and the rest used as fuel for power generation. Lloyd's commitment to waste management is recognised by our status as a Platinum Award member in the City of London's Clean City Campaign. Lloyd's purchases 100% renewable electricity for our offices in London and Kent. We also implemented chemical-free cleaning in our UK offices and use a self-charge hybrid car for postal services.

We offset air travel emissions by buying carbon credits for carbon offset projects through Natural Capital Partners. For example, we have purchased credits for an “improved cookstoves” project in India, which reduces indoor pollution.

Supply chain management

We expect our suppliers to support sound environmental management principles and reduce their impact through our supplier code of conduct. Among other things, we ask that they:

- Have a written environmental/sustainability policy or equivalent
- Have effective internal environmental management programmes with adequately trained staff responsible for managing the organisation's environmental performance
- Try to use products which can be re-used, recycled, used in an energy-efficient manner and which cause minimal environmental damage at all stages of the supply chain
- Must abide by all legislation and regulations related to the protection of the environment and the handling of dangerous and hazardous materials

Product innovation

We strengthened our position as a global centre of insurance innovation through the Lloyd's Lab, a leading hub for technology-led innovation, which has seen more than 500 international insurtechs applying to join in its first two years. Success stories include Parsyl, which provides an internet-of-things sensor that can help protect sensitive shipments such as vaccines being sent to the developing world; FloodFlash, which installs flood sensors to speed up claims payments – paying claims from Storm Ciara flooding within one day, for instance; and ClimaCell, which uses micro-weather forecasting to help customers reduce their exposure to meteorological events.

3. Our commitment to the environment

OASIS Loss Modelling Framework

Lloyd's is a founder-member of OASIS LMF and provides its Chairman to this organisation. OASIS is an open source catastrophe modelling platform which the insurance industry has made available via GitHub.

Oasis has been retained to facilitate the co-development of catastrophe models for flood in the Philippines and windstorm in Bangladesh, bringing together a multinational public-private partnership to build solutions to understand and manage the increasing costs of disasters. We are pleased to join other industry members in supporting OASIS, which is funded by the International Climate Initiative of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety.

Reducing environmental impacts through our charity partners

Lloyd's charities also focused on addressing environmental issues through partnerships with key organisations. Lloyd's Charities Trust and Lloyd's Tercentenary Research Foundation reviewed their strategies in 2019 and have placed a greater focus on funding climate-related risks going forward.

One example of a climate-related project funded through Lloyd's Tercentenary Research Foundation was a two-year research project led by the Smithsonian Tropical Research Institute, which increased understanding of large-scale and long-term implications of land-use choices throughout the tropics. It will create a science-based tool to better inform choices that can minimise negative environmental and economic impacts.

We have also created and launched Lloyd's Charities Trust's new strategy, which will build climate resilience through disaster risk reduction. We launched a new partnership with Habitat for Humanity Great Britain, funding a flood resilience programme in Malawi. In addition, the Corporation is funding a project in partnership with Mercy Corps, to educate smallholder families in east Africa about risk management and the benefits of agricultural insurance.

3. Our commitment to the environment

What we achieved

- Reduced our carbon footprint by 14% in 2019 compared to 2018
- Supported the revision of the ClimateWise principles to align fully with the recommendations set out by the Taskforce for Climate-related Financial Disclosures
- Delivered 80 presentations on climate-related risks to key stakeholders in the market, and to regulator and government programmes
- Celebrated the United Nation's World Environment Day with a week of global environmental initiatives in June
- Ran a recycling awareness campaign in our London office, educating colleagues, visitors and tenants about how to improve recycling
- Reduced water consumption in our London office in October 2019 by 57% compared to the same month in 2018
- Reduced food waste in our London restaurant by more than 50%
- Replaced plastic cutlery, coffee lids, and take-away food containers in the UK restaurants with PLA (corn starch) and replaced plastic straws with paper straws

What we will do in 2020

- Continue to set targets to reduce our carbon footprint and encourage environmentally friendly behaviours across the Corporation and the Lloyd's market
- Replace the current compact fluorescent lamps across the ground floor in the underwriting room in London with new LED lamps; aiming for an almost 50% reduction in power consumption
- Work with contractors to encourage bicycle deliveries as well as consolidate orders into single deliveries in the UK
- Respond to global climate emergencies as appropriate
- Run further cohorts in the Lloyd's Lab to encourage innovation
- Publication of a report titled "Below 2C" [Ⓞ] which explores the implications of decarbonisation on key sectors of the economy and suggests insurance responses
- Publication of a series of reports titled "Renewable Energy: Risk and Reward" [Ⓞ] which explore the rapid advances in renewable energy and highlight insurance responses
- Share the knowledge and skills that exist in the Lloyd's market with our charity partner, Habitat for Humanity Great Britain, to enable the organisation to respond better to disasters globally and to develop preventative approaches

Relevant links

- Environmental Commitments [Ⓞ]
- ClimateWise [Ⓞ]
- Environmental Policy [Ⓞ]
- Emerging Risks library [Ⓞ]
- Energy and Carbon Report [Ⓞ]
- Responsible Investment strategy [Ⓞ]

Our commitment to anti-corruption



Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.

4. Our commitment to anti-corruption

Introduction

Lloyd's complies with anti-corruption laws, has a robust anti-corruption approach and encourages a supportive environment where employees feel able to speak up. Anti-bribery and corruption, anti-money laundering, conflicts of interest and diversity in the workplace on-line training modules are mandatory for all employees.

Financial crime

The Corporation is committed to ensuring the Lloyd's market, associated parties and the Corporation itself has robust systems, policies and controls in place to minimise the risk of financial crime. This includes the six pillars of financial crime: money laundering/terrorist financing, sanctions, bribery and corruption, tax evasion facilitation, fraud and market abuse/insider dealing. The Corporation also makes sure the market adheres to the financial crime-related minimum standards, and that it complies with financial crime prevention requirements.

Whistleblowing

We continue to strengthen our whistleblowing protocols by ensuring selected employees are equipped to handle concerns and by increasing the channels people can use to report concerns (e.g. a web-based reporting system and a mobile reporting app). More than 1,000 staff members also completed whistleblowing training during the year with others completing more specialised training. We are currently obliged to report to the PRA on the soundness of our whistleblowing systems and controls on an annual basis for each of the years 2020, 2021 and 2022.

What we achieved

- Ensured more than 1,000 Corporation employees completed whistleblowing training, whilst others completed more specialist training
- Improved our reporting mechanisms for whistleblowing, making them easier to access and more widely known

What we will do in 2020

- Embed and develop the whistleblowing procedures already put in place, particularly among staff operating outside of the UK
- Refresh training materials and make them available to additional staff
- Assess the design and operating effectiveness of our key processes and controls
- Organise a review by Protect (the whistleblowing charity) to benchmark our Whistleblowing Policy against our peers

Relevant links

- Policyholder complaints [Ⓞ](#)
- International complaints [Ⓞ](#)
- UK complaints [Ⓞ](#)
- Corporation complaints [Ⓞ](#)
- Agents complaints [Ⓞ](#)
- Lloyd's Arbitration Scheme [Ⓞ](#)



Our ambition

Thank you for reading our first report on our commitment to the ten principles of the United Nations Global Compact. Our ambition throughout 2020 is to act on our commitments as outlined in this report. As the Corporation of Lloyd's, we aim to improve our reporting against the United Nations Sustainable Development Goals for 2020 onwards and encourage the Lloyd's market to take a more responsible business approach in relation to the Global Compact's ten principles.



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