

LLOYD'S



Blueprint Two

Annual progress update

11 December 2023



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Opening remarks



John Neal
CEO, Lloyd's

What does successful delivery of Blueprint Two look like?

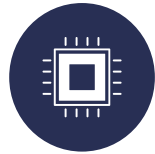
Phase one objective:

Market participants are ready for cutover by end of June 2024



Phase two objective:

All brokers and carriers are successfully using full digital services



Technical readiness

- Platform meets all agreed technical and design specifications
- Functionality validated through Vanguard programme, with robust user testing coordinated by LIMOSS



Organisational readiness

- Training on new portals provided
- Onboarding, support and operations help desk scaled and ready



Market readiness

- Market stakeholders understand benefits and changes needed and are ready to adopt
- Regulators are engaged and quality assurance for new platform services is completed

On track to deliver Blueprint Two in 2024



We remain on track to deliver the Blueprint Two roadmap



Technology build continues to progress



Phase one digital services will be live on 1 July 2024



Four critical activities required to prepare for cutover



We'll share the H1 2024 adoption plan with you today

Four actions to prepare for cutover

1

Testing

Prepare to test your processes and technology with the new platform

2

Messaging

Work with your service providers to implement messaging changes

3

Training

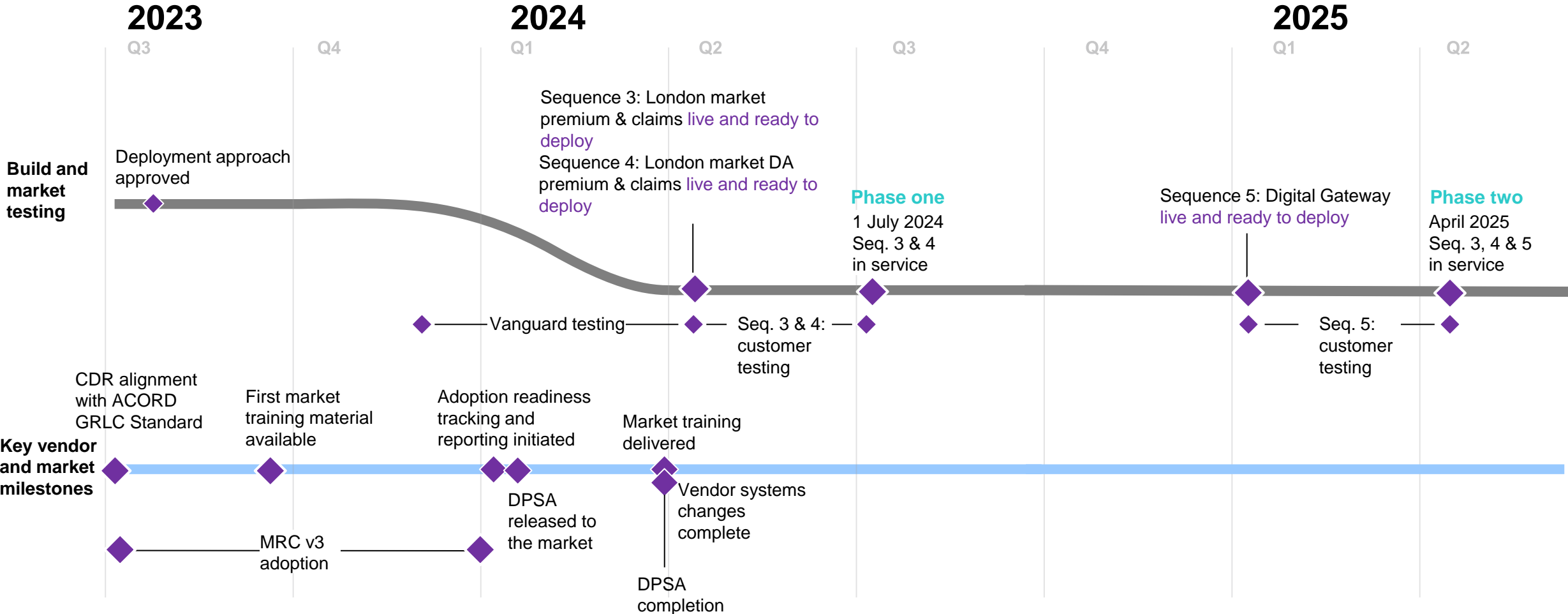
Identify users of the new portals and ensure they are appropriately trained

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DPSA signatures

Clarify who is accountable for driving adoption and completing your DPSA

Delivering Blueprint Two through 2024 and 2025



Full digital functionality will be available from 1 April 2025

Panel discussion



Sheila Cameron
CEO, LMA



Christopher Croft
CEO, LIIBA



Richard Dudley
Global Head of
Climate Strategy,
Aon



Dave Matcham
CEO, IUA



Sean McGovern
CEO, AXA XL
UK & Lloyd's



John Neal
CEO, Lloyd's

Breakout session one: Build, Vanguard and testing



Ruan Ebersohn
Program Director,
DXC



Ray Johnston
Head of Customer
Success, Velonetic



Sian Keeble
Product Manager,
Velonetic



Alvaro Montenegro
Product Technology
Director, Velonetic

Strong progress made on phase one technical build



Build on track and phase one services go live on 1 July 2024



Build adjusted to include 39 customised EDI messages to aid adoption



Proportional treaty will be included in phase one delivery

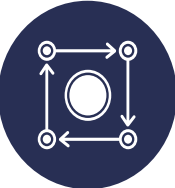


Phase two postponement enables enhanced Gateway content from market feedback



Watchlist items: proportional treaty, EDI and MI

We'll have three end-customer testing offerings



Vanguard testing

Early functionality testing by select customers



Coordinated self-service

Test environment for wider market, with coordination by LIMOSS and support by Velonetic



Enhanced self-service

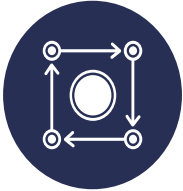
Additional Velonetic support for supplementary testing beyond coordinated self-service, at an added cost (pricing TBC)



Findings from testing to be coordinated across all 3 offerings

Test reports will feed into the overall governance process

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Vanguard testing

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Significant strides have been made on Vanguard

- 1 Vanguard test environment is now ready
- 2 Initial connectivity testing has begun
- 3 Participant set has expanded to over 30 brokers and carriers, consistent with scale of previous market testing efforts
- 4 Training approach is being piloted with participants, as part of a comprehensive and coordinated testing framework
- 5 Progressing to London market testing in 2024, with focus on comprehensive coverage across phase one services
- 6 2024 will also ramp-up a dedicated vendor workstream to facilitate vendor communication and enhance coverage for technical integration



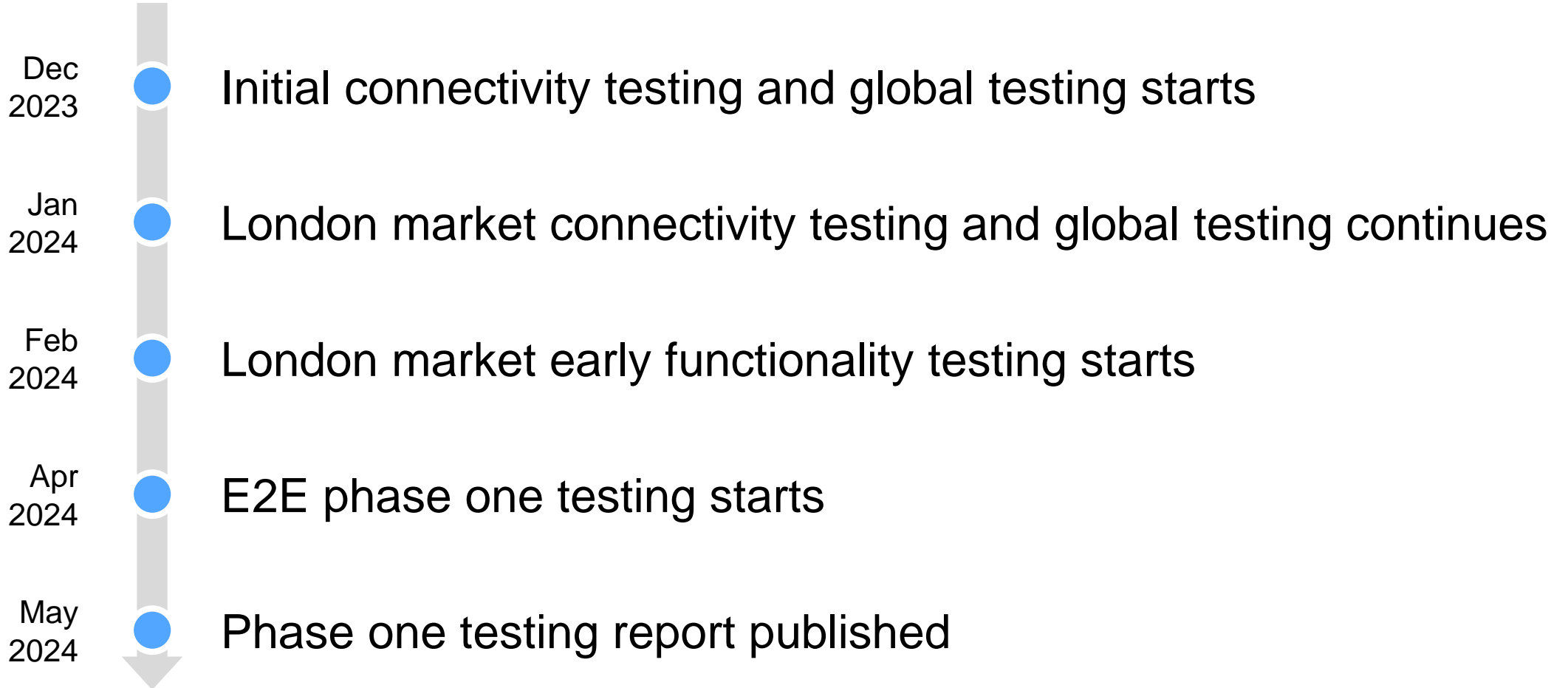
Vendor testing is embedded within the approach

- 1 Technical integration across major vendor platform verified via connectivity testing
 - Connectivity testing, covering key vendor testing aspects, is the first phase of Vanguard testing
 - Integration of customer systems with platform endpoints, and ability to transmit/consume files validated
- 2 Further vendor connectivity testing enabled via ASG gateway (already accessible)
- 3 Dedicated vendor workstream will ramp-up in 2024, streamlining communication and providing opportunity to drive improved coverage on technical integration

Majority of key technology vendors are represented by their customers in Vanguard

The image displays a collection of logos for various technology vendors. The logos are arranged in a grid-like fashion. The vendors shown are: DXC TECHNOLOGY, Advantage GO, gpm, GUIDEWIRE, eurobase international group, WOL, DOCOSOFT, Verisk, Trace Group, Novidea, P|P|L, MORNING DATA, ACORD Solutions Group, and EBIX.

Vanguard London market testing will kick-off in Q1 2024



We'll have three end-customer testing offerings



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Early functionality testing by select customers



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Test environment for wider market, with coordination by LIMOSS and support by Velonetic



Enhanced self-service

Additional Velonetic support for supplementary testing beyond coordinated self-service, at an added cost (pricing TBC)

Two offerings for end-customer testing from April 2024, in addition to Vanguard



Coordinated self-service

Test environment for wider market, with coordination by LIMOSS and support by Velonetic

- ✓ Coordination of testing parties by LIMOSS
- ✓ Velonetic support for execution of end-to-end tests
- ✓ Traceability matrix for planning & reporting
- ✓ Access to training resources, scenario catalogue & release documentation
- ✓ Technical onboarding onto environment
- ✓ Defect management support



Enhanced self-service

Additional Velonetic support for supplementary testing beyond coordinated self-service, at an added cost (pricing TBC)

- ✓ *Everything in coordinated self-service, plus ...*
- ✓ Support on test planning for supplemental testing
- ✓ Development & execution of bespoke test scenarios

LIMOSS will play a key role in coordinated self-service

- 1 Coordinate testing parties between brokers and carriers
- 2 Support customers in finalising scenarios to test, and defining test plans
- 3 Support customers with preparing their data for testing
- 4 Support in development of traceability matrix for planning and reporting
- 5 Review test results and validating coverage

Exact roles and responsibilities to be defined in January 2024

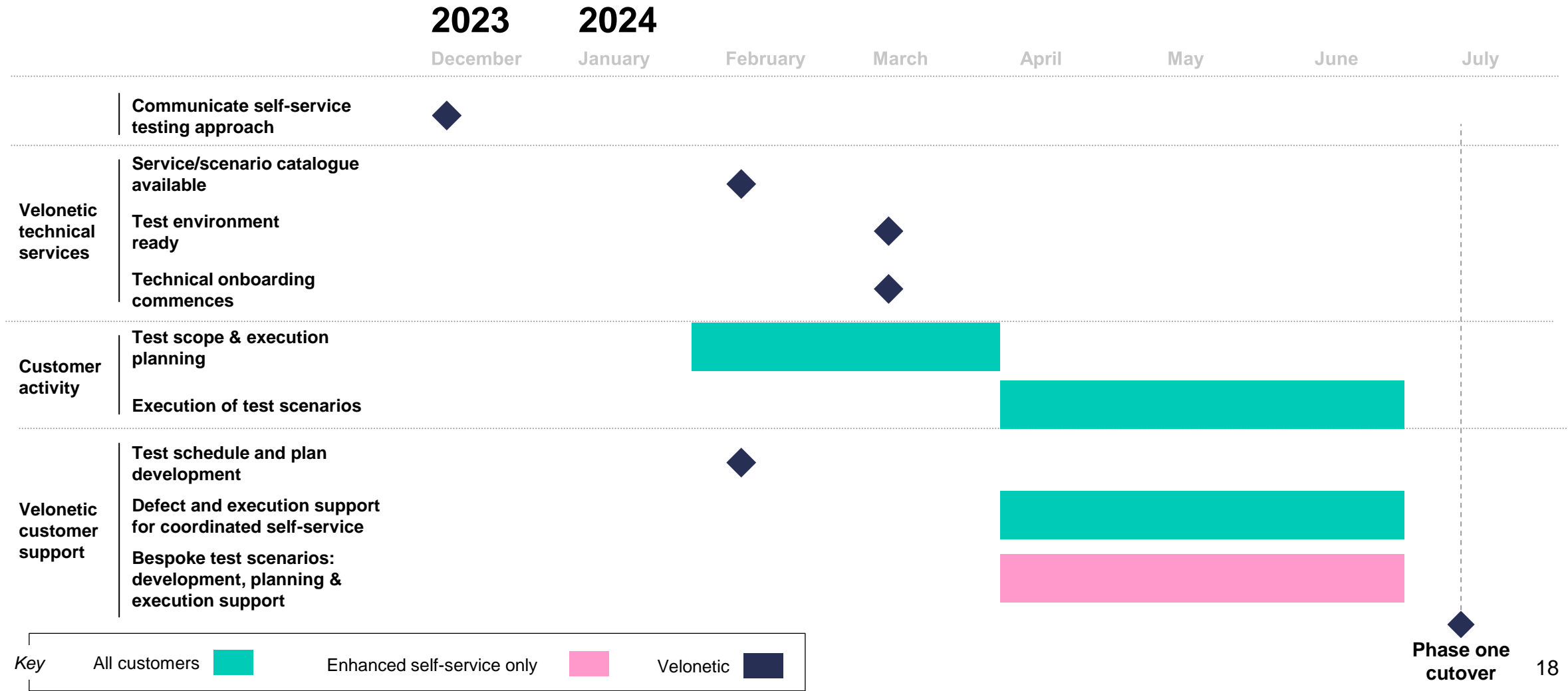
Robust governance process will ensure active coordination among all stakeholders across offerings

Governance structure



- ✓ Monthly reviews from March 2024 on execution progress and test completion reports
- ✓ Inputs to feed into the Lloyd's / IUA governance forums (once finalised)
- ✓ Weekly reviews from March 2024 for coverage and execution monitoring

You can start testing from April 2024



Key actions you now need to take



Agree and implement required messaging changes



Stay tuned on Vanguard connectivity and test results, available on the new Blueprint Two website



Select a self-service model and schedule via our engagement partners and Velonetic, ready for April 2024 launch

Breakout session two: Adoption, training and onboarding



Matt Unsworth
Transformation Director, Lloyd's



Bob Verber
Commercial Director, Velonetic

Your responses to the latest market survey show strong momentum and progress in your adoption readiness

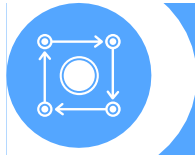


Senior stakeholder support within firms

% of respondents receiving medium to high level of senior stakeholder support in their firm



Brokers: 100%
Carriers: 97%



Progression on change management

% of respondents have now initiated plans on change management for Blueprint Two



Brokers: 96%
Carriers: 94%



Resource allocation within firms

% of respondents that have started to allocate resources for Blueprint Two



Brokers: 78%
Carriers: 90%




Confidence in system provider readiness

% of service providers having a medium to high level of confidence in their systems being ready for July 2024





Broker systems: 80%
Carrier systems: 57%

Responses also highlight areas for further action

 **Messaging** **73%** of carriers and **39%** of brokers had **reviewed and validated their EDI messaging list** (further details on customisation have been shared)

 **Adoption guide** **55%** of carriers and **48%** of brokers had **met** or were **arranging to meet with those required to deliver the change** (as of 24 Oct)

 **Change assessment** **78%** of brokers and **66%** of carriers have a medium understanding of **changes required and impact on operational activities**

 **Stakeholder analysis** **57%** of brokers and **33%** of carriers are **still identifying stakeholders** whose insight is needed and are yet to factor this into their planning

 **Budgeting** **86%** of carriers and **70%** of brokers have planned to meet **Blueprint Two development or project costs for 2024**

Tracking market readiness



Dashboard report for overall market readiness updated monthly from January – July 2024



Questions are based on readiness activities in the phase one adoption guide



Readiness scores calculated monthly to identify best performing firms and key concerns

Illustrative outputs



Key resources to support your adoption plan

1



Adoption guide

Iterative guide with the latest information on key people, process and technology changes

2



Model office

Interactive spaces on Galleries 3 and 4, facilitating adoption workshops led by Lloyd's and Velonetic engagement team

3



Blueprint Two website

Refreshed website centralising all details and artefacts in one place

4



Training site

Central repository with all training materials

5



Vanguard programme

Sharing experiences and insights from Vanguard testing

6



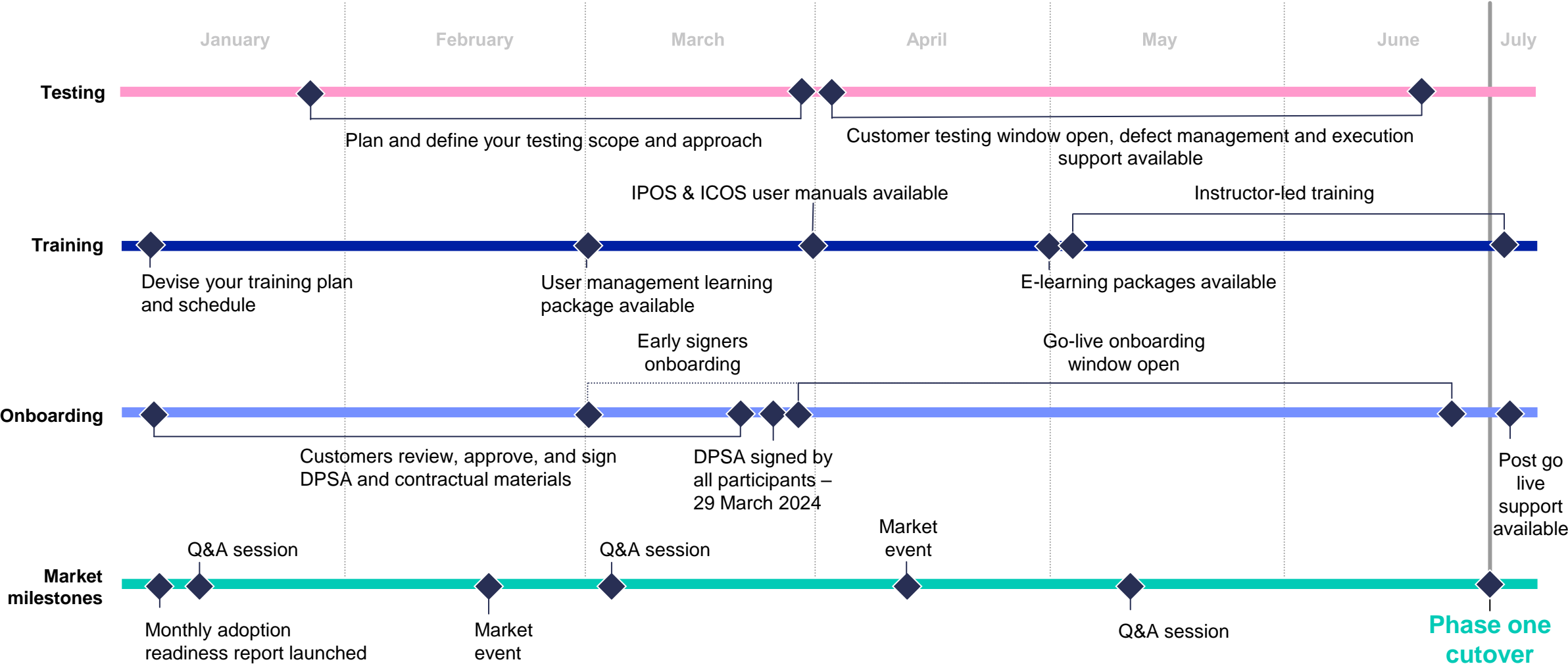
Market events

Quarterly events to share key information and actions required to adopt the new digital services

*Next event:
26 February*

Supported by an experienced, collaborative Blueprint Two engagement and CRM team

Your key adoption moments in H1 2024



Key takeaways on our training and onboarding approach



Training

Market training and user management education will be available to support market readiness

- ✓ IPOS & ICOS user manuals will be available from 29 March 2024
- ✓ E-learning training packages available from 1 May 2024
- ✓ Instructor-led training viability will be assessed based on market feedback via market survey



Onboarding

User admin-driven approach with service option will ensure efficient onboarding

- ✓ User admins will take ownership of onboarding within each market firm
- ✓ Go live onboarding runs from April to cutover date; early DPSSA signers can begin onboarding from February

A range of e-learning packages available from 1 May 2024

Phase one learning packages

Premiums

Claims

LORS

User administration

Proportional treaty

Typical modules for premiums and claims based on lifecycle stages

Submissions

Query management

Reporting

Lifecycle management

Delegated authority

Settlement

Notifications

Data enquiries



Modules customised for brokers



Modules customised for underwriters

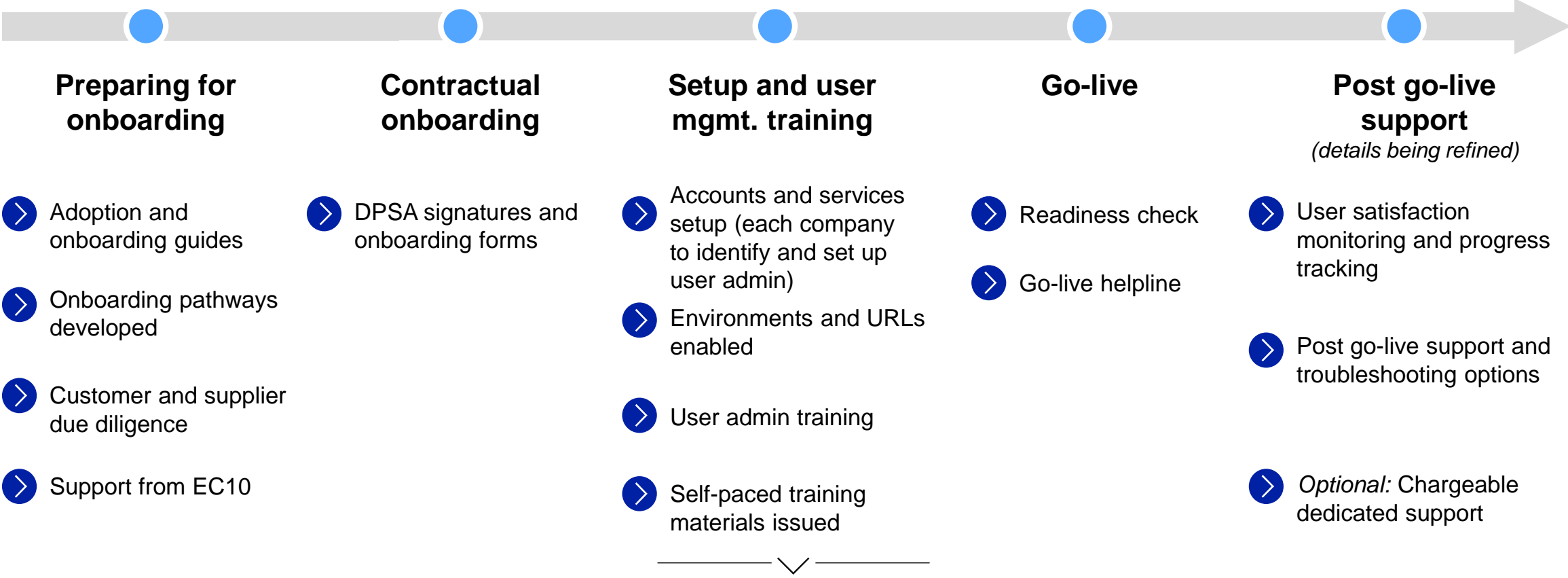
We'll work with Vanguard to test and enhance education materials from February – April 2024

Gaining your feedback on our training approach...

Vote at:
[slido.com](https://www.slido.com)
Code: #3068549






Several touchpoints along the onboarding journey to support customers

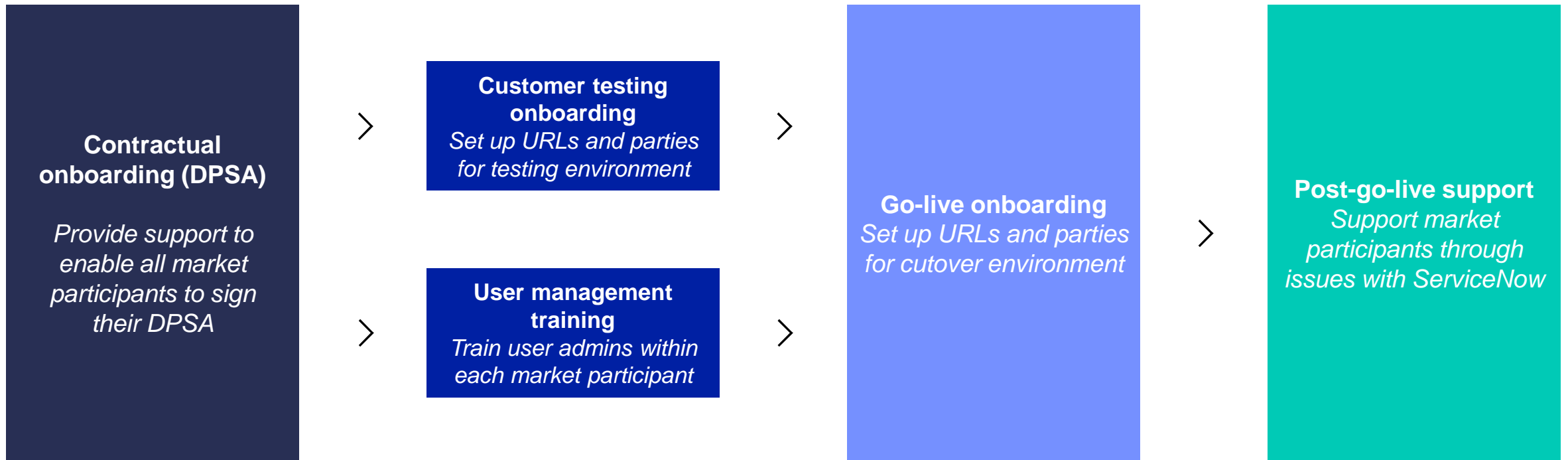


Note: User admin sets up individual users

Key milestones for onboarding pathway

 Milestone	 Activity	 Date
1	User admins identified by market firms and sent to Velonetic	Jan 2024
2	Customers review and sign DPSA	Jan – March 2024
3	User management learning packages available	1 March 2024
4	Early signers onboarding available	1 March 2024
5	Customer testing window	2 April – 21 June 2024
6	Go-live onboarding window	2 April – 21 June 2024
7	Go-live on new digital platform	1 July 2024
8	Post-go-live support available	1 July 2024

Supporting you through our onboarding approach



Key actions you now need to take



Map key stakeholders whose insight and buy-in are necessary to effect the changes



Identify who will coordinate and receive training in March and inform your engagement partner



Nominate the right people to operationalise and lead testing and onboarding processes



Ensure that your accountable Blueprint Two champions are fully leveraging engagement team

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Plenary: Digital Processing Service Agreement (DPSA) & pricing



Chris Halbard
CEO, Velonetic

Close engagement with the market on the new DPSA



Complete DPSA, released to the market in January 2024 for signature



Detailed processing services catalogue completes December 2023



Assessing customer panel's feedback on contractual terms and pricing principles



Incorporate feedback, finalise language and detailed pricing negotiations with market

associations:

> Financial terms (i.e. COLA)

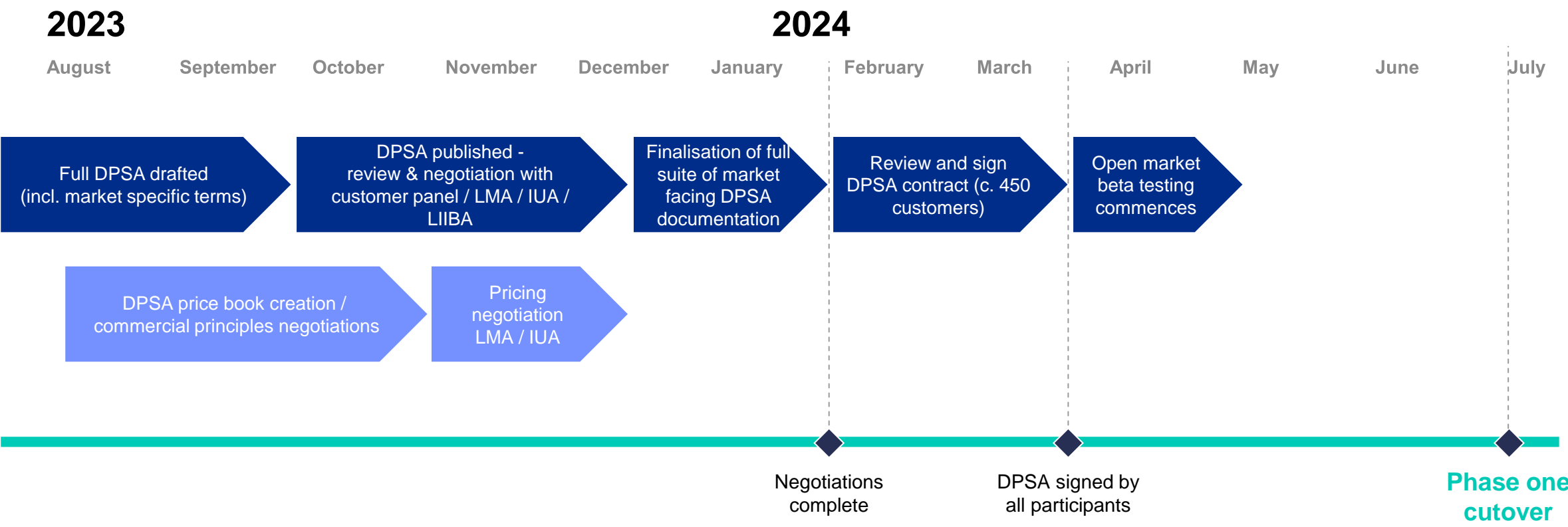
> Service/performance descriptions

> Governance

> Limitations of liability

> Conditions of acceptance

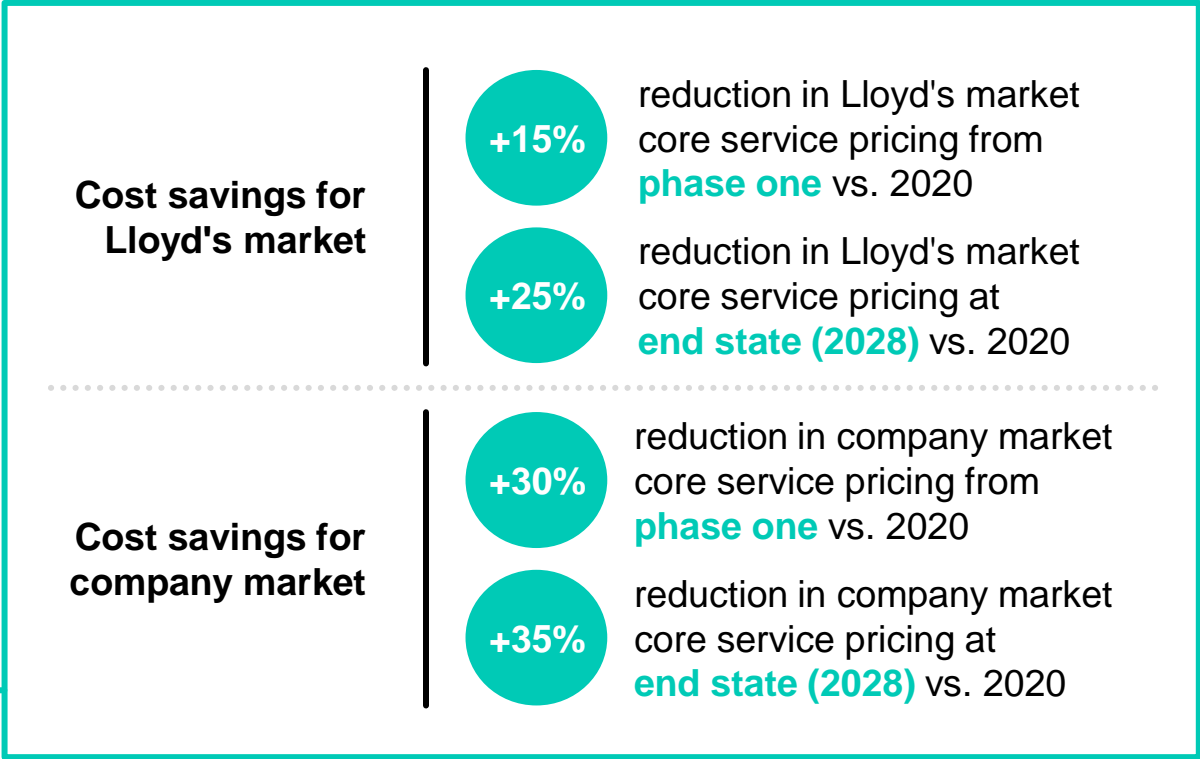
Clear path forward for completing DPSA



Committed to delivering cost savings through DPSA

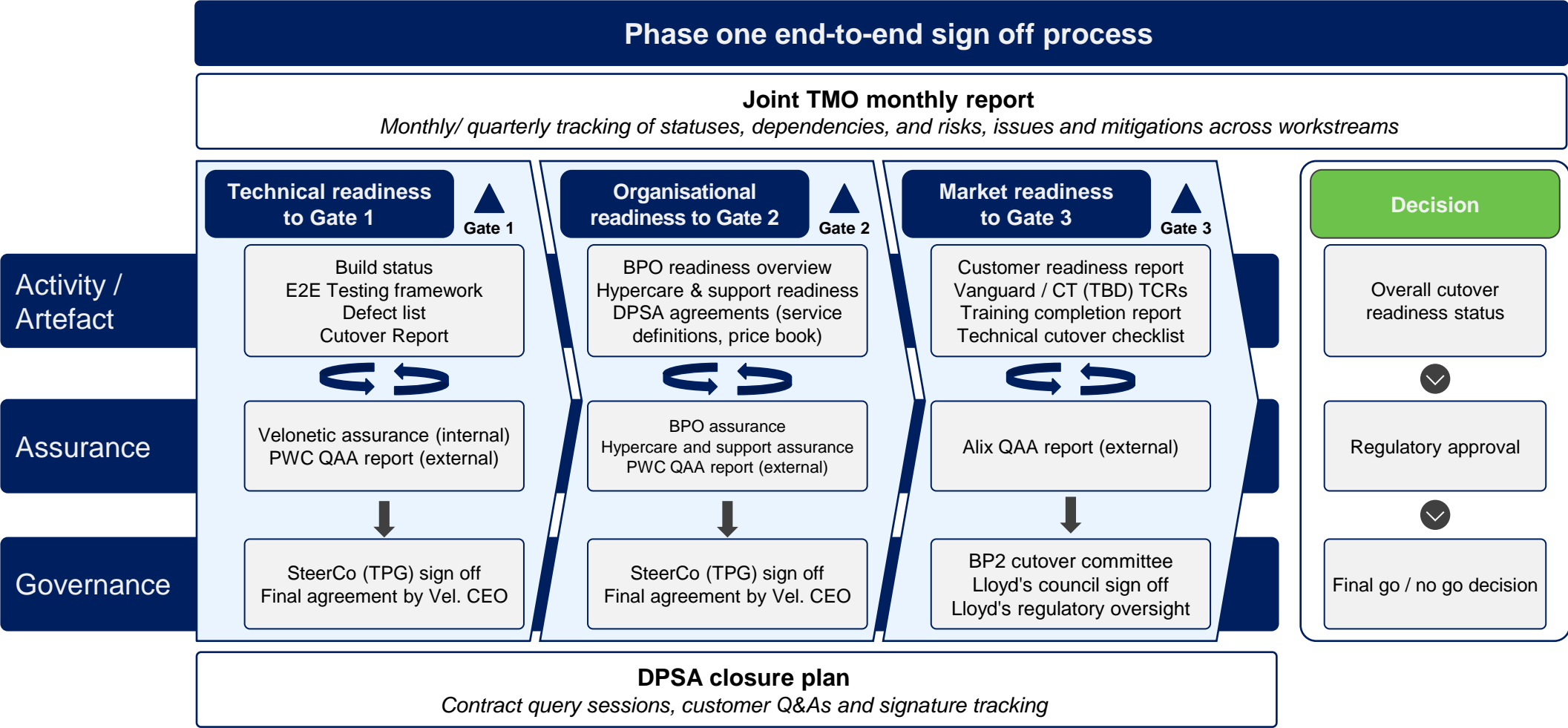
Key takeaways

- DPSA drafting and pricing negotiations remain on schedule to underpin cutover
- Newly introduced risk validation services and supporting subscription model reviewed by market representatives
- Association endorsements on core services pricing expected for January release



Note: savings are indicative based on current DPSA; may change following negotiations

Robust sign off process ahead of market cutover



Plenary: The only option is adoption



Bob James
COO, Lloyd's



Chris Halbard
CEO, Velonetic

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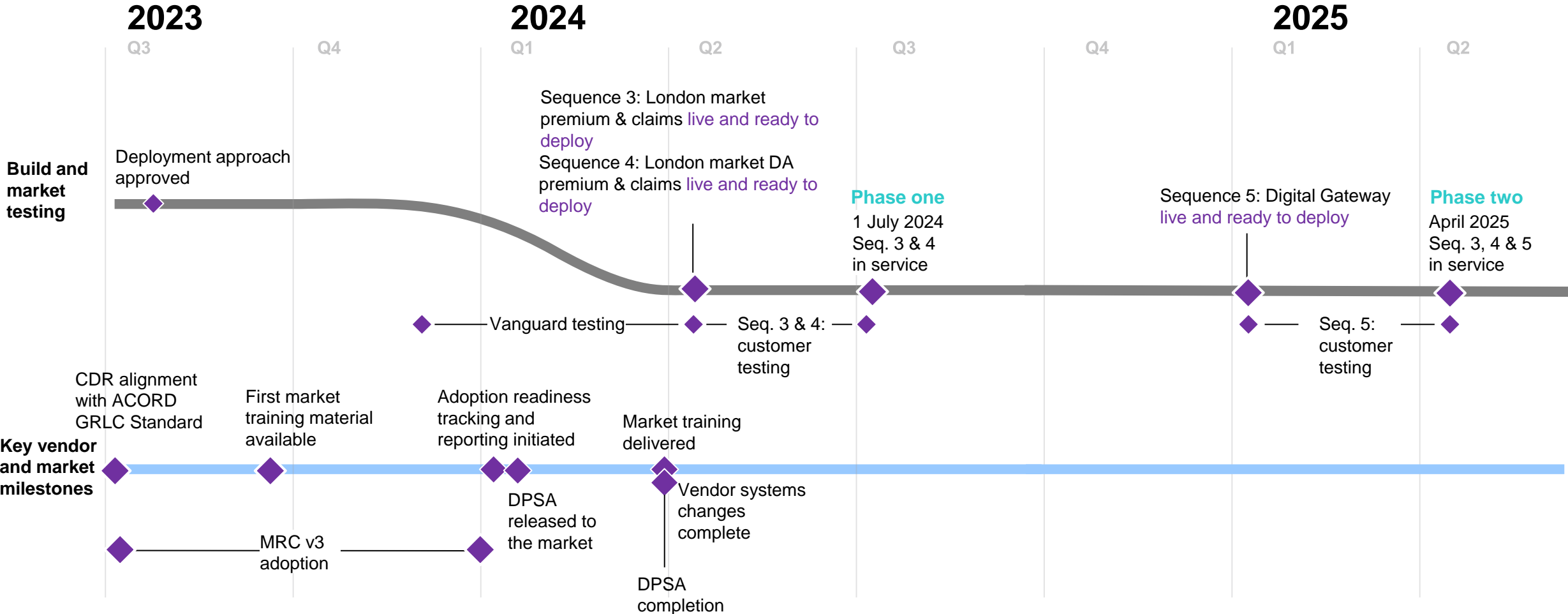
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