

Our 2010 strategy for Human Capital is to focus on the development of career progression and talent management.

We continually seek to attract and employ the highest calibre of employee.

Our first class employment policies aim to encourage, develop and retain staff. Our below market average staff turnover rate of 8.9% demonstrates this success.

2009 was a challenging year for our employees as we faced threats to our continued independence. However, despite this, we remained focused as a business on retaining and developing our employees.

We are pleased to report that we retained all senior employees during 2009 and further strengthened our underwriting team, with the creation of a new International Liability Division, the addition of new class underwriters in the Energy and Property Divisions and further strengthening of our teams in Copenhagen and Singapore.

The average continuous service is five years and two months across the Group.

Our training expenditure was 3% of total staff costs in 2009.

Graduate Scheme

Our Graduate Scheme is one of the most competitive in the Lloyd's Market. Across a 24-month rotational programme, our Scheme provides graduates with experience of all areas of the business and encourages them to develop both technical and personal skills.

Professional study for the ACII qualification is encouraged as a key aspect to the programme.

On completion of the programme, each individual is placed within the business.

Management Development Strategy

A key element of our people strategy is the development of our current and future leaders through the implementation of a comprehensive Leadership and Management Development Strategy.

In 2009, we researched business needs and available leadership skills courses to design a series of development programmes to provide our employees with the capabilities required to deliver Chaucer's business strategy.

The programmes build to enable us to offer a tailored development experience for each employee, one that helps Chaucer to identify, develop and retain the leadership team and skills that the business requires.

We launched these programmes in 2010.

2009 HIGHLIGHTS

- > An Equal Pay Audit was conducted ahead of the legislative deadline and received a positive outcome.
- > Open Door, our online self-service HR system was enhanced to support holiday and absence tracking and employee development requirements.
- > We conducted our annual market-benchmarking audit to ensure our benefit practices are in line with market standards.
- > Holiday entitlement for all London staff was increased to 25 days per annum in line with our peers.

2010 PLANS

- > Fourth employee survey planned for the second quarter of 2010.
- > New Leadership and Management Development Programme.
- > Recruitment is underway for our Autumn graduate intake.
- > Further automation of our HR processes, including online payslips.

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Chaucer wins Young Underwriter of the Year

In December, Tom Graham, Class Underwriter for International Casualty Treaty, won the title of 'Young Underwriter of the Year' at the Insurance Day Awards.

This was a great achievement for both Tom and Chaucer. In addition to the significant contribution Tom has made to Chaucer, as current Chairman of the Under 35's Reinsurance Group for the Lloyd's and London Market, he has helped raise the Group's profile, providing both a voice for younger professionals in the market as well as educational and networking opportunities throughout the year.



Matt Evans
Head of Pricing

I joined Chaucer in 2006 as an Actuarial Analyst.

My role has evolved since then, beginning with motor reserving, moving to motor pricing and then London Market pricing. I now manage a consolidated London Market and Personal Lines Pricing Team, reporting to the Group Actuary.

Good relationships with the underwriters, our internal clients, are key to our role as pricing actuaries. We are fortunate that we work closely with the underwriters and receive valuable support from the Underwriting Management Team. By means of this regular contact and support, we continually improve the service offered, in terms of pricing models, management information and other pricing advice.

Chaucer has given me the opportunity to develop professionally through exposure to many classes of business and working with a wide range of professionals. Engagement from senior management and underwriters has been particularly useful in helping me to understand the requirements of the business and how actuarial skills can best serve its needs. Over the coming years, I am confident that we can continue to enhance pricing at Chaucer and bring further associated benefits in terms of profitability, business planning and risk control.



Charles Bush
Claims Adjuster, Marine Claims

I have always had a keen interest in the marine market and upon leaving Durham University I sought opportunities in the insurance underwriting industry.

I joined Chaucer's Graduate Scheme in 2005 and as part of the programme spent time working with the Marine and Energy Claims Team. Knowing this was where my interest was, at the end of the programme in 2007 I applied for a permanent role and became Junior Marine and Energy Adjuster.

Throughout my career at Chaucer, I have been fortunate enough to visit our office in Singapore and later this year will visit our new Houston office. My visit to Singapore enabled me to build my network of international contacts, where I was able to share my expertise and meet with brokers, surveyors and lawyers during a five-week secondment.

The opportunity for international travel and the experiences it brings has strengthened my development and made me more confident in my role as an Adjuster.