

Bermuda Monetary Authority

BUSINESS PLAN 2022







CRAIG SWAN
Chief Executive Officer

Chief Executive Officer Message

Our financial services ecosystem, much like Bermuda itself, is an anomaly. The island nation could be considered an unlikely success story—less than 35 kilometres long, centred in the annual Atlantic hurricane path, discovered by chance and settled only after a storied shipwreck. The reason for Bermuda’s success is its ability to identify the so-called “obstacles” in its orbit and turn them into opportunities. While being small may seem like a disadvantage to some, Bermuda harnesses its size by utilising it for agility and foresight. It has done the same with a plurality of financial risks and threats, mobilising them to create products and services that provide global solutions for once complex challenges. Over the years, this ability to operate at an extraordinarily high level has positioned Bermuda as a premier international financial centre that never fails to develop non-traditional, functional solutions for communities, organisations and individuals.

Functional financial services, however, must be subject to regulatory foresight, and forward-looking supervision. Therefore, in the approach to our 1969 mandate, the Bermuda Monetary Authority (Authority or BMA) has maintained this same “forward-looking” perspective. Pursuing forward-looking regulation, though, is a big task. Regulations, by their nature, are time-bound. They are built from the very narrow lens of industry’s past and present architecture and, in mercurial industries such as ours, the potency and relevance of static regulations quickly fade.

What does this mean for a forward-looking regulator? It means continuous monitoring, identifying what is on the horizon, then appropriately positioning the Authority, ensuring we have appropriate regulatory frameworks and skillsets. This takes regulatory agility, collaboration and communication

across the financial services ecosystem. It means identifying financial services trends (e.g., FinTech, InsurTech, DeFi), and prudently addressing their risks by building thoughtful regulatory frameworks. The work is simultaneously internal and external, domestic and international, utilising a combination of our highly skilled human capital, innovation focus and drive for an organisational culture of continuous improvement. This is what 2022 will consist of for the BMA.

During the year, we will continue our task as a prudent regulator, looking ahead to spot the risks and confront them with proportionately appropriate actions. One such action is the expansion of our mandate into market conduct. While our framework already monitors registrant integrity and fitness (and requires all other aspects of robust prudential regulation and supervision), the soon-to-be-introduced market conduct regime will re-enforce and expand on this—a move that largely has been welcomed by industry. It will involve not only internal, company-focused work in regime development, but also collaboration with Government as their relevant departments establish consumer-focused support and education.

Beyond introducing new initiatives, prudent regulation also requires enhancing the current ecosystem. Bermuda has a strong network of corporate service providers that support our registrants and potential registrants. Nevertheless, financial services wait for no person. They evolve, as do their risks, particularly the Anti-Money Laundering and Anti-Terrorist Financing (AML/ATF) risks. To guard against these risks, we have developed an AML/ATF Service Provider Training Course to further bolster expertise. Additionally, the individuals who pass this course’s advanced track will be eligible for an advanced track licensing programme. Those who have proven their

Chief Executive Officer Message (Continued)

expertise will now potentially have a speed-to-market route fit for the needs of the Financial Technology (FinTech) sector.

The 2022 year will also see the BMA reframe aspects of our framework to revitalise its flexibility and pragmatism. This will be visible through updates, such as to the investment business regime, where we will propose to modernise legislation in a manner that both expands the BMA's powers and also removes some duplication. Additionally, innovation integration remains a top priority—in this regard, we will be opening the innovation hub and sandbox to all financial services sectors and entering into joint Regulatory Technology (RegTech) pilots with industry. In other words, we will enhance the sector's innovative flexibility while aiming to lower the cost of compliance over the longer-term without lowering our regulatory standards, positioning the BMA for its future state.

This BMA future state, while empowered by technology, also involves embracing modernisation in its other forms: (i) updating specific pieces of legislation, such as the Banks and Deposit Companies Act 1999 and (ii) updating the wider framework, such as the continued integration of Environmental, Social and Governance (ESG) considerations.

While the above work will occur within our domestic financial services ecosystem, it is anchored by two factors. The first is our relationships internationally. The BMA is committed to fostering our activity on the global stage in 2022, participating in the development of global regulatory standards and providing assistance to foreign regulators.

The second factor is the internal mechanics of the BMA. Our ability to deliver our objectives annually is a proxy for the BMA's internal operations—its people, culture and technology, and how these work together to produce efficient and effective regulation and supervision. Therefore, our 2022 objective for these internal performance levers remains the same: We will continue to monitor and refine. For our people, it means the recruitment and retention of highly skilled staff who we further build up with continuing education and skill development. One actionable step we have developed and will continue to rely on is our Graduate Trainee Programme. Through this programme, we are fostering a local talent pool. For our culture, it means the pursuit of the BMA's target culture statement (i.e., "We pursue excellence and continual improvement", driven by our six pillars related to caring, engaging, learning, creating, aiming for sustainable success and holding ourselves accountable). Senior leadership's efforts are supported by a "dream team" of volunteer staff who form the BMA internal Culture Influencers Team. Regarding our technology, having completed our IT

Vision 2020 initiative, we are now well into our IT Vision 2025 initiative, which we have amalgamated with an internal Innovation Council and Innovation Blueprint to further embed innovation and technology into everything we do.

While the past two years have humbled many forecasters, the BMA is optimistic about the year ahead and what we can accomplish. We know there will be challenges. This is a given for a forward-looking regulator—there is no "rinse and repeat" cycle for financial services regulations. Yet, adversity sharpens creativity, opportunities can be borne out of threats, and small islands can transform risks into solutions for the world.

Sincerely,



Craig Swan
Chief Executive Officer



Insurance

In 2022, the Supervision (Insurance) Department will continue to prioritise several initiatives and multi-year deliverables introduced in 2021 to enhance the Authority's regulatory and supervisory framework while focusing on policyholder protection and alignment with regulatory developments at an international level. These priorities and initiatives include (but are not limited to):

- Integrating key ESG considerations, particularly climate change, into the regulatory and supervisory approach, considering risks, opportunities and innovation. The Authority will provide the insurance sector with comprehensive guidance on the governance aspects of climate change (e.g., expectations for boards, risk management, insurer self solvency assessments considering all climate-related risks (e.g., transition to low carbon environment, physical). The Authority will also assess the insurance and investment fund sectors' frameworks for opportunities and respective adjustment needed in the context of "green finance"
- Transposing the Common Framework for Internationally Active Insurance Groups (IAIG) and Holistic Framework for Systemic Risk into the Bermuda commercial regulatory regime. Regarding the latter, the Authority will continue its work on recovery and resolution for insurers (particularly for IAIGs, large domestic insurers and insurance groups). This work will continue to be guided by international developments, including work done at the International Association of Insurance Supervisors (IAIS) level
- Identifying the impact of recent significant insurance accounting developments, to the Authority's regulatory reporting framework namely, International Financial Reporting Standard (IFRS) 17 Insurance Contracts and US Generally Accepted Accounting Principles (US GAAP) Long-Duration Targeted Improvements (LDTI)
- Implementing the market conduct supervision framework to enhance policyholder protection
- Completing the European Insurance and Occupational Pensions Authority (EIOPA) Equivalence Monitoring Exercise and follow-up actions
- Analysing Solvency II proposals and assessing the potential implications for the Bermuda framework

Additionally, day-to-day supervisory activities will ensure that insurers are adequately capitalised and have sufficient liquidity for their risks. These will include risk-based on-site inspections, qualitative and quantitative off-site reviews/analysis, thematic reviews and supervisory colleges.

The following thematic thought leadership materials will be published in 2022:

- Alternative Capital Report
- Captive Report
- Catastrophe Risk in Bermuda Report
- Cyber reports (operational resilience and cyber underwriting)
- Discussion paper on the use of artificial intelligence in the insurance sector

Finally, international engagements with key stakeholders remains a crucial priority for 2022. Accordingly, the BMA will continue to actively participate in international standard-setting bodies, especially at the IAIS level. The BMA will continue to prioritise its collaboration efforts with IAIS' Caribbean and Offshore Region, The Group of International Insurance Centre Supervisors and Caribbean Association of Insurance Regulators.

The BMA's international engagement will continue to concentrate its efforts spanning both sides of the Atlantic, encompassing, among others, the National Association of Insurance Commissioners, EIOPA and the European and United Kingdom financial services regulatory and supervisory institutions.

Furthermore, the BMA will look to develop and maintain relationships with international organisations and national regulators through various interactions by sharing views and experiences on policy and regulatory matters of common interest.

Policy Development

In 2022, the Policy Development Department will continue to provide input and support to achieve key strategic initiatives and corporate objectives. This will be accomplished by working closely with the supervisory teams to develop informed and robust regulatory policies, effectively addressing international developments and emerging regulatory issues and transforming these policies into relevant legislative and regulatory instruments.

Among the various initiatives to be undertaken in 2022 are:

- Completing the introduction of an enhanced investment business framework

Policy Development (*Continued*)

- Implementing conduct supervision frameworks within the banking and insurance sectors and consulting on the introduction of such frameworks in the digital asset business and investment sectors
- Consulting on proposed enhancements to the trust and corporate service provider regulatory frameworks
- Consulting on proposed enhancements to enforcement powers within the investment fund framework

Digital Asset Business

The digital asset industry continues to grow rapidly, supported by strong demand for assets and the emergence of novel business models like decentralised finance, stablecoins and digital asset lending and borrowing. In collaboration with local and international stakeholders, the BMA continues to proactively adjust its regulatory framework to support the prudent development of this sector in Bermuda. As a result, the following areas of focus have been identified for 2022:

- Ensure FinTech-related legislative and regulatory frameworks are fit for purpose to maintain the Bermuda regime's reputation and attractiveness and promote sustainable growth in the ecosystem. Specifically, legislative amendments will be proposed to provide legal clarity for the latest industry developments, new guidance notes will be published in the areas of risk management and net assets, and a video series will be developed to further inform prospective applicants
- Continue stakeholder collaboration through, at the international level, participation in the Coordination Group of the Global Financial Innovation Network, among further dialogue with other regulatory partners; and, locally, regulatory partners and, locally, via a series of bi-annual industry webinars and participation in local events
- Promote industry innovation to foster ecosystem growth and development via the establishment of a sandbox express programme built for the BMA's existing registrant base
- Utilise and implement technology to enhance operational effectiveness. Among other initiatives, the BMA intends to evaluate the feasibility of running a pilot with a registrant to collect data through an Application-Programming-Interface
- Enhance existing authorisation and supervision processes to ensure they are streamlined, risk-based and achieve the right balance to support innovation
- Conduct effective data-driven supervision of licensed entities

Investment Funds


In 2022 the Authority will review and consider expanding the Enforcement Powers set out in the Investment Funds Act 2006. The overall objective is to ensure that the Authority's toolkit is robust enough to allow the Authority to respond to any matters of non-compliance and irregularities, effectively protecting the interests of investors. The Authority will also continue to monitor regulatory developments related to climate change and sustainability in order to identify new standards that should be considered so that the regulatory and supervisory frameworks continue to be aligned with international best practice. Additionally, prior to making any regulatory changes, the Authority will engage in industry consultations to ensure that the proposed changes being considered are fit for purpose for the Bermuda market. Finally, in 2022, the Authority looks forward to successfully rolling out to the funds sector INTEGRA®, an integrated software solution to support the entire supervisory life cycle across all sectors.

Anti-Money Laundering/ Anti-Terrorist Financing

In 2022, the primary focus of the BMA's AML/ATF Department will be the execution of core supervisory oversight responsibilities, comprising the on-site inspection programme, selected thematic reviews and close monitoring of relevant sectors and specific regulated financial institutions.

The foundation of the BMA's risk-based approach towards supervision will continue to be the data obtained during the annual data calls, and the collection, analysis and presentation of this data will be further refined throughout the year. Furthermore, the AML/ATF Department will continue to actively pursue innovation by applying advanced technology to enhance internal efficiencies, focusing on opportunities related to processing textual information in submissions from registrants.

The BMA will continue its significant support of Bermuda's National Anti-Money Laundering Committee (NAMLC). In collaboration with NAMLC members, a key priority in the first half of the year is to present Bermuda's follow-up report to the Caribbean Financial Action Task Force Plenary in May. This report is a mandated key milestone in the mutual evaluation methodology and provides the opportunity for Bermuda to highlight its progress since the publication of its mutual evaluation in January 2020. In co-ordination with NAMLC, the BMA will also support the publication and communication of the 2020 Money Laundering National Risk Assessment (NRA). Through the BMA's industry outreach, the focus is to ensure that each financial sector under its AML/ATF supervision has a clear understanding of the main findings of the NRA and that individual institutions reflect the relevant findings in their individual AML/ATF programmes.



Additionally, support will be provided to other national initiatives, such as assisting with ongoing legislative updates to ensure the regime remains current with changing international standards, completing the first sectoral risk assessment of the digital asset business sector and enhancing the jurisdiction's focus on identifying and mitigating potential proliferation financing risks.

Conduct

In 2021, the BMA commenced the process to establish the initial legislative and regulatory foundation for a regulatory regime governing the conduct of business, ensuring protection for customers using the services of regulated financial institutions. The BMA will build upon this foundation in 2022 with the publication of an appropriately enhanced code of conduct for the Insurance sector and a code of conduct for the banking sector.

Following an appropriate transition period, the BMA will commence its assessment of compliance with these codes of conduct as part of its ongoing on-site inspections and off-site surveillance of licensed institutions. The ultimate objective of the BMA's supervisory regime will be to ensure that the desired outcomes for customers of financial institutions are achieved, encompassing enhanced confidence in financial service providers, access to clear and timely information to inform their financial decisions and timely and effective complaint resolution.

The BMA will closely engage with each financial services sector to establish regulatory expectations during the transition period leading into the commencement of supervision. The BMA will also engage with the relevant departments within the Government of Bermuda to strengthen consumer protections and consumer education. The BMA itself will have a particular focus in 2022 on consumer education with respect to Digital Asset Business and the retail customer.

In addition to the work described above to launch the conduct regime for the Banking and Insurance sectors, the BMA will continue the introduction of the conduct of business regime on a phased basis to other relevant sectors. Consultation on the Codes for the Digital Asset Business sector will commence in the latter part of 2022, as will initial exploration into the framework for the Investment sector.

Financial Stability and Research

A core element of the BMA's mission is to promote financial stability. In 2022, the Authority will continue to pursue a variety of avenues in this respect, including expanding the Authority's macroprudential surveillance framework, strengthening Bermuda's recovery and resolution tools, and contributing to domestic and international financial stability efforts.

In relation to macroprudential surveillance, the Authority will strengthen the coordination and collaboration between macroprudential and microprudential supervision, focusing on ensuring that robust and comprehensive macroprudential analysis informs microprudential supervision programmes, in particular within banking and insurance. The BMA will also continue its framework development in both the insurance and banking sectors with respect to recovery and resolution. For the insurance sector, this will build upon the work completed on recovery planning and progress towards resolution planning, and for the banking sector, this will focus on strengthening sectoral resilience.

Stakeholder engagement will continue to be at the centre of the BMA's approach to financial stability. Concerning domestic stakeholders, the BMA will remain actively involved in Bermuda's Financial Policy Council, chaired by the Minister of Finance.

At an international level, the BMA will continue to participate in the IAIS Macroprudential Committee in its capacity of Vice-Chair, as well as the Macroprudential Monitoring, Macroprudential Supervision and Resolution Working Groups. The BMA will also continue its involvement in the IAIS implementation efforts on the holistic framework to assess and mitigate systemic risk in the insurance sector. Finally, the BMA will remain an active participant in the Financial Stability Board Regional Consultative Group for the Americas and the Organisation for Economic Co-operation and Development's Insurance and Private Pensions Committee.

Specific to research, the Authority will continue facilitating the generation of more research-based knowledge and innovation that will inform decisions on policy development and financial stability matters.

Data Science and Artificial Intelligence

The BMA's digital transformation objective for 2022 will focus on the following three areas: building a composable organisation with intelligent systems to support enhanced insights and decision making; adopting and deploying data science to ensure a resilient delivery with augmented intelligence using machine learning and artificial intelligence applications initially in Supervisory Technology (SupTech) and continued laying the foundation for future application in RegTech to achieve efficiency, effectiveness and enhance the experience of the BMA's internal and external stakeholders; and automating business processes that can and should be automated by capacity creation using hyper-automation.

The strategy focuses on enterprise-wide adoption of innovative technology in the operations and supervisory processes to enhance the Authority's capabilities. Furthermore, the Authority is exploring options for a RegTech solution for future rollout to reduce the costs of regulatory compliance. The foundation will include planning for a joint BMA/industry pilot programme. The Authority's goal is to continue evolving into an intelligent and dynamic organisation that drives superior business outcomes that are timely, relevant and contextual.

Enterprise Risk Management

Against the backdrop of a highly dynamic and fast-evolving risk environment, the BMA continues to evolve its Enterprise Risk Management (ERM) framework. By design, the BMA's approach to ERM is holistic and considers both external and internal risk factors impacting the BMA's operating model and facilitates the design and delivery of appropriate risk response actions, thereby supporting the BMA's achievement of its strategic objectives. To effectively accomplish this goal, the BMA will further strengthen its ERM capabilities in four areas:

- Accelerate the shift towards technology-enabled ERM to enhance the data-driven approach
- Continue the operationalization and embedding of the BMA's Enterprise Risk Appetite
- Continue the implementation of novel and dynamic training formats
- Strengthen the collaboration with relevant domestic stakeholders in relation to transversal risks that impact the BMA and the jurisdiction at large

Banking, Trust, Corporate Services and Investment

Despite the ongoing and unprecedented disruptions caused by the global pandemic throughout 2021, 2022 will see the continuation of close engagement and monitoring of the Authority's licensees to ensure the economic challenges faced by users of financial services are managed effectively. The BMA will also continue to consult with domestic associations and key stakeholders on planned changes to Bermuda's regulatory frameworks, which will be amended to adhere to international standards and in response to new business models and digital initiatives. In 2022, this will include work with Government and licensees regarding a code of conduct for operational cyber risk management for regulated Banking, Trust, Corporate Services and Investments Firms.

Banking

In 2022, as outlined in the Ministerial Statement of 10 September 2021, the Authority will implement a regulatory framework for the conduct of business, including the protection of consumers, through planned amendments to the Banks and Deposit Companies Act 1999. The Authority will also be continuing its consultation process of new international Basel III standards with a target implementation date of 1 January 2023. Moreover, the Authority will continue modernisation initiatives in relation to the Banks and Deposit Companies Act 1999 with the view of expanding allowable business models and practices to align with digital and other innovation trends.

Trust and Corporate Service Providers

Following an assessment in 2021 of Bermuda's compliance with the trust and corporate service provider standards, as promulgated by the Group of International Financial Centre Supervisors (GIFCS) and the publication of the final report on Bermuda; the BMA will review key recommendations to further enhance compliance with the GIFCS principles.

Investment Business

Following extensive consultation discussions during 2021 with key external stakeholders on the planned overhaul of the Investment Business Act 2003, the updated regime will come into force in early 2022.



SHANNA LESPERE
Chief Operating Officer

Operations

The Authority's Operations Department is a critical component to the overall success of the BMA's sustainable, long-term growth and strategic goals. To achieve this, as well as an elevated internal synergy, the BMA is focused on fostering a collaborative environment and upholding its innovation focus with new technologies that improve performance and streamline processes.

People

The BMA's people strategy for 2022 maintains its focus on three critical areas: agility, innovation and alignment. Agility addresses the Authority's plans for continued improvements to its core development and leadership programmes. These programmes are built to support the continued upskilling and technical advancement of the BMA's workforce. Innovation remains central to the organisation's evolving culture and allows the Authority the capacity and tools to further support and leverage its resources for the BMA's betterment. Finally, alignment of strategic vision and resources amidst this period of significant transition and growth is critical to the success of the BMA's people strategy. The Authority also recognises that, with an increased focus on the above areas, there will come a need to give further support to staff as they continue seeking to navigate working during a pandemic. Wellness focused initiatives have also been bolstered to ensure that staff have access to the tools and support needed to maintain balance and nurture their overall wellbeing.

Technology

As the Authority remains on its IT Strategy: Vision 2025 roadmap, it will continue implementing INTEGRA®, developing and deploying additional business processes associated with the financial supervision life cycle.

The BMA has successfully selected a vendor that satisfies the requirements for its internal Electronic Records Information Management (ERIM) solution. The ERIM is a system where records are collected, organised and categorised to facilitate their preservation, retrieval, use, and disposal. As a result, the agile development and implementation process will begin before the end of the year.

The continued progress of other key initiatives as part of Vision 2025 includes a data management strategy to develop an enterprise data warehouse for advanced data analytics by deploying business intelligence, artificial intelligence, and machine learning. In addition, data security will continue to remain a top priority.

Communications and Public Relations

The Communications and Public Relations Department will continue to align and support the BMA's overall strategic objectives as an essential conduit between the organisation, internal stakeholders and the public.

Communications and Public Relations (Continued)

- **Communication Management** — Develop communications objectives aligned with the organisation's overall objectives and goals as a key and integral support team across the BMA. Communicate effectively with key stakeholders via the BMA website and other digital channels/outreach to demonstrate clearly the BMA's value proposition and frameworks along with relevant publications, reports, annual reports and business plans
- **Crisis Management** — Continue to work with the Crisis Management Team to establish methods and policies and participate in crisis management initiatives that impact the BMA, including disseminate information to employees, media and industry
- **Reputation Management** — Continue to demonstrate the BMA's commitment to its mission, the public, social responsibility and corporate identity and executing strategic communications that foster a positive BMA culture and community. Proactively and strategically pursue a roadmap backed by best practices and unified branding, ultimately increasing the Authority's digital footprint via social media platforms and the BMA website
- **Strategic and Advocacy Management** — Proactively build upon the strategic relationship between the BMA, public, industry and relevant international stakeholders by enhancing the BMA's profile and reputation, highlighting subject matters experts and organising and preparing BMA staff for external panels and podcasts, along with identifying external social programmes that support the organisation's philanthropic objectives

Project Management

The BMA's Project Management Office (PMO) ensures one simple, scalable and consistent way of managing programmes and projects throughout the organisation. The PMO supports the BMA by managing all of its change initiatives, tracking the status of all projects and ensuring one clear and consistent view of how all projects and change initiatives fit together in the overall portfolio.

The PMO will accomplish the following steps during 2022 to further attain its strategic goals:

- Complete implementation of a new project prioritisation management tool to assist with the more effective management of projects and resources

- Offer continued guidance, support and oversight for the maintenance and prioritisation of the project portfolio, ensuring resources align with strategic priorities
- Continue to enhance the organisation's project initiation and delivery practices
- Deliver increased reporting around project key performance indicators (including return-on-investment and benefits realisation)

Bermuda Currency

The BMA will continue to monitor advances in currency security throughout 2022 to ensure Bermuda's notes and coins continue to be readily accepted and not easily counterfeited.

The BMA will start its advertising campaign to remind the public that the call in period for legacy banknotes will end on 31 December 2023.

Cyber Risk

Malicious cyberattacks are an ever-growing threat; the BMA will strengthen its engagement in 2022, building cyber risk resilience in Bermuda's financial institutions and safeguarding consumers' interests by continuing its focus on:

- Executing the Authority's yearly supervisory programme of cyber on-site and off-site inspections, yearly returns' analysis and cyber risk assessments for new licensing authorisations
- Utilising incident notifications and subsequent root cause reports' analyses
- Improving and harmonising regulation and its proportionate implementing and aligning the supervisory cyber risk approach across departments
- Guiding regulatory provisions as well as industry cyber best practice through open dialogue with regulated entities
- Increasing cybersecurity training for BMA supervisors in order to have enhanced in-house cyber expertise
- Utilising the Cyber Risk Department's subject matter expertise on the latest technological advances, benefits and risks



MICHAEL BURNS
Director

Legal Services and Enforcement

Corporate Authorisations

In 2022, the BMA will continue to work with the Registrar of Companies to support the Beneficial Ownership Task Force, helping to ensure the successful implementation of the public register for the beneficial ownership regime in Bermuda. In addition, the Authority will remain engaged with Industry regarding the beneficial ownership regimes.

The BMA will maintain its focus on enhancing and strengthening its current screening processes and tools while also monitoring and executing its responsibilities to ensure compliance with the relevant aspects of the exchange control compliance regime.

The BMA will issue an updated, user-friendly guide for making submissions to the INTEGRA® system.

Enforcement

The Legal Services and Enforcement Department will continue to work with the Ministry of Finance and the Ministry of Legal Affairs and Constitutional Reform with respect to concluding proposed amendments to the appeal regime, such that Bermuda's Supreme Court will hear any appeal of the BMA's enforcement decisions.

Enforcement will implement the approved restructure of the Authority's internal enforcement governance processes with a view to improving efficiency and ensuring the consistency of actions taken. Additionally, the Authority will launch the approved procedure of settlement of certain enforcement actions. The BMA will also publish revisions to the Statement of Principles and Enforcement Guide promptly upon the final adoption and completion of the above-noted items. Outreach sessions regarding the operation of these revisions will be conducted.

The BMA will continue to protect the interests of members of the public through robust reporting of concluded enforcement actions taken against regulated entities.

Community Matters

Community involvement is a BMA cultural touchstone—an authentic reflection of the organisation's progress towards its target culture statement of, "We pursue excellence and continual improvement". The statement's pillars of caring, engaging, learning, creating, aiming for sustainable success and holding ourselves accountable each speak to the genuine change the BMA aims to drive, not only internally but across the community. In 2022, the BMA will use its target culture statement to refine its community involvement in two areas.

Focus. While the BMA has introduced a focused approach to community involvement in recent years, it will narrow its charitable focus further. We will demonstrate a strategic commitment to local philanthropy by selecting charities that align with BMA values, causes about which staff *care* most, and projects to which we can have a significant and *sustainable* impact.

Enabling Employees. Every BMA staff member has something to give, whether that resource be money, time or skill. The organisation's objective is to engage these resources by working with staff to continue *creating* the BMA's philanthropic activity model—empowering employees with an opportunity to connect to BMA's values and an avenue to make a positive difference in Bermuda.



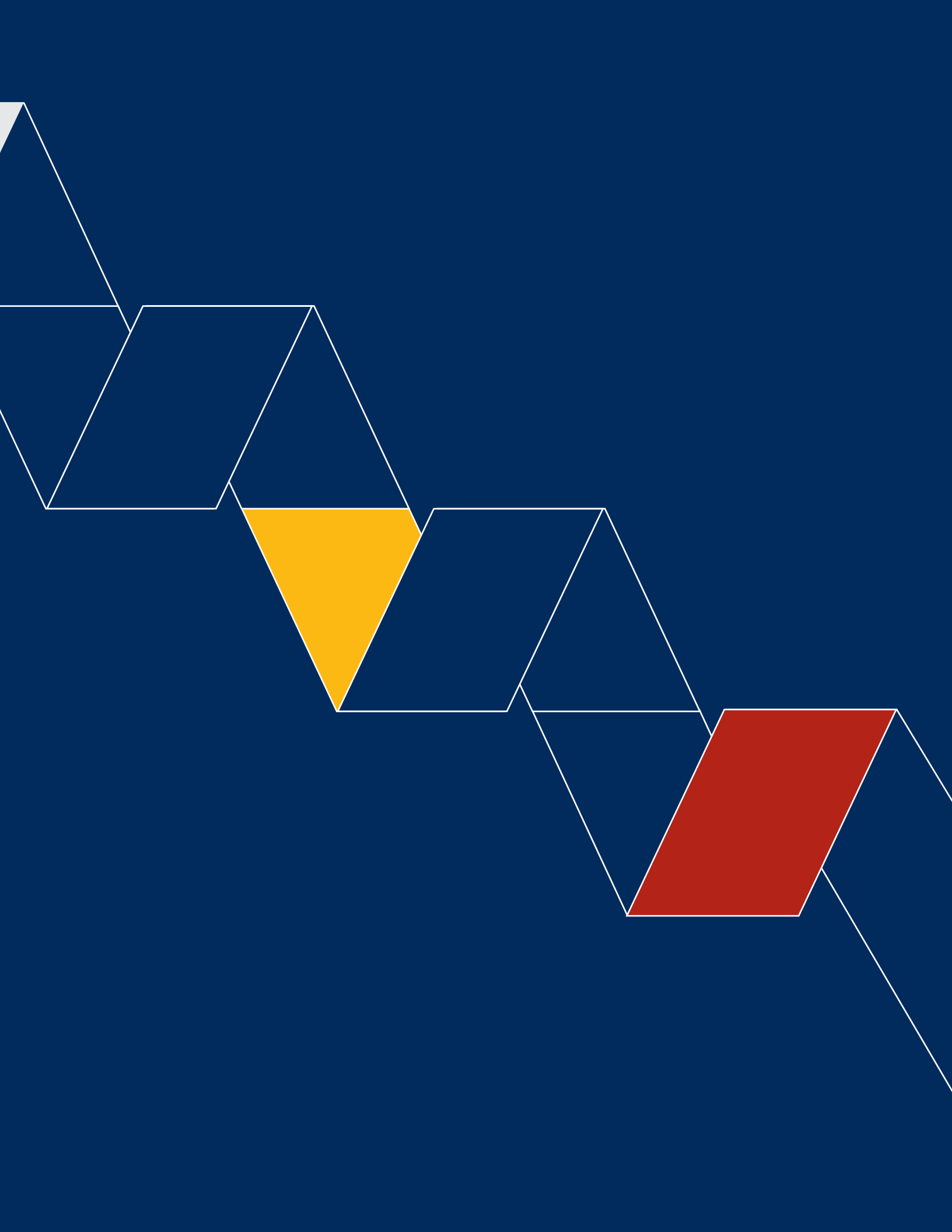


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