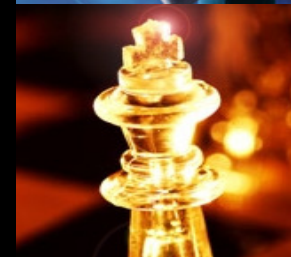


STOP
FOLLOWING.
START
LEADING.

Taking Charge of Change

31st January 2008





STOP
FOLLOWING.
START
LEADING.

IBM Client Experience

David Weymouth
Group Director, IT & Operations – Royal & SunAlliance

Today

- 1) R&SA Today
- 2) Industry Challenges
- 3) Our approach to change
- 4) Working with partners
- 5) Q&A



R&SA Today



R&SA today - Context



One of world's largest multinational insurance groups

Focused on General Insurance – personal and commercial

FTSE 100 company listed in London

Principal office in City of London

3 Core Ongoing Operating Regions - UK, International, Emerging Markets

20 million customers in 130 countries worldwide

24,000 employees in 32 countries

Transacting business in 130 countries through R&SA Global Network



“To run non-life insurance businesses with strong market positions that deliver sustainable profitable performance”

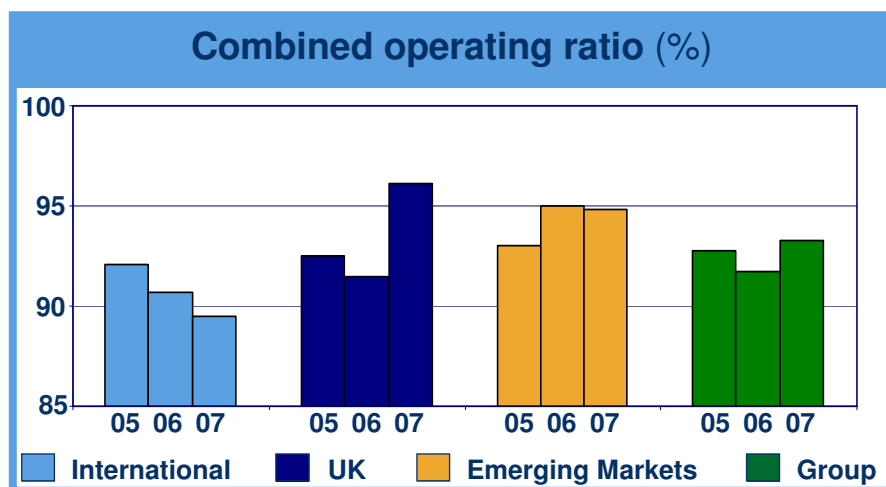
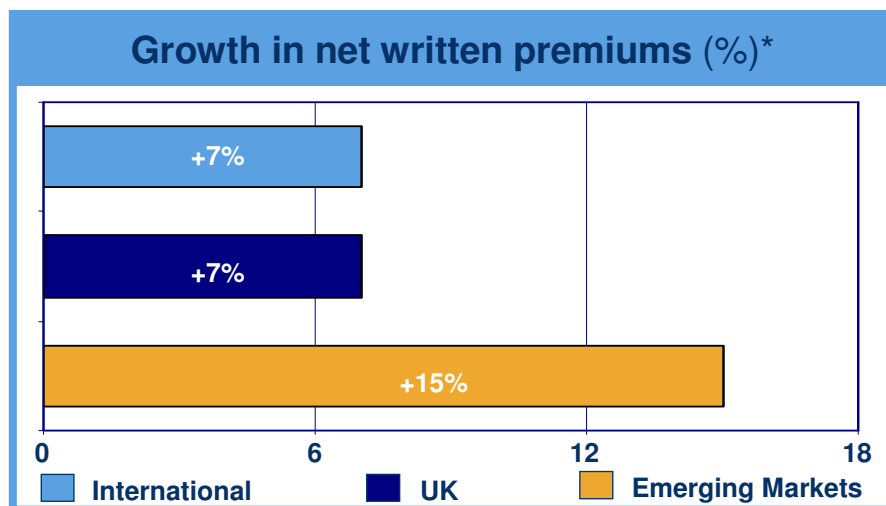
**Target Profitable
Growth**

**Sustain
Profitable
Performance**

**Operational
Excellence**



R&SA Today - Numbers



* Constant exchange rate

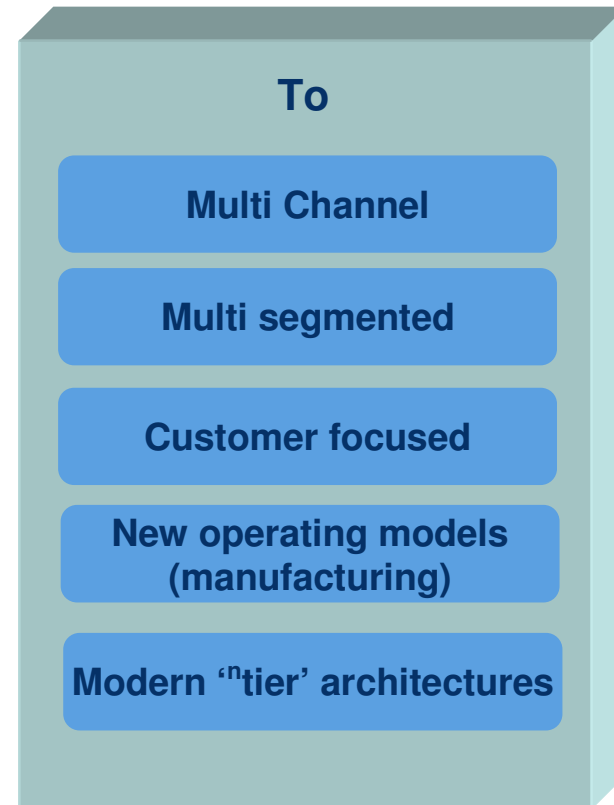
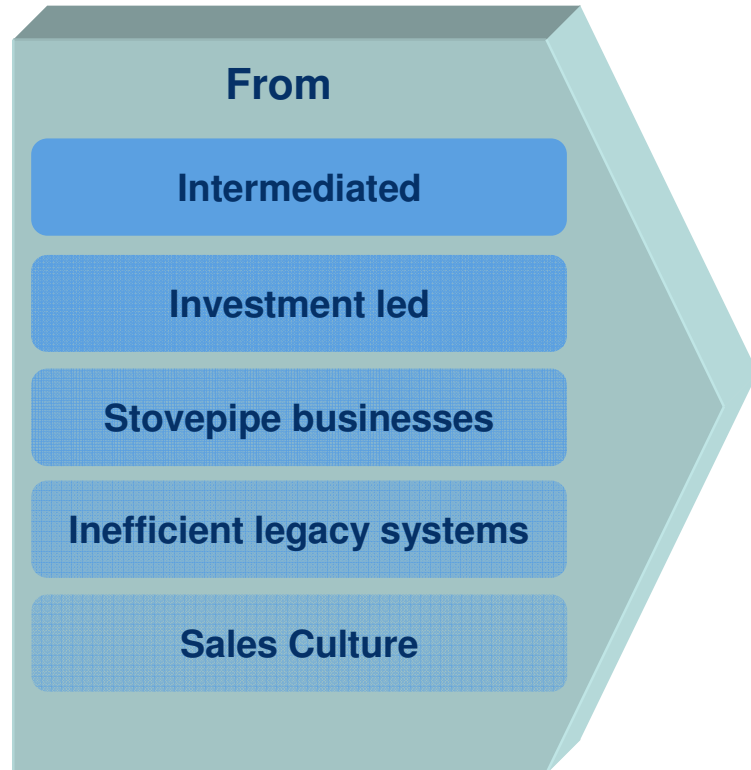
(£m)	H1 2007	H1 2006	Mvt.
Net written premiums	2,992	2,833	+8%*
Underwriting result	144	171	(16)%
Combined operating ratio	93.3%	91.7%	(1.6)pts
Investment result	302	293	+3%
Operating result	403	416	(3)%

Strong full year: expect to deliver a COR of around 96%

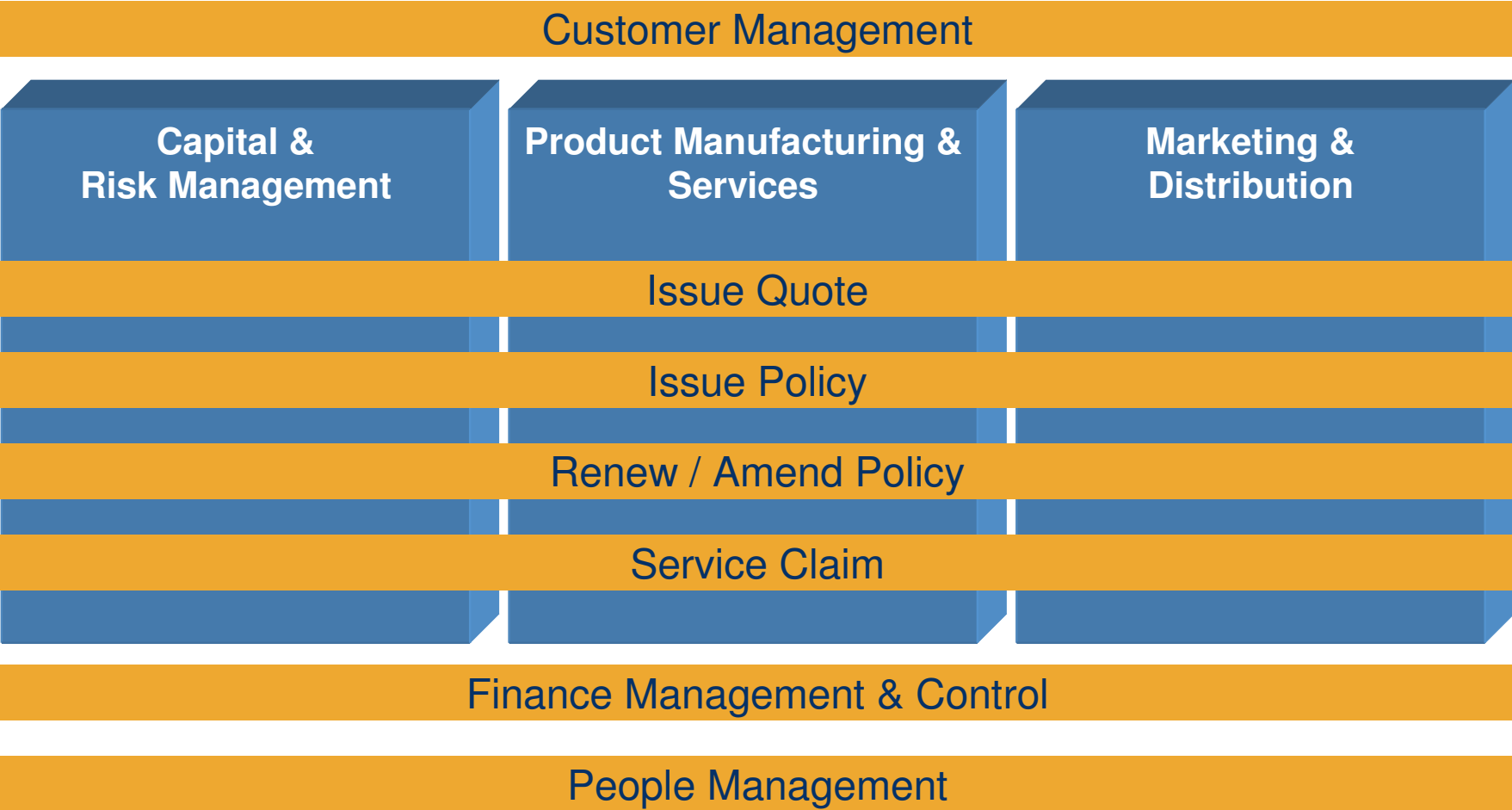
Industry challenges



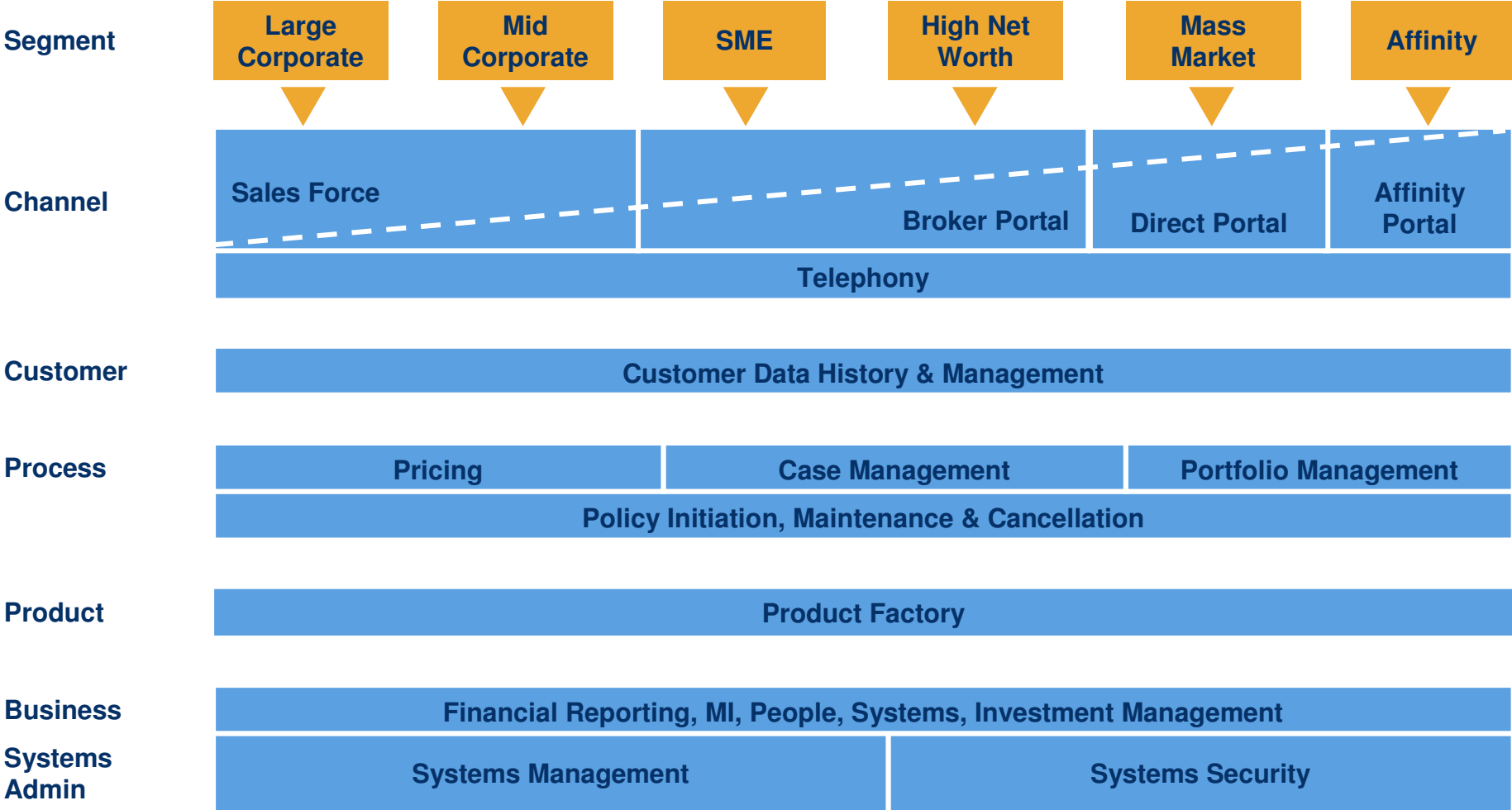
Industry challenges – Modernising the industry



Industry challenges in a Modern Insurance Business



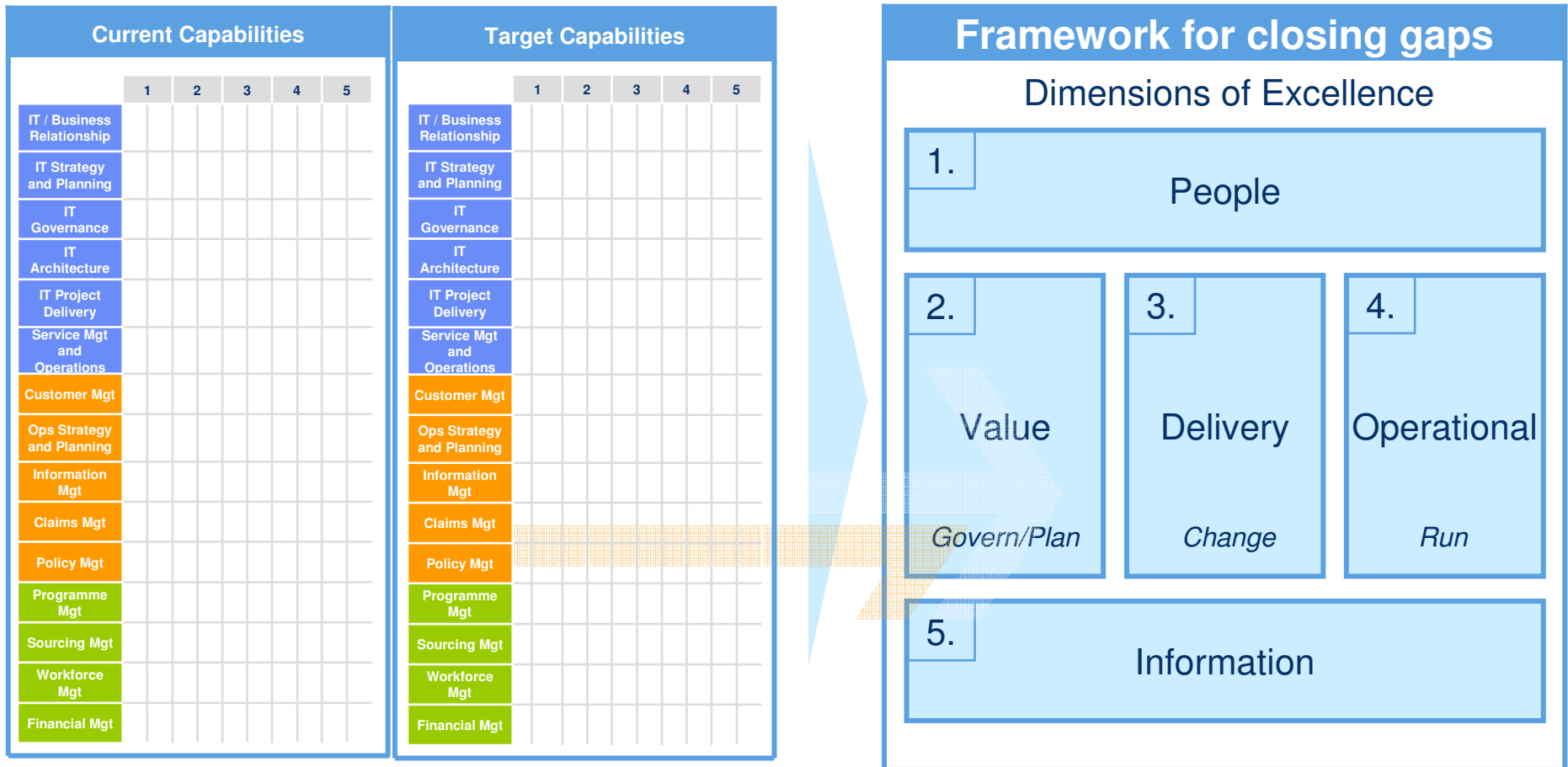
Technical challenges of a Modern Insurance Business



Our approach to change



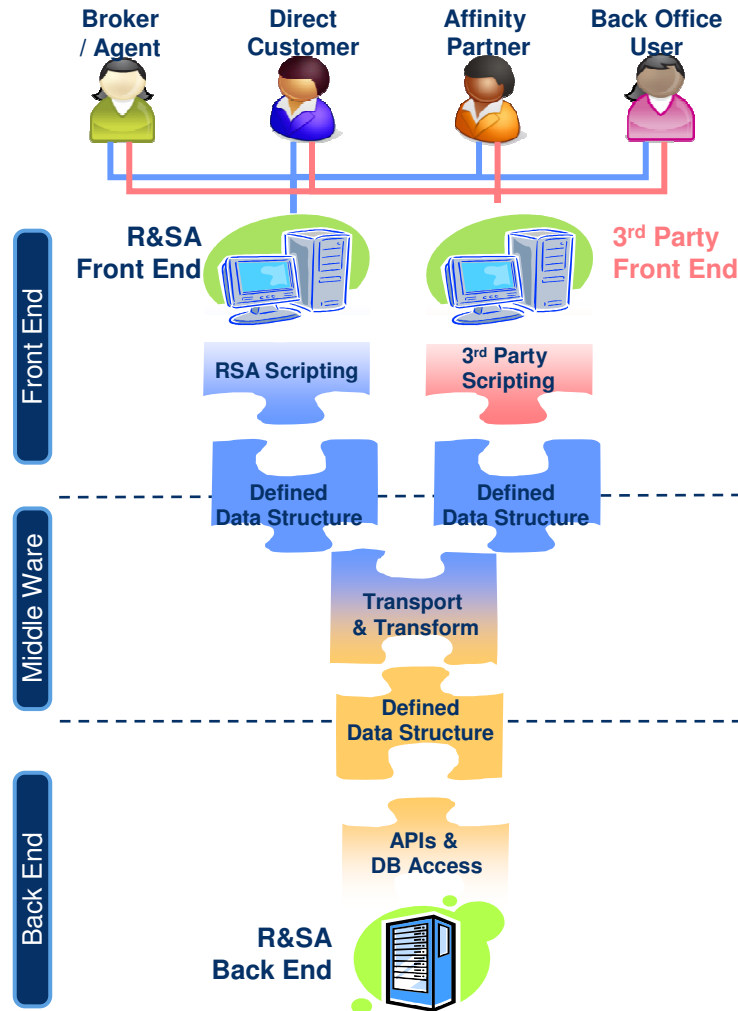
Our approach to excellence



Capability levels will be raised through the delivery of '4' dimensions of excellence ...



Our approach to Multi-Channel Distribution Architecture

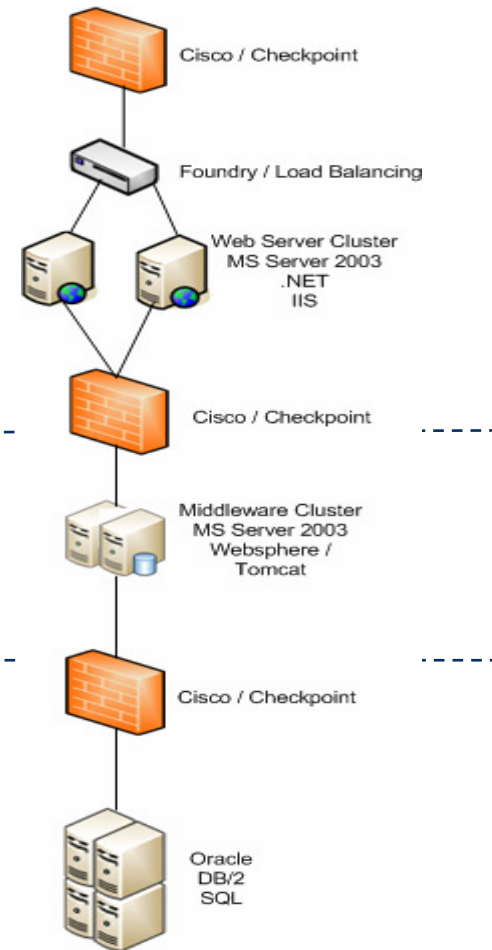


Our 'Open Architecture' will enable us to deliver Repeatable Front End Models independently of the diverse legacy core systems

W3C Standards
 CSS – Multi brand capability
 J2EE / .NET
 Standard Page Design
 Multi Language
 Multi Currency

Web Services Library (Websphere / Tomcat)
 Standardised data structures (XML and XML Schemas)
 User Based Process Flows
 3rd Party Integration Standards

Existing Core Systems
 Expose existing processes as web services



Working with partners



Working with Partners

R&SA & IBM

£1.2m in annual licensing agreements

Circa £70m per annum core service

Circa 14000 users

Key areas of expertise

Leverage information

Enabling business flexibility

Technology adoption

Optimizing IT

Maximised returns

Industry insight

Innovation

Leverage scale

Core service





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