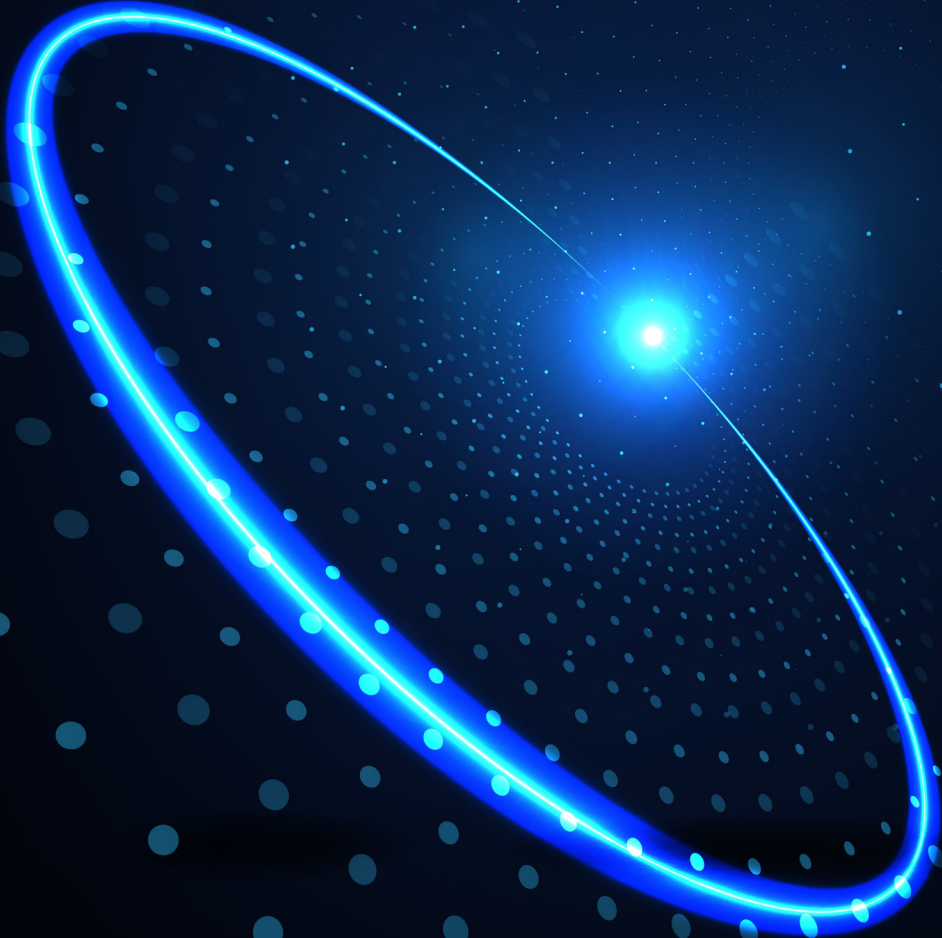


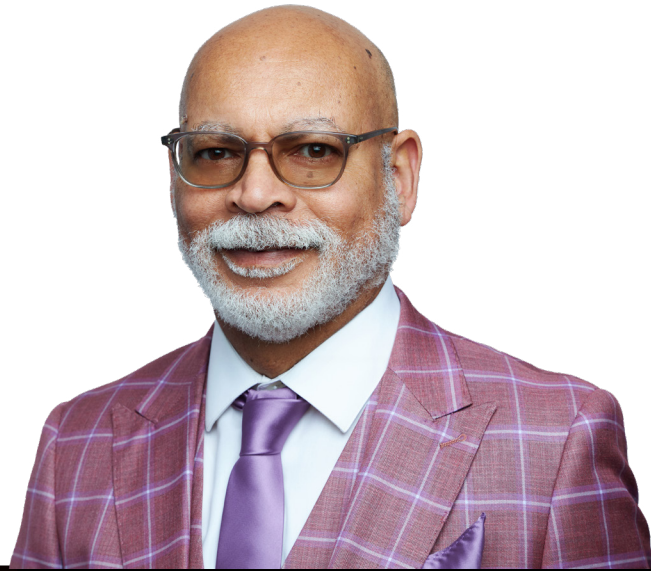


2025 BUSINESS PLAN





Craig Swan, CEO



As we look ahead to 2025, it's time to consider the resilience and grit needed to chase our ambitions, regardless of the hurdles in our path.

An inspiring example of this spirit can be found in the 1993 film “Rudy,” based on the true story of Daniel “Rudy” Ruettiger. Rudy dreams of playing football at the prestigious University of Notre Dame, where only the ‘best of the best’ can play on its football team, but faces numerous challenges and a multitude of obstacles stand in his way. Hailing from a small town where no one in his family had ever attended college, Rudy struggles with a lack of academic abilities compounded by his lack of athleticism and smaller stature compared to most American football players. Given these circumstances, Rudy’s sceptics urge him to abandon his dream. Figuratively speaking, Rudy sought to reach the Summit of Mount Everest without any apparent climbing equipment. Rudy embarks courageously on his journey, undeterred by the challenges ahead. His story shows a powerful display of persistence and victory, exemplifying the profound potential of dreamers emerging from humble beginnings.

While differing from the film’s character, the Bermuda Monetary Authority’s (Authority or BMA) rich talent pool is only matched by our remarkable accomplishments throughout the years. However, in a way, we find parallels with Rudy’s story—originating from a modest place (in our instance, a small country), setting and pursuing ambitious objectives until they materialise. Like Rudy, we stand at the “foot of our Mount Everest”, prepared to fully embrace the challenges the rapidly evolving regulatory and financial services landscapes will bring in 2025.

While in 2025, all stakeholders should expect the BMA to be a high-performing, efficient and effective operation, the following includes some of the areas that will define our approach:

- Advancing green initiatives regarding investment funds
- Evaluating our regulatory frameworks in relation to climate change
- Supporting responsible digital innovation in financial services
- Continuing to foster a culture of engagement and excellence
- Ensuring the BMA remains a responsible regulatory citizen amongst the global fraternity of regulators (collaborating and actively contributing to the development of international regulatory standards)
- Continuing the BMA's journey towards sustainable business practices regarding the Authority's environmental impact and further leveraging technology to become more operationally efficient
- Continuing resolution framework development

In our regulatory initiatives, customer protection will remain at the forefront in 2025. In alignment with the Authority's Mission, our objectives for 2025 will cover both progressing multi-year work that has already started and the addition of new initiatives, all intended to position the Authority to withstand the headwinds and take advantage of the opportunities on the horizon.

Rudy's tale is unquestionably one of victory. The film reaches its zenith in an awe-inspiring scene where Rudy makes the team and, after an exceptional tackle on the Georgia Tech quarterback, is carried off the field in a jubilant celebration. This unforgettable scene mirrors Rudy's undying resolve to realise his ambitions. Similarly, the BMA is prepared to transform challenges into opportunities on the road to continued success, embracing the famous quote: "Success is a journey, not a destination." As the curtain closes on the year, the Authority looks forward to communicating our progress on these initiatives in our 2025 Annual Report.



Craig Swan
Chief Executive Officer

2025



Shanna Lespere
Deputy Chief Executive Officer



Toby Mason
Chief Operating Officer



Ricardo Garcia
Managing Director (Supervision)



Yvette Pierre
Chief Policy and Strategy Officer



Moad Fahmi
Chief FinTech Officer



Dina R. Wilson, Director
Legal Services and Enforcement



The Bermuda Monetary Authority will continue to support Bermuda’s financial services ecosystem in 2025. This strategic plan outlines our commitment to innovation, advancing technology and leveraging our talented and highly skilled professional teams. Over the next year, we remain dedicated to streamlining our regulatory and supervisory processes to promote financial stability, enhance collaboration and drive long-term growth and success while fulfilling our chief responsibility for customer protection.

Celebrating People and their Achievements

The Bermuda Monetary Authority recognises that our people are our most valuable asset. In 2025, we will continue building a culture where everyone at the BMA is empowered to improve and aspire to excellence in their daily work. To achieve the goals of the BMA’s people strategy,

we will offer appropriate training and support and continue our focus on attracting, retaining and developing top-tier, talented people who will help the Authority remain agile and resilient today and into the future.

Additionally, we remain committed to meeting the needs of our diverse workforce by providing well-rounded personal development programmes supported by progressive practices that enhance

the skills of our employees as they contribute to strengthening the BMA's corporate values. In 2025, we will launch new coaching and training opportunities designed to help our staff increase their confidence and competence. The Authority remains dedicated to training every staff member to build upon their industry knowledge and technical skills to foster their creativity and thrive within a forward-looking, innovative organisation.

It is only by recruiting and retaining highly talented staff that the BMA will be able to cultivate sustainable, long-term success. This approach will be further supported by promoting a culture of engagement and advancement in pursuing our strategic business objectives in the months ahead. The Authority's Diversity, Equity and Inclusion (DEI) programme will continue to be a critical part of this engagement culture, having introduced DEI training and educational awareness programmes to help us further embed DEI across all of the BMA's business operations. We are committed to fostering an inclusive workplace that promotes a trusting and collaborative environment and allows every employee's voice to be welcomed, respected and heard.

Underscoring our commitment to growth, the BMA will also continue to manage a robust succession planning framework. Our focus on strategic succession planning will prepare high-potential employees to take on more responsibilities, helping them transition smoothly into becoming our leaders of tomorrow.

Ultimately, our strategic focus on staff development, DEI training and talent recruitment will help the Authority actively bring our employee value proposition to life as our employees lead the way in helping enhance the BMA's resilience and stability in an ever-changing regulatory landscape.

The Authority will also continue with our highly successful Graduate Trainee Programme (GTP) and FinTech Analyst Programme (FAP). The GTP is a three-year programme where the BMA develops Bermudians for careers in financial services regulation. Over the period, graduate trainees (GT) undertake secondments within

various BMA departments, local industry, as well as overseas in industry or a foreign regulatory body. In addition to sponsoring the local and overseas secondments, the Authority sponsors a GT's continuing professional education. Upon graduation, GTs join the BMA's permanent staff to continue their growth journey. The FAP is another programme focused on Bermudians where the Authority provides exposure to successful candidates in the dynamic area of FinTech.

Community Matters

As part of the BMA's culture of continuous improvement, our staff pride themselves on working actively to make a difference in their local community. In 2025, the Authority will continue to positively impact the island for various causes, including social well-being initiatives related to environmental, food security and health-focused initiatives. The Authority's sustainability commitments extend to our Annual Community Day initiative. This is one day each fall when we work with different community-serving organisations to take on-the-ground action in support of making our island home a better place. During our most recent third Annual Community Day, staff contributed to biodiversity projects, tag days, reading and care activities, painting, maintenance and a coastal cleanup to help protect Bermuda's precious coastal ecosystem. We expect to continue these efforts for the fourth Annual Community Day in 2025.

Building Efficient and Sustainable Regulatory Frameworks

Promoting rigorous supervision and oversight aligned with international standards and expectations is essential to maintaining Bermuda's reputation as a globally respected financial services centre. By continuing our proactive approach which includes monitoring the operations of financial institutions, the Authority aims to prevent financial misconduct, enhance supervisory practices and foster a secure and stable financial services sector.

To respond to the demands of today's evolving financial services sector, the Authority will implement specific improvements and enhancements to Bermuda's regulatory frameworks. The BMA will consistently advance several proposals and long-term goals to ensure the framework meets international regulatory standards. Focused and substantial efforts will be undertaken in an effort to continue to enhance our regulatory frameworks so that they remain both pragmatic and appropriate for the unique nature of the island's financial markets, e.g. establishing operational resilience requirements in a holistic manner across the financial services sector.

Similarly, we will develop and reinforce our relationship with other regulators and continue to participate actively in the work of international standard-setting bodies to establish regulatory best practices. A core objective in 2025 is to keep in step with international climate risk and sustainability developments to ensure that the BMA has an appropriate regulatory response to the risks faced by commercial insurers in both areas.

Finally, the BMA will continue engaging and participating in supervisory colleges, on-site examinations and thought leadership panels to ensure that regulatory standards remain robust and contribute to the strength of Bermuda's financial services sector. More specifically, some of the Authority's plans for 2025 include the following:

Insurance Initiatives

- Transposing and embedding the Common Framework for Internationally Active Insurance Groups and the Holistic Framework for Systemic Risk into the Bermuda commercial regulatory regime, including, but not limited to, the resolution regime and continued participation in the International Association of Insurance Supervisors (IAIS) Targeted Jurisdiction Assessment of the Holistic Framework
- Further integrating climate and sustainability into the regulatory and supervisory frameworks, focusing on climate change and protection gaps. We will consult with the commercial sector on a framework for climate risk financial disclosures. In 2025, the Authority will assess the need to conduct an additional climate risk assessment survey for the commercial insurance sector
- Continue strengthening the insurance group supervision regime
- Enhancing collaboration with major jurisdictions and standard-setters while increasing awareness of the Authority's regulations through Bermuda market reports, whitepapers, surveys, data calls and thought-leadership articles on relevant issues
- Providing further guidance on the application of the prudent person regime for investment management
- Proposing enhanced public disclosure requirements on investments for long-term commercial insurers
- Considering enhancements to our treatment of structured products and loans
- Undertaking a review of the Insurance Code of Conduct and the Operational Cybersecurity Code of Conduct to consider

the merits of integrating specific guidelines on the use of Artificial Intelligence (AI) and machine learning systems

- Proposing legislative enhancements to provide for additional insurer management and governance accountability

Banking Initiatives

In 2025, the Authority will continue to monitor and act regarding the banking sector in an effort to ensure it is sustainable in the face of an increasingly dynamic regulatory landscape. This includes enhancing the relevant regulatory frameworks to facilitate the supervision of conduct and new prudential regulations consistent with global standards. The following goals will be some of the priorities in 2025:

- Commencing supervision from 1 January 2025 of revised prudential requirements for operational risk principles, large exposures, credit risk measurement and liquidity coverage ratio in line with Basel III international standards
- Further embedding the Banks and Deposit Companies Act 1999 Code of Conduct into the Authority's supervisory programme
- Continuing the development of proposals for an updated Special Resolution Regime for banking
- Increasing emphasis on operational resilience

FinTech

The FinTech sector continues to experience rapid, transformative growth. In 2025, the Authority will remain committed to developing a responsible and innovative ecosystem by deploying resources across all financial sectors to support this evolution. This includes the insurance, investments, money-service businesses and the digital asset sectors.

Committed to facilitating innovation while upholding its prudential and conduct mandates, the Authority recognises that Artificial Intelligence (AI) is poised to shift the core of financial services delivery significantly. Meanwhile, the ongoing adoption of blockchain technologies, digital assets and decentralised finance platforms continues to challenge the regulatory status quo. In response, the Authority will allocate the resources required to foster innovation within and across key sectors as part of our mandate to learn, acquire and share knowledge.

Some of the FinTech areas that the BMA will focus on in 2025 include:

- Drafting a proposal for a new regulatory framework to support modern payment business platforms
- Drafting a proposal for a digital identity service provider regulatory framework
- Building on the foundational work in the insurance sector, efforts will be expanded to streamline and enhance the Innovation Hub framework. This will foster and facilitate innovation across all sectors, encourage cross-sector collaboration and accelerate the development of new financial technologies
- Embarking on initial exploratory works in climate finance by evaluating how innovative business models can be leveraged to drive capital flows towards sustainability initiatives
- Conducting a pilot test for embedding supervision in the DeFi context
- Deepening research efforts pertaining to tokenisation
- Continuing to develop the technology infrastructure to support an efficient licensing and supervisory process

Cyber Risk Supervision

The BMA's 2025 cyber risk strategy aims to foster resilience and robust security practices within Bermuda's financial services ecosystem. To accomplish this objective, the Authority will continue implementing a supervisory programme that includes on-site and off-site inspections, yearly returns analysis and cyber risk assessments for new licensing authorisations. The BMA will also continue to propose enhancements to regulation in an effort to standardise while proportionately implementing a robust approach to managing cyber risk across different sectors.

Other specific cyber risk objectives for 2025 include:

- Analyse incident notifications and subsequent root cause report analysis
- Providing guidance as necessary to regulated entities to assist with the implementation of regulatory requirements and cyber best practices

Investment Funds

Last year, the Authority launched multiple outreach programmes to highlight the legislative reforms introduced in 2023 aimed at strengthening oversight under the Investment Funds Act 2006. The Authority also researched sustainability and climate-related standards extensively to identify opportunities to strengthen our investment funds regime. These investigations yielded essential insights for gradually incorporating sustainability into our investment funds framework. Moreover, the research has highlighted framework enhancements the Authority will consider in 2025, focusing initially on broadening the

requirements for sustainability-related disclosures in order to build on the goal of providing transparency and disclosure to investors.

Conduct of Business

The Authority will continue to implement our mandate to promote the protection of customers who use the products and services provided by regulated financial institutions. During the year, the Authority will continue to oversee licensees in the banking, domestic insurance and digital asset business sectors to ensure they comply with the revised codes of conduct. These codes support responsible business practices that promote customers' fair and equitable treatment. The approach is to utilise multiple sources of information, including the online Unresolved Complaint Reports, to evaluate if institutions have established the appropriate governance practices and guidelines. In 2025, the Authority will also begin implementing the planned conduct regulation related to banks.

Furthermore, the Authority will prioritise industry outreach by exploring the publication of guidance notes to inform specific industry sectors about their relevant Conduct of Business requirements. Overall, the goal is to enhance monitoring and industry engagement so that the BMA's supervisory practices remain relevant and best-in-class.

Financial Stability

Bermuda is a major international hub for financial services companies. In 2025, the Authority will continue to promote resilience and financial stability in the island's financial services sector. As in past years, this will

include macroprudential surveillance and macroeconomic monitoring geared towards identifying potential risks as early as possible.

Domestically, the BMA will play an active role in Bermuda's Financial Policy Council (FPC) as a member and FPC Secretariat. A key aim is to provide advice and guidance on potential risks to safeguard financial stability. Internationally, the BMA will continue participating in the IAIS Targeted Jurisdictional Assessment Exercise (TJA). This exercise is designed to assess the local implementation of critical elements of the IAIS Holistic Framework for evaluating and mitigating systemic risk in the insurance sector.

Alongside these objectives, the Authority will continue to work proactively with relevant stakeholders, including micro-prudential supervisors in the insurance and banking sectors.

During 2025, the BMA will also expand its efforts to strengthen recovery and resolution planning for large, complex financial institutions in consultation with the relevant national and cross-border authorities.

Enforcement and Compliance

As a regulator, enforcement is essential to the BMA's toolkit. The Authority will continue to assist the Government with its proposals to revise the current Appeals Tribunal Framework. Once the framework becomes operational, the Authority intends to revise and republish its Statement of Principles and Guidance on the Exercise of Enforcement Powers so that it is aligned, where necessary, with such frameworks.

Where deemed appropriate, the BMA will conduct outreach sessions. The Authority will continue to protect the public's interests through robust reporting of concluded enforcement actions against regulated entities and will continue to 'police the perimeter' in an effort to ensure that entities are not conducting regulated activity without being appropriately licensed or registered.

Legislative and Other Highlights

In 2025, the Authority will continue to work closely with the market and relevant external stakeholders to develop appropriate legislative and regulatory instruments and any associated guidance. These efforts are designed to further the BMA's long-standing mandate to oversee Bermuda's financial services sector.

Some of the initiatives the Authority will pursue include:

- Introducing amendments to the insurance group supervision regime to incorporate holding company oversight for insurance groups
- Advancing amendments to the investment funds framework by broadening the requirements for sustainability-related disclosures
- Strengthening operational resilience within the BMA's prudential frameworks through enhancements to codes and/or guidance
- Continuing efforts, in conjunction with relevant stakeholders, to bolster resolution-related elements within the banking and insurance frameworks
- Progressing the establishment of a digital identity framework, informed by stakeholder engagement the BMA completed in 2024
- Advancing legislation to introduce an appropriately targeted management and governance accountability regime
- Amending the Money Services Business Act 2016 (or development of another instrument) to create a regulatory sandbox and facilitate digital payments and electronic money transfers

Stakeholder consultation

The Authority will continue to prioritise stakeholder engagement as a critical component of its efforts to effectively and efficiently accomplish its regulatory goals for 2025.

International Alignment and Engagement

International engagement is an essential vehicle for connecting with stakeholders and the BMA's global regulatory peers. Thought leadership panels, speaking engagements, and industry events contribute to the BMA's vision to operate as a globally respected financial services regulator. Additionally, aligning the Authority's local risk profile with international standards and relevant national policies protects Bermuda's reputation as a highly respected international financial centre.

In a global context, the BMA will maintain connections with other jurisdictions by holding regular bilateral meetings with relevant peer regulatory and supervisory institutions. The Authority will closely monitor international developments within the digital assets sector while proactively engaging in bilateral relationships with other regulators to help ensure prudent oversight and collaborative innovation in this evolving space.

Likewise, the Authority will continue to engage at various levels with the IAIS, the global insurance regulatory standard-setting body, to ensure our insurance regulatory frameworks remain agile and effective. The BMA will continue to partner with the IAIS Caribbean and Offshore Region, the Group of International Insurance Centre Supervisors and the Caribbean Association of Insurance Regulators.

Moreover, the Authority will maintain active engagement in accordance with the provisions of respective Memorandums of Understanding, e.g. with the European Insurance and Occupational Pensions Authority (EIOPA), United States' National Association of Insurance Commissioners (NAIC) and Lloyd's of London (innovation lab), etc.

The BMA's activities over the next year also include fully supporting the preparations for Bermuda's Caribbean Financial Action Task Force (CFATF) Mutual Evaluation Review, which will be coordinated through Bermuda's NAMLC. The review process will commence mid-2026, and preparations will begin in 2025.

Some other top priorities in 2025 include:

- Continuing engagement with the Global Financial Innovation Network's (GFIN) Coordination Group
- Collaborating with the Group of International Finance Centre Supervisors (GIFCS), the Caribbean Group of Banking Supervisors (CGBS) and the International Organisation of Securities Commissions (IOSCO)
- Remaining active in the Financial Stability Board Regional Consultative Group for the Americas and the Organisation for Economic Cooperation and Development Insurance and Private Pensions Committee

Enhancing Efficiency with Digital Transformation and Emerging Technologies

Under the BMA's IT Strategy: Vision 2030, the Authority will enhance its use of technology to drive digital transformation, focusing on a cloud-

first approach. To achieve this, the Authority will leverage artificial intelligence and other tools to enhance operational efficiencies and further our journey to becoming a fully digitally enabled regulator. As part of this strategy, the BMA will continue to innovate and automate our processes, technological capabilities and digital solutions throughout 2025, while continuing to have the highest regard for security protocols and practices. This includes further embedding Machine Learning (ML) and GenAI in regulatory processes to improve risk detection. The BMA will also continue its RegTech project with certain industry participants with the ultimate aim of eventually reducing the cost and streamlining regulatory reporting.

Industry Publications and Thought Leadership Materials

The following will be among the reports the BMA will publish in 2025 to further inform stakeholders:

- *2024 Annual Report*
- *Quarterly Banking Digests*
- *BSCR Report Macprudential Risk*
- *Coordinated Portfolio Investment Survey Report*
- *Bermuda Life Insurance Market Analysis and Stress Testing Report*
- *Catastrophe Risk Modelling Report*
- *Bermuda Insurance Market Stress Testing Report*

2025 Management Team

Chief Executive Officers

- **Craig Swan**
Chief Executive Officer
- **Shanna Lespere**
Deputy Chief Executive Officer

Policy Development, Strategy and International Affairs

- **Yvette Pierre**
Chief Policy and Strategy Officer

Ifor Hughes
Director

Operations

- **Toby Mason**
Chief Operating Officer

Sheridan Smith
Director, Management Services

Terry Pitcher
Head of Finance and Currency Operations

Martin Schembri
Deputy Director, Cyber Risk Operations

Mesheiah Keane
Director, Human Resources

Marianne Suschak-Matvey
Director, Corporate Affairs

Michael Albouy
Deputy Director, Business and Operations Support

Supervision

- **Ricardo Garcia**
Managing Director, Supervision

- **Moad Fahmi**
Chief FinTech Officer (Digital Asset)

- Christopher Brown**
Director, Supervision (AML/ATF and Conduct Regulation) and Corporate Authorisations

- Marcelo Ramella**
Director, Financial Stability and Research

- Jeferino Dos Santos**
Chief Actuary (Actuarial Services)

- Gerald Gakundi**
Deputy Managing Director,
Head of Insurance and Investment Funds

- Ashley Kibblewhite**
Director, Supervision (Banking, Trust,
Corporate Services and Investment)

Corporate Authorisations

Sharon Suess
Deputy Director

Data Science and Artificial Intelligence

Eric Donkoh
Chief Data and Analytics Officer

Legal Services and Enforcement

- **Dina Wilson**
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