

Appendix 1



**THE
GLOBAL
CITY**

City of London Competitiveness Strategy

In support of the UK financial and professional services sector
2021-2025



UK FPS worthy of support due to its support of jobs and growth in the UK

2.3M

EMPLOYED

£77.9B

TRADE SURPLUS

10%

OF UK ECONOMIC
OUTPUT

PWC Total Tax Report 2021



The UK FPS sector has enjoyed a **long record of success** as a global hub for financial and professional services.



It has **continuously adapted** resulting in a sustained competitive advantage on a global stage.



This has allowed it to play an **essential role in supporting the underlying UK economy** and is a key asset in the UK's overall global presence and economic success.

There are 5 defining dimensions for comparative advantage

Our benchmarking research is anchored in evidence and 91 data metrics which provide a holistic view of across 5 areas of comparative advantage. The 2020 report benchmarked UK and London against **New York/US, Singapore, Frankfurt/Germany, Hong Kong and Tokyo/Japan**. Future centres will be added in subsequent years. The inaugural report results can be found at <http://www.theglobalcity.co.uk/competitiveness>.



Innovative
ecosystem



Reach of financial
activity



Resilient business
infrastructure

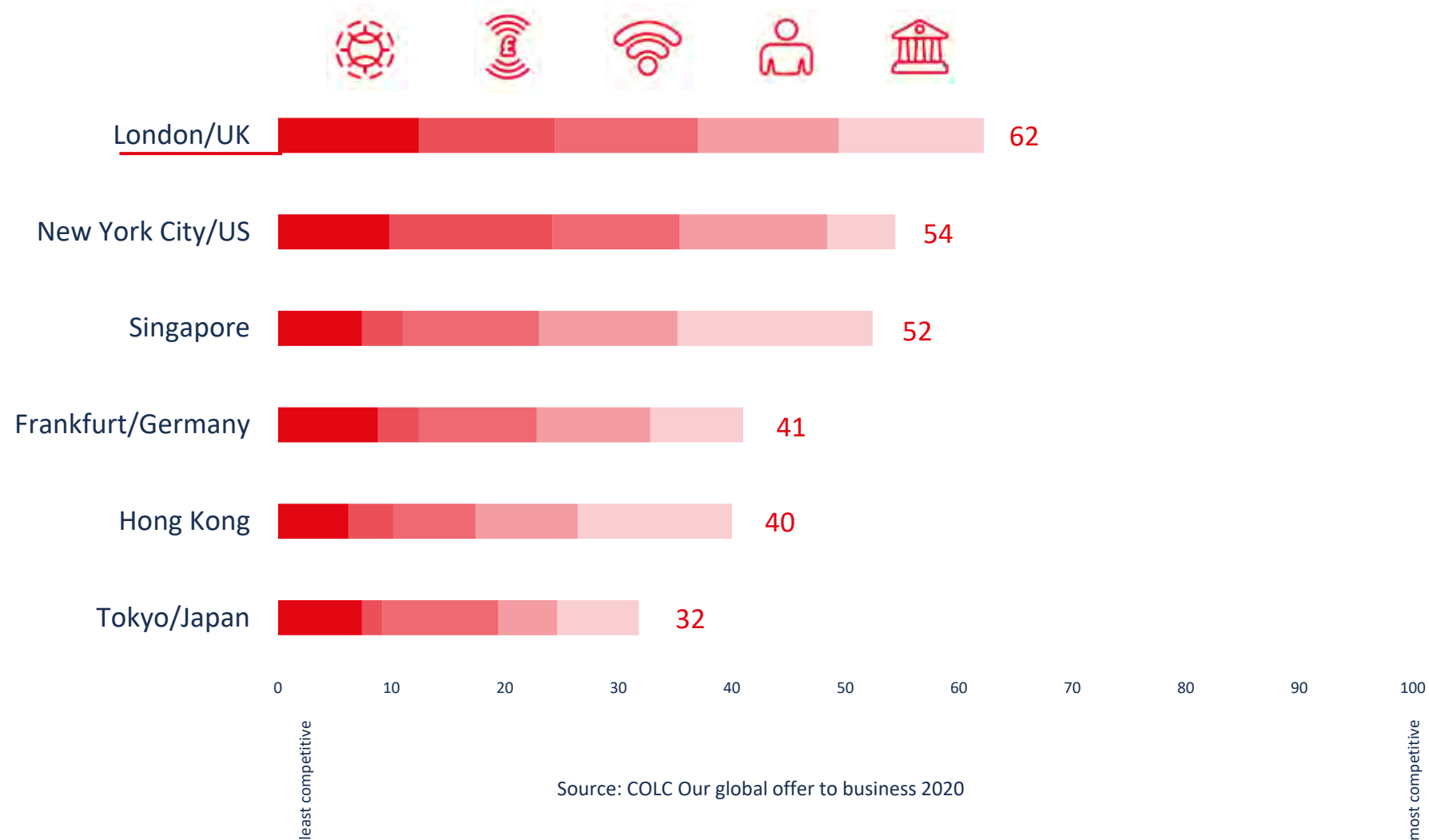


Access to talent
and skills

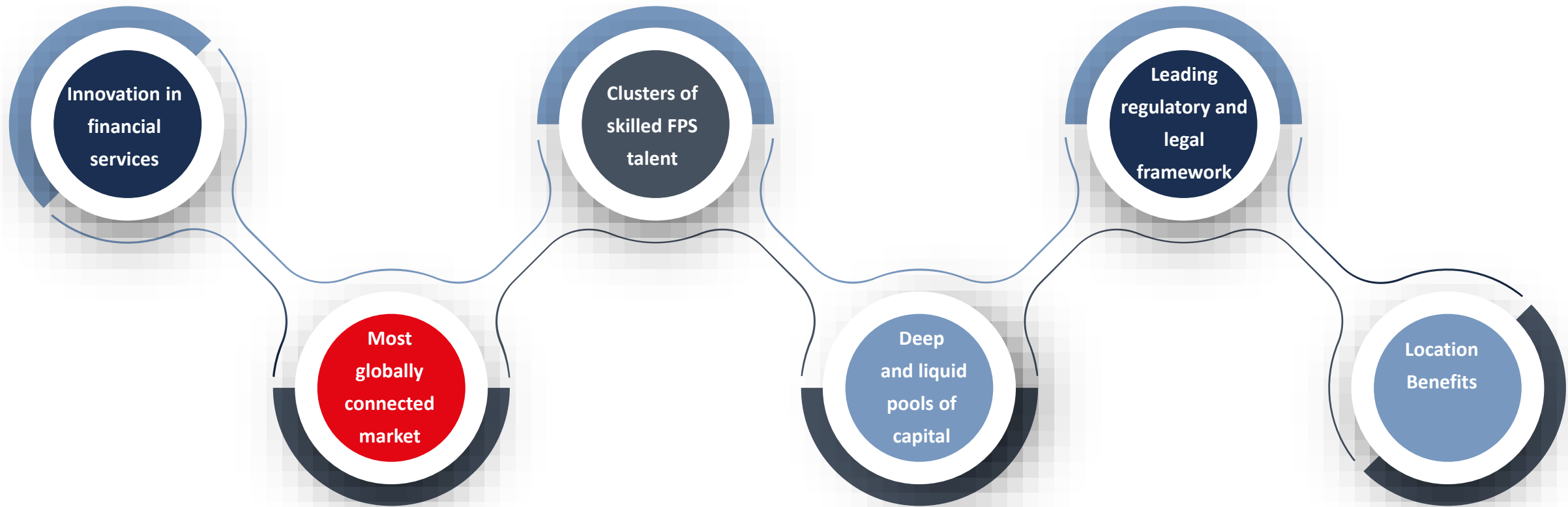


Enabling regulatory and
legal environment

Our benchmarking work reveals UK and London currently has the most competitive overall offer



And our historical strengths have endured



7600

JOBS LOST TO THE EU
Since 2016

Reuters 2021

-40%

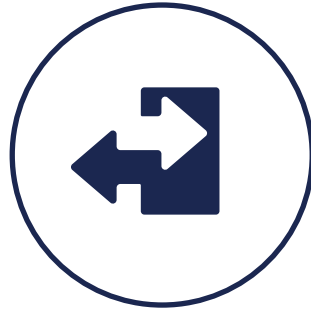
LISTED COMPANIES IN
THE UK
Since 2008

Hill Review 2021

RECENT PERCEPTION
SURVEY FOUND LONDON
BEHIND NYC, Shanghai,
Beijing and Shenzhen ON
SUPPORTING FINTECH

GFCI Perception Index 2020

Yet it's also clear that our future success is not pre-ordained



Acceleration in the rate of change in financial services combined with significant shifts in global demographics and a set of social, geo-political and economic trends will create **challenge and opportunity**

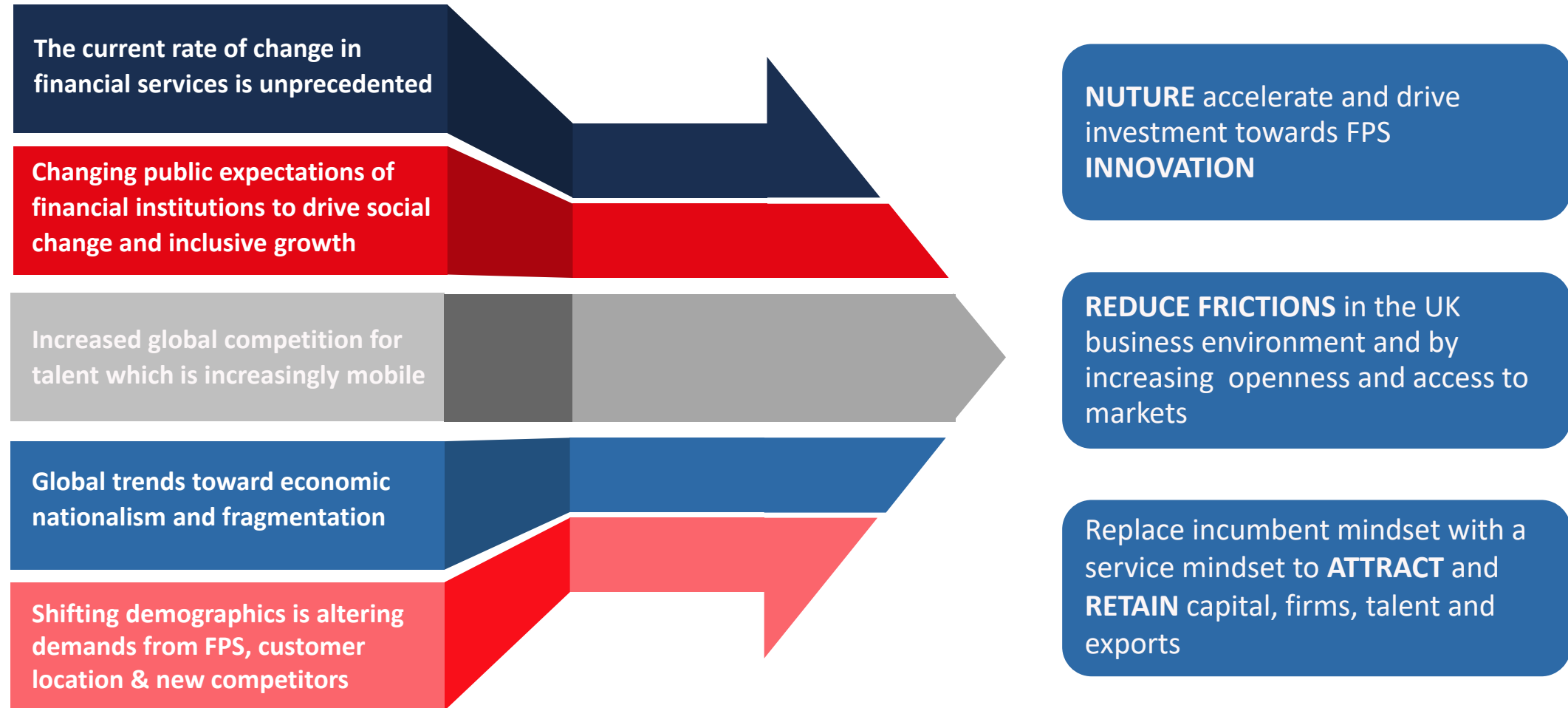


Some **early warning signs** that **UK FPS not fully poised for future growth** in this changing landscape, and that there has been recent evidence of **the erosion in the confidence of London** and the UK's traditional strengths

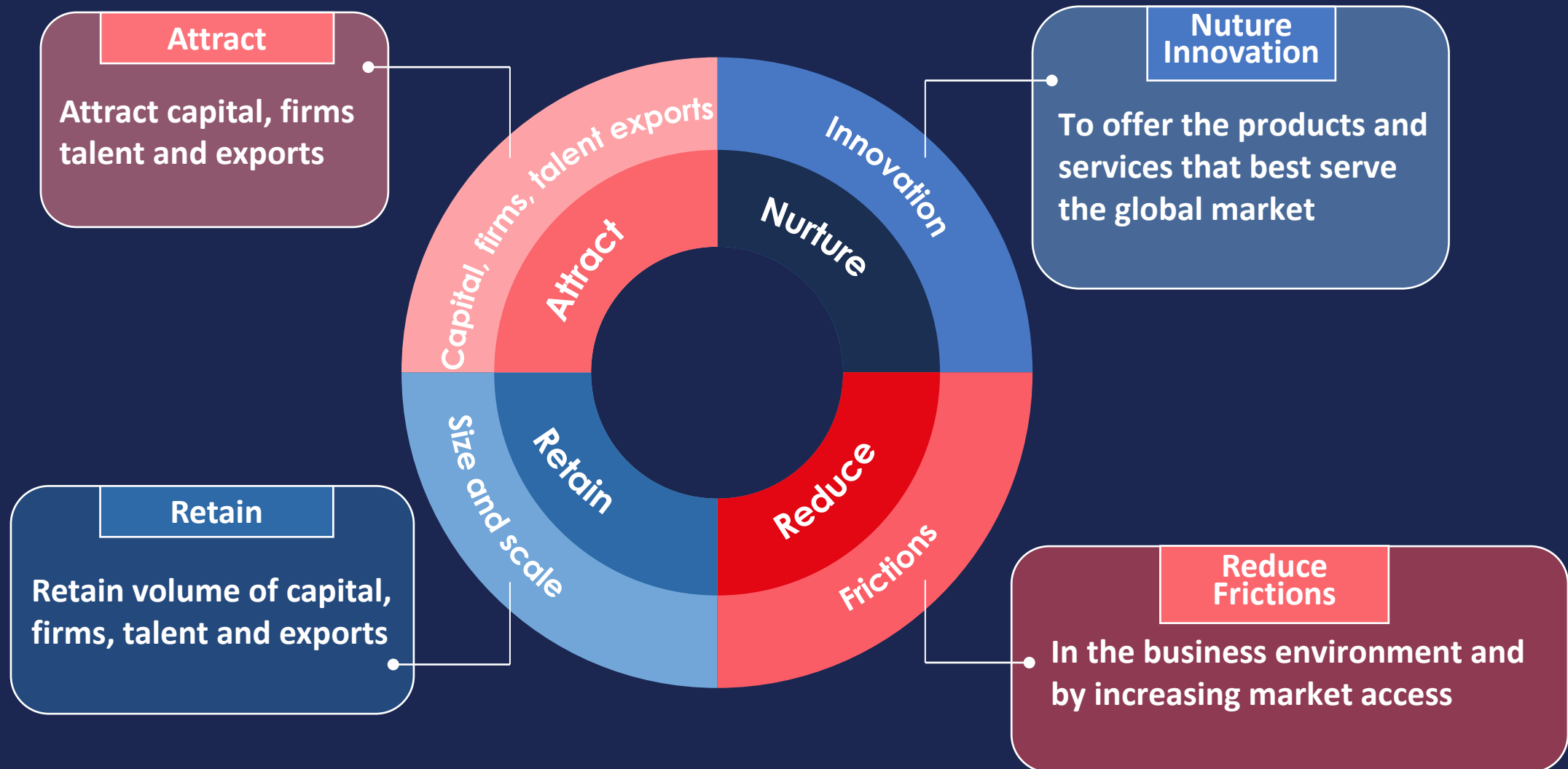


Cannot rely on incumbent position and past success alone – a proactive strategy is needed to navigate the changing landscape so that UK FPS continues to drive economic growth in the UK. **The rest of the world will not stand still and neither should we**

There are a set of growing challenges – and opportunities -- for FPS which reveal a formula for success



The strategy of the Corporation is organised around this formula and its four distinct quadrants



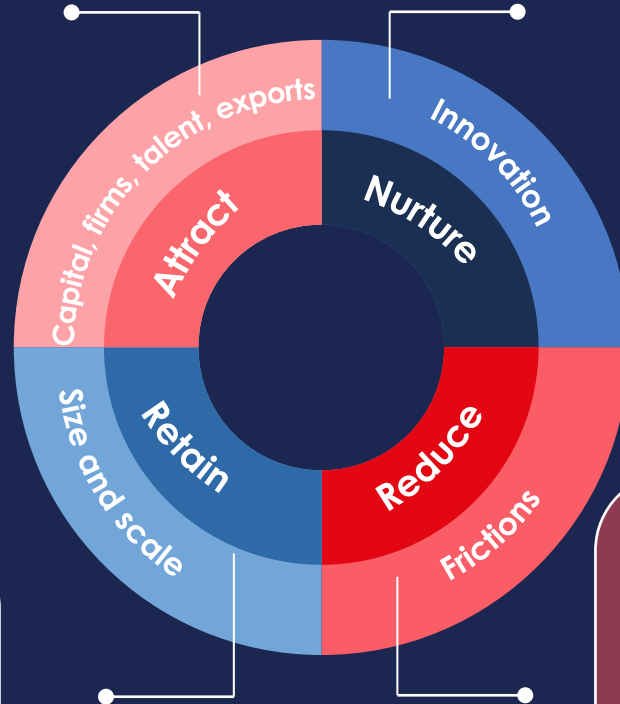
Strategic priorities in each quadrant provide focus and a reinforcing cycle of success

Attract

- Increase UK share of assets under management
- Drive growth for FPS-tech and Green Tech across UK
- Pitch competitive strengths of the UK globally
- Produce annual Benchmarking Report on comparative position of UK FPS

Retain

- Retain FPS activity
- Increase inclusion in the sector
- Produce annual State of the City Report on trends analysis in UK FPS



Nurture Innovation

- Integrate technology across UK FPS
- Support FPS-tech to scale
- Mainstream sustainable finance as core UK offer
- Build UK profile as the global destination for green finance

World Class Business Environment

- Increase access to FPS talent
- Broker a globally competitive tax regime
- Champion enhanced regulation regime powered by new technologies












Increase Market Access

- Protect access to key jurisdictions
- Champion global regulatory coherence
- Advocate for FPS priorities in UK agreements with key jurisdictions

NURTURE INNOVATIVE ECOSYSTEM
















TARGETS

ADOPTON OF A UK REGULATORY FRAMEWORK FOR ESG	ACCELERATION OF EY TECH ADOPTION INDEX	HMG ADOPTION of FSR REVIEW	LARGEST SHARE OF CARBON MARKETS & NEW ASIAN MANDATES
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STRATEGIC PRIORITIES	Mainstream sustainable finance as core UK offer	Accelerate the rate at which tech is widely integrated into UK FPS	Stimulate government and industry to support FPS-tech to scale and grow	Build UK profile as the global destination for climate finance
2021-2022 ACTIVITIES	<p>CURRENT</p> <ul style="list-style-type: none"> Shape UK Regulatory Regime for ESG Produce S in ESG Policy Report for UK and International standard setters Support GFI and III to mainstream green and impact finance with new products policies and market infrastructure <p>IN DEVELOPMENT</p> <ul style="list-style-type: none"> Global Impact Investing Summit 	<p>CURRENT</p> <ul style="list-style-type: none"> Pilot Europe's first Digital Sandbox with FCA Accelerate adoption in legal services through the LawTech Sounding Board and Innovation Ambassadors programme <p>IN DEVELOPMENT</p> <ul style="list-style-type: none"> Expansion of capacity and capability of Digital Sandbox Scope support offer for Big Tech Engagement Programme 	<p>CURRENT</p> <ul style="list-style-type: none"> Implementation of the FinTech Strategic Review (FSR) <p>IN DEVELOPMENT</p> <ul style="list-style-type: none"> Establishing the Centre for Finance, Innovation and Technology (CFIT) to identify key problem areas for UK FPS and bring together public and private sector support to help build out tech and other innovative solutions. 	<p>CURRENT</p> <ul style="list-style-type: none"> Create platforms e.g. Green Horizon Summit, & COP26 and beyond to showcase UK ESG Leaders Forum and Green Investment Principles (GIP) for Asian audiences <p>IN DEVELOPMENT</p> <ul style="list-style-type: none"> Establish Voluntary Carbon Markets Forum Create Climate Finance Mobilisation Pilots for Emerging Markets Guide UK-US collaboration on climate related financial regulation
PARTNERS	  	   	 	 

REDUCE FRICTIONS

TARGETS

	STRONGER VISA OFFER	STRONGER TAX SETTLEMENT	ENHANCED REG REGIME	ACCESS RETAINED	GLOBAL COHERENCE	FPS IN ALL DEALS
STRATEGIC PRIORITIES	Increase access to talent	Globally competitive tax regime	Create urgency for world class and future proofed domestic supervision and regulatory regime	Protect access for FPS to key markets	Champion global coherence	Advocate for FPS priorities in UK agreements with key jurisdictions
2021-2022 ACTIVITIES	<p>CURRENT</p> <ul style="list-style-type: none"> Implement and review new visa system with Home Office and EY Support Financial Services Skills Commission to implement Taskforce Report including Data/Digital Skills 	<p>IN DEVELOPMENT</p> <ul style="list-style-type: none"> Engagement Campaign on Tax Implications for Remote Working Policy Recs for tax environment for Recovery 	<p>CURRENT</p> <ul style="list-style-type: none"> IRSG Report on Future of UK Regime Post Brexit Engagement on HMG Future Regulatory Review Engagement on UK Regime for Overseas Firms Implement recs of Reg Tech Report Produce Carbon Border Tax Report 	<p>CURRENT</p> <ul style="list-style-type: none"> Conduct CPR international trade policy programme with key jurisdictions <p>IN DEVELOPMENT</p> <ul style="list-style-type: none"> EU-UK Financial Services Dialogue Third Party Content for EU files 	<p>CURRENT</p> <ul style="list-style-type: none"> Produce report to champion Global Coherence t Engagement programme with international standard setters International Data Transfer Report Collate industry view on G7 Presidency priorities 	<p>CURRENT</p> <ul style="list-style-type: none"> Conduct CPR international trade policy programme with key jurisdictions Detailed policy coverage on US Australia and Switzerland Establish International Trade Promotion Group with PBSC Digital Trade Report
PARTNERS	   	 	   	 		 

RETAIN GLOBAL FIRMS CAPITAL TALENT EXPORTS

TARGETS

**GREATER DIVERSITY OF
FPS TALENT, ESPECIALLY
SENIOR LEADERSHIP**

RETENTION OF FPS ACTIVITY

**ANNUAL PARTNERSHIP
with HMG**

STRATEGIC PRIORITIES

**Increase inclusion of the FPS
sector particularly at senior
leadership**

Actively work to retain FPS activity

**Perform annual trends
analysis on market growth
and variability by UK FPS
sector**

2021-2022 ACTIVITIES

CURRENT

- Lead Socio-Economic Diversity Taskforce
- Produce FSSC Inclusion Guidance for Industry
- Advance Tackling Racism Taskforce recommendations for FPS Engagement and Corporation's Events Strategy
- Support Women in Finance Charter to increase senior Female representation in FPS
- PBSC Skills Research for Regions and Nations

CURRENT

- Account management of FPS firms
 - Return to Office campaign to understand trends for future working in the Square Mile
- IN DEVELOPMENT
- Lead Multi-year Retention Campaign

IN DEVELOPMENT

- Annual State of the City Report to show trends in financial services activity

PARTNERS



ATTRACT: CAPITAL FIRMS TALENT EXPORTS

TARGETS

INCREASE UK's SHARE OF
AUM

INCREASE INVESTMENT and
EXPORTS across UK

INCREASE IN
GLOBAL PERCEPTION
INDICES

INCREASE IN
GLOBAL FINANCIAL
INDICATORS

STRATEGIC PRIORITIES

Increase UK share of assets
under management in both
public and private markets

Drive growth for FPS-tech and
Green Tech across the UK from
investment and increased export
opportunities

Pitch competitive strengths of
the UK to global business and
political decision makers

Perform annual analysis of
comparative position of UK FPS

2021-2022 ACTIVITIES

CURRENT

- Engaging with Corporate Treasuries to bring them to UK and London
- Account Management of major foreign asset owners from key markets

IN DEVELOPMENT

- Develop and deliver Asset Management Campaign for Japan Australia, US/Canada and China

CURRENT

- Driving US VC Investment Campaign
- Promote a pipeline of export ready FinTech and Green Tech firms from across UK on inbound and outbound visits
- Piloting Finance for Sustainable Growth Programme to increase cross UK green investment
- Place Based Investing Campaign to drive local investment across UK

IN DEVELOPMENT

- Map and promote the UK services offer for sustainable green growth

CURRENT

- Conduct Lord Mayor's Inbound and Outbound promotional programme
- Curate Global City Brand & Website
- Diplomatic Engagement Programme

IN DEVELOPMENT

- Support HMG Global Investment Summit
- Multi-year communications and marketing campaign with refreshed Global Pitch

CURRENT

- Produce Annual Benchmarking Report to highlight comparative position of UK and London

PARTNERS



Department for
International Trade

THE
INVESTMENT
ASSOCIATION



Department for
International Trade

impact
investing
institute

PBSC

North East
Local Enterprise Partnership



Department for
International Trade



Foreign, Commonwealth
& Development Office

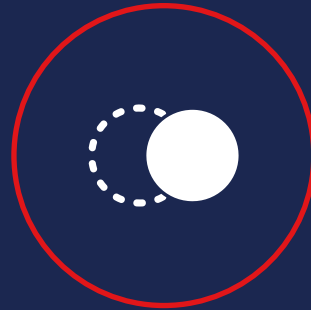


CITY
OF
LONDON

Action is needed now to secure London and the UK's competitive advantage



Requires **champions** to create urgency around a roadmap for the future

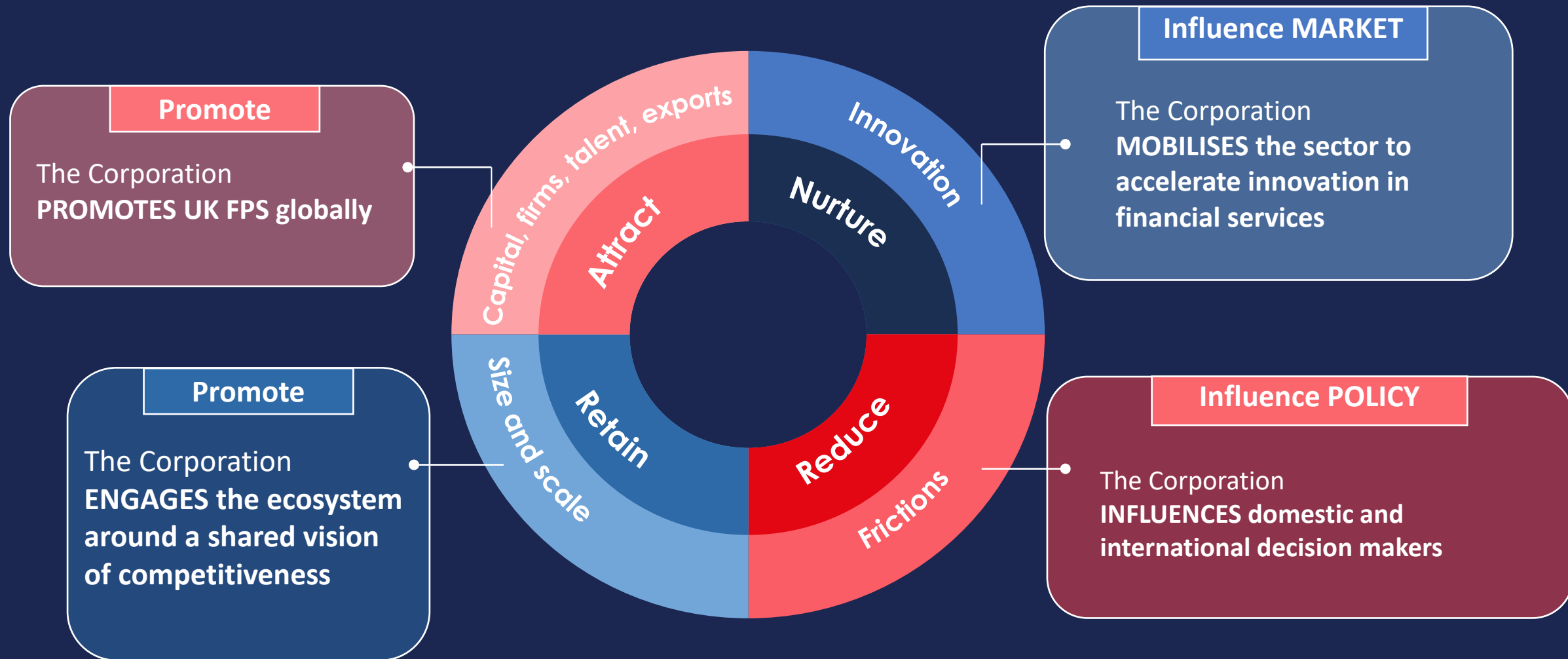


Corporation is one of those **leaders** – with a unique place to help **drive change** around a collective agenda for UK FPS. This is based on our independence, diverse relationships and broad offer **across the business ecosystem**



Supporting a thriving economy is a key pillar of the Corporation's core **purpose** to support people, the environment and the economy

The Corporation has a key role to play in each of the four of quadrants



The Corporation is uniquely placed to champion the UK's FPS sector because of its diverse relationships, broad offer and independence

- As the long-term steward of the UK's financial centre, **the Corporation is the primary and longest-standing actor** operating strategically across the UK FPS sector.
- The gravest threat to the Corporation comes from too narrow a focus on the Square Mile -- it must play a leadership role for all of FPS by leveraging its 3 unique strengths.

DIVERSE RELATIONSHIPS

- Moves insight around an extensive network of UK partners including business, government, and regulators, trade bodies and associations
- Vast international reach
- Enables the type of influence at a local national and international level required for systemic change

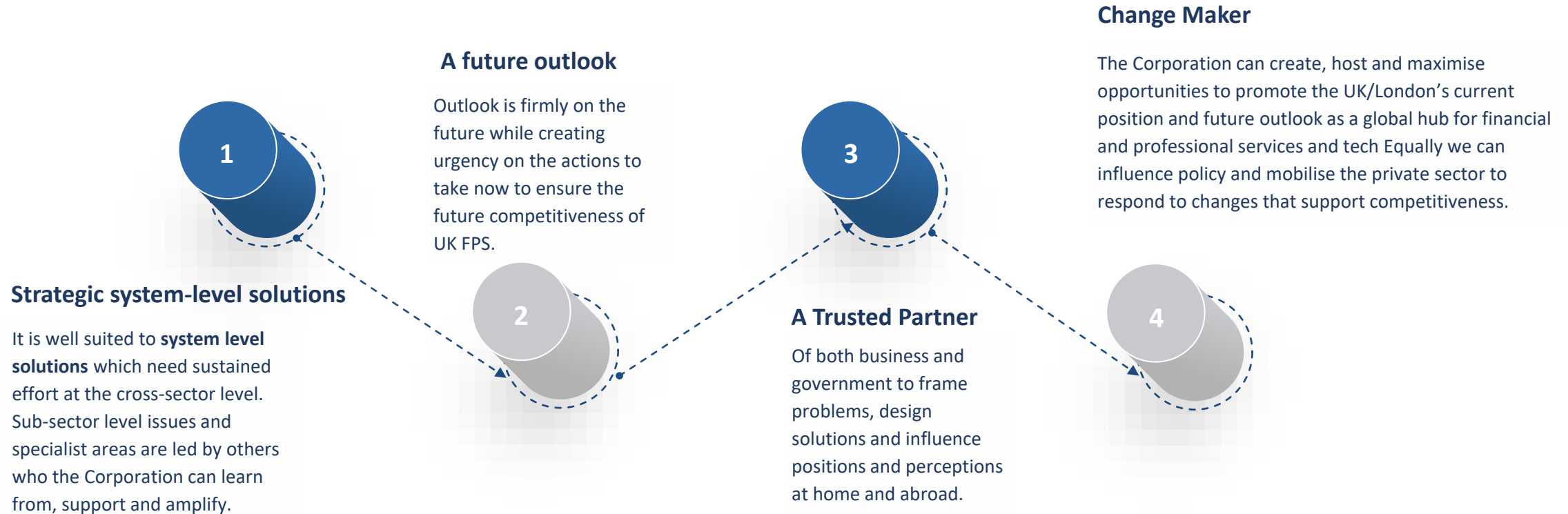
A BROAD OFFER

- Delivering broad services across the UK's financial centre
- High quality services in promotion policing property business support and more
- Enables development and support of complete business ecosystem

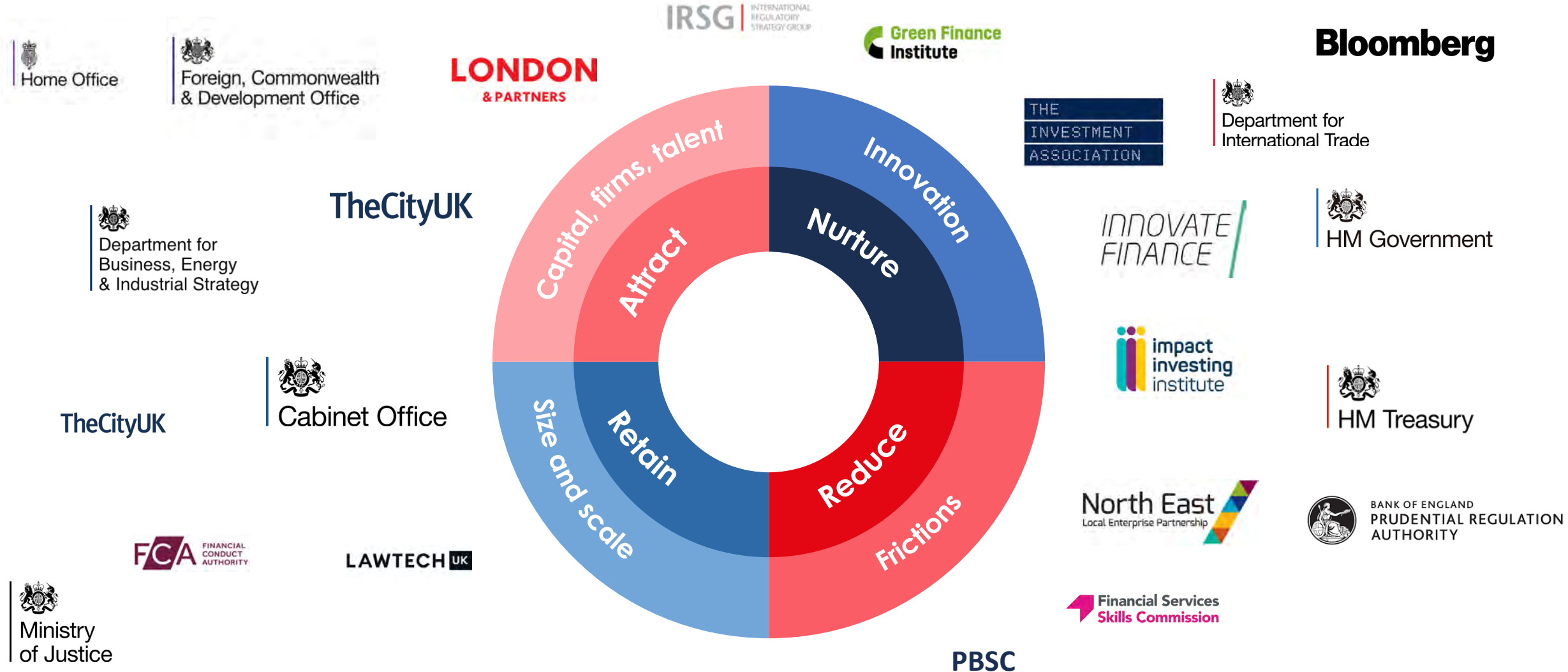
INDEPENDENT REMIT

- Free from short term political and market cycles
- Privately funded with no membership body to serve
- Enables neutral platforms for addressing key FPS issues

These strengths of the Corporation combine in a unique role to that shapes collective competitiveness in the medium to long term horizon by taking action now to ensure the future strength of UK FPS

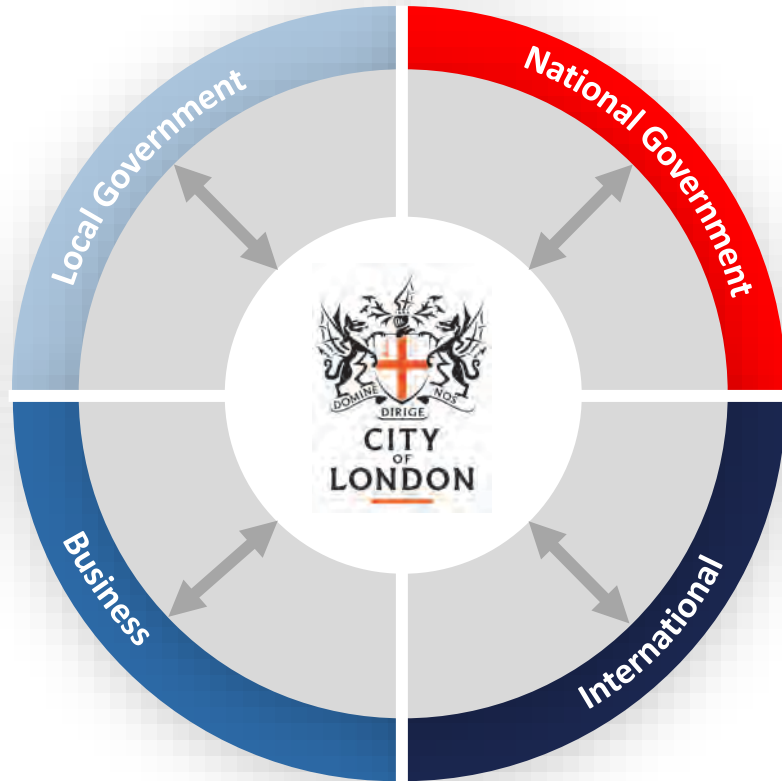


Our network extends our reach and our partnerships build capacity for outsized impact



Engagement

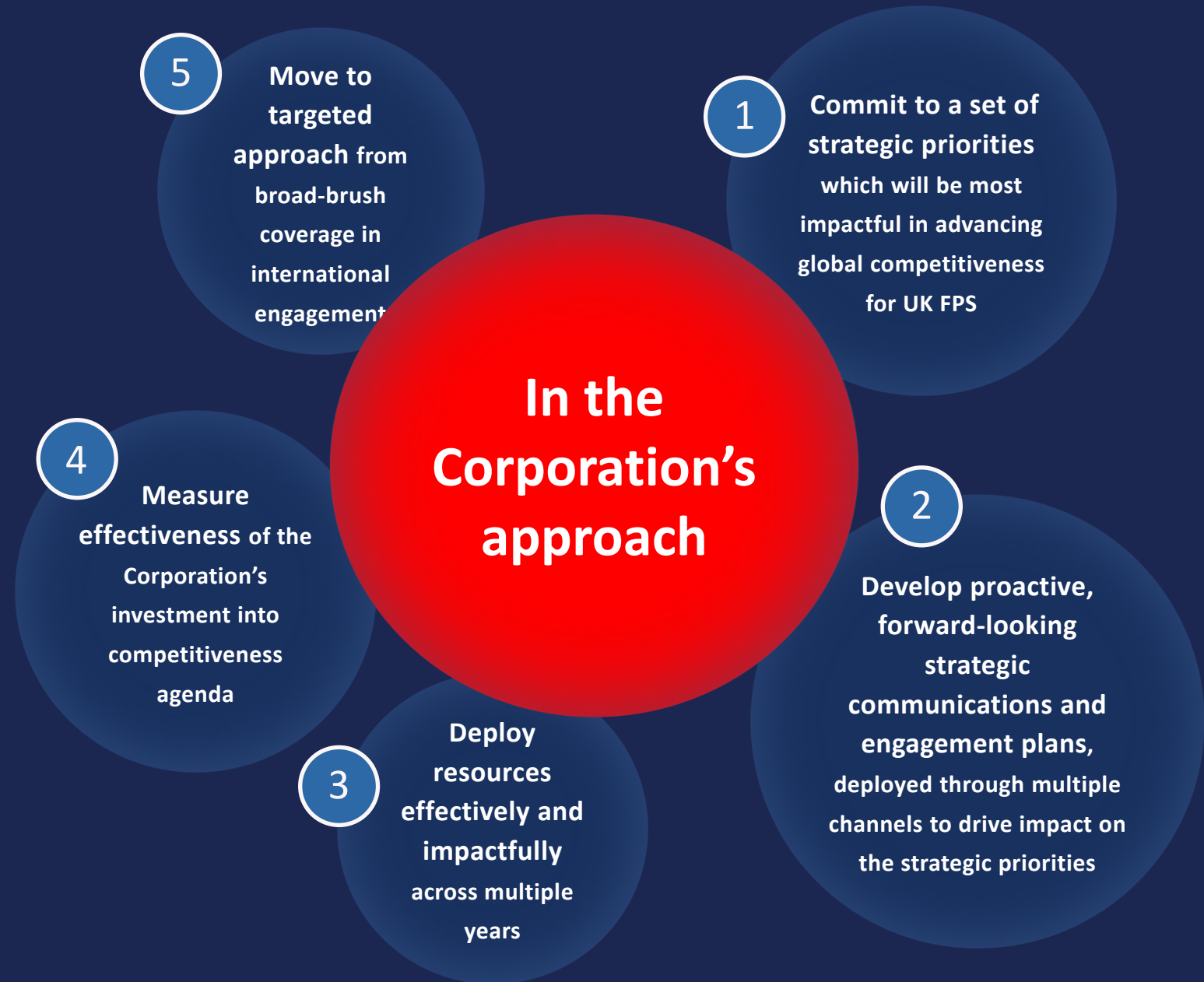
Our diverse relationships extend our influence and impact



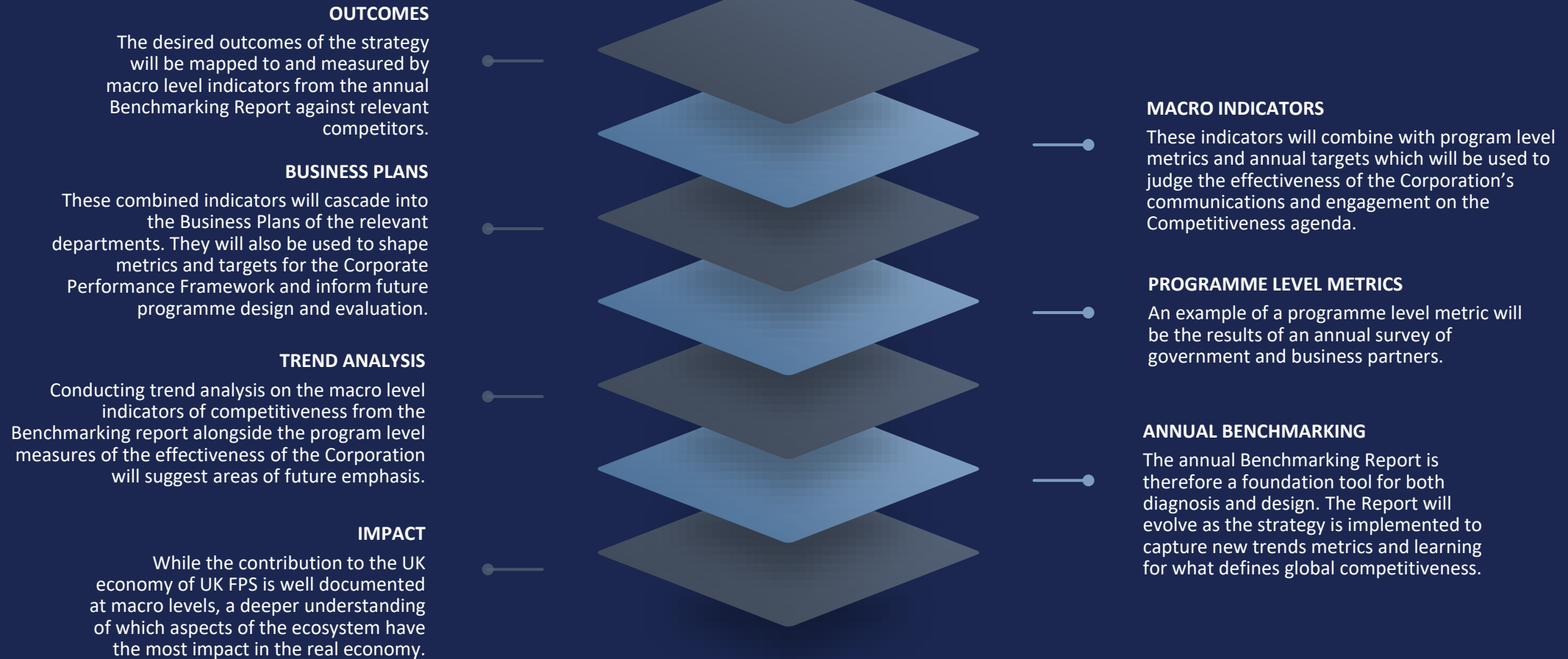
Remit	Body
Local Government	<ul style="list-style-type: none"> • London Boroughs and London Councils • Greater London Authority • Pan London Organisations • UK-wide local and regional governmental partners
National Government	<ul style="list-style-type: none"> • Treasury, Cabinet Office and No 10 • Department of International Trade • Foreign, Commonwealth and Development Office • Home Office and Ministry of Justice (MOJ) • Department for Business, Energy and Industrial Strategy (BEIS) • Prudential Regulation Authority (PRA) / Financial Conduct Authority (FCA)
International	<ul style="list-style-type: none"> • Cities • International Bodies • Foreign Governments • Global Firms and Asset Owners
Business	<ul style="list-style-type: none"> • FPS and Tech Businesses across the UK • Trade Associations

5

BIG SHIFTS



Successful implementation of the strategy will be informed by data and defined by the achievement of outcomes rather than inputs



The Competitiveness agenda will be driven by a cross-Corporation team with dedicated oversight informed by deep industry expertise.

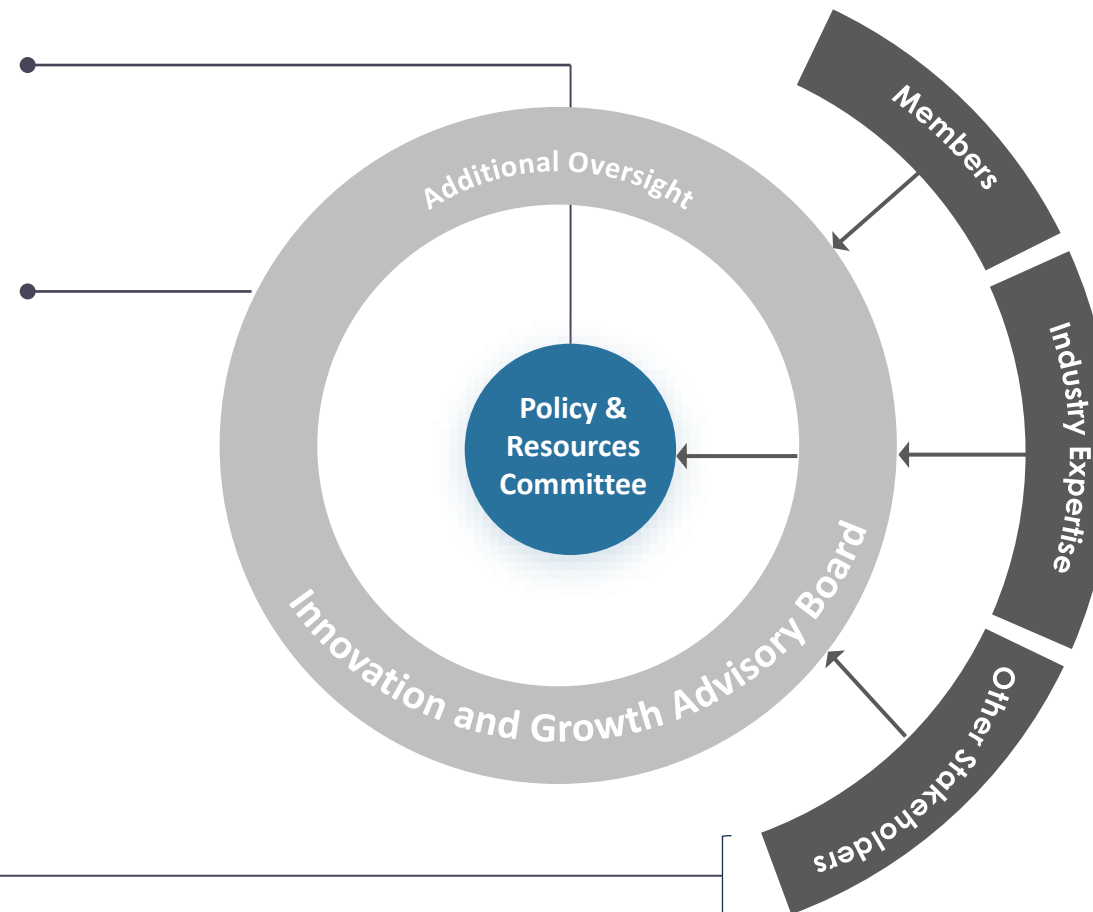
Innovation and Growth directorate to serve as the single centre for policy work on competitiveness. The agenda is delivered at a cross Corporation level with support mainly drawn from the Offices of the Lord Mayor and Leader of the Council, Remembrancers, Corporate Affairs and Communications.

Member oversight for the evolution and implementation of Competitiveness Strategy is provided by the Policy and Resources Committee (P&R).

Additional guidance is provided by the Innovation and Growth Advisory Board (IGAB). The Board is led by a Steering Committee of Members and external stakeholders with industry expertise. It will deploy ad hoc expert groups on sectoral or market issues as and when needed.

The purpose of the Board is:

- To provide expertise and insight to officers and Policy & Resources acting as an internal forum for the testing of ideas and prioritisation for the strategy
- To provide informal guidance on the implementation of the strategy
- To offer additional support to the Lord Mayor and Chair of Policy and Resources as Ambassadors on the Innovation and Growth agenda.
- To provide advice on the strategic deployment of hospitality as required



The composition of the Steering Committee is as follows:

- 4 Core Members (CPR, Deputy CPR, Chair of GPC, Deputy of GPC)
- 4 Members from the Court
- 8 external Members
- CPR as Chair and Chair of GPC as Deputy

Meetings: Quarterly

Service: Annual confirmation

Requirements: Declarations of Interest and NDA for speakers and external Members.

Guests and Observers by invitation only.

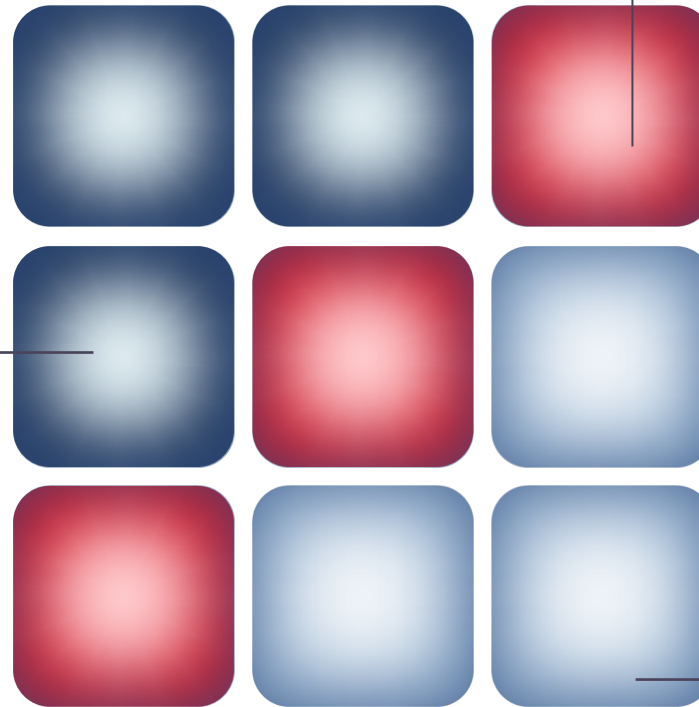
The Competitiveness Strategy compliments to related strategies at the Corporation and supports the Corporate Plan

This strategy, which describes and supports the future outlook for the whole of the UK, sits alongside the work of the Recovery Task Force which works to retain the vibrant offer and ecosystem of the Square Mile. The Task Force describes 6 big moves that will ensure that the Square Mile is the world's most innovative, inclusive and sustainable business ecosystem, and the best place to invest, work, live and visit.

HM Government Strategies

- HMT vision for an open innovative and green financial services industry
- State of the City Report

Finally, this strategy and the Corporation's work supports the current Chancellor's "vision for a financial services industry that is open, is innovative; and leads the world in the use of green finance". The Corporation will also shape and align the Benchmarking Report and other workstreams under this strategy to both support the State of the City report proposed under the Hill Review (2021).



Corporation Strategies

- Corporate Plan for a Thriving Economy
- Recovery Task Force
- Climate Action Strategy
- Digital Skills Strategy
- City of London Police Cyber Security Strategy
- Corporate Institutions and CPAT contribution to Location Benefits
- Freedoms

The Corporation is also strengthening the position of the UK's financial centre through its Climate Action strategy. This strategy outlines the Corporation's contributions to ensuring UK and London are at the forefront of transitioning to a low carbon economy and creating commercial and environmental resilience in the UK's financial centre.

Partner Strategies

Appendix 2

There are five elements to the proposed Asset Management Campaign which sees lead partners and industry deliver consistent programming and messaging about the UK's Asset Management offer



Joint venture between COL, DIT, & Investment Association



Market and subject-specific (ESG, LDI, etc) collateral developed to fuel promotion of brand UK



Consistent outcomes advanced by market appropriate tactics across 4 priority markets (e.g. annual trade delegations, thematic dialogues)



Shared attraction pipeline for mandates and prospective arrivals managed by DIT & COL



Landmark annual event @ Guildhall to link domestic and international agenda. Annual platform at Fund Forum