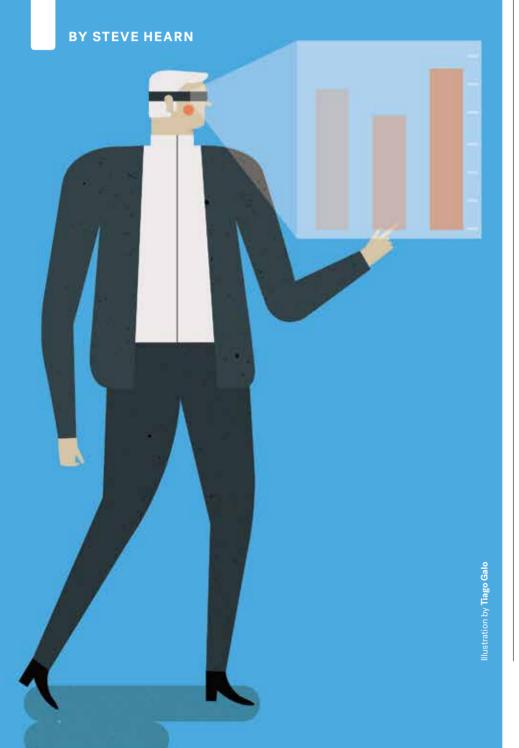
THE BROKER OF THE FUTURE



The London (re)insurance broking world is at a crossroads. It needs to be redefined. Our clients have told us in no uncertain terms that their requirements have evolved. They want to partner with people who understand their region and the nuances of their cultures, who can speak their language and who are located proximate to them. To date, the London broker has often only paid lip service to these developments. Change has been slow, stymied by outdated practices. The broker of the future will meet and then surpass these requirements. We recognise this, as do some of our peers. However, Ed is uniquely fortunate. We have the necessary global capabilities, but are unencumbered by the bloated models of our larger peers, which prevent largescale change and contain conflict. We are untrammelled by legacy business and can act swiftly and decisively. And we are debt free, we can realise the ambitions, to which many of our peers also, in part, aspire, but lack the resources. We have already made significant headway in building a new kind of wholesale broker.

The broker of the future will empower retail brokers globally with specialist intellectual property and afford them access to the world's marketplace. A proposition which only places risks through London is no longer sufficient nor relevant. It must allow access to all of the major hubs. Local insurance intermediaries know their clients better than anyone else. In the future, these regional experts will have access to all major (re)insurance hubs through Ed. They will be able to call upon the requisite expertise to enable them to provide the best possible service for their client and to adapt to their clients' evolving needs. They will also not have to compete with this expertise. Ed is not, nor will it ever be, a retail insurance intermediary. We are

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a wholesale insurance and reinsurance specialist. We will not compete with our customers. We will work with our regional partners around the world. Our proposition will recognise that they are best placed to serve their customers and we will afford them access to the global marketplace. The bigger brokers cannot do this. Their business models do not allow for it. I have seen this first-hand. They are not incentivised to put the customer first, nor do they have the reporting lines or necessary technology to achieve this.

There are several key ingredients which will make this vision a reality. Historically, our industry has been slow to embrace new technologies. Other industries, from travel, to telecoms and taxis, have undergone revolutionary changes. This has been driven by disruptive technologies. Our own industry has also evolved. In the last two decades the advent of comparison sites and affinity businesses have broken the status quo in personal lines. The international insurance and reinsurance world has been slow to recognise this. We continue to ignore the potential impact of new, more tech savvy entrants to our marketplace at our peril. Instead the broker of the future will embrace technology. It will challenge outdated practices and view the swift adoption of disruptive technologies as a way to differentiate itself, rather than attempt to retrofit creaking systems, which are not fit for purpose.

The demographics, backgrounds, ethnicities and genders should reflect those of our clients. At present, in London, there is a shortage of the skills and competencies which will make this a reality. The broker of the future will be housed with individuals who can speak to our clients in their language and who understand their culture. Teams will be tech savvy and will represent a diverse mix of the best talent available, irrespective of gender, nationality or ethnicity. Significant strides have been made in making our industry more inclusive, however much more can be done to promote insurance as a career path and showcase the exceptional benefits which our market has to offer.



STEVE HEARN

- Steve is CEO of Ed. Prior to joining Ed in November 2015, Steve served as Deputy CEO of Willis Group Holdings. He joined Willis in 2008 as a result of its acquisition of Hilb Rogal & Hobbs (HRH) and held a number of senior roles including Chairman and CEO of Willis Global, CEO of Willis Re and CEO of Willis Limited, the Group's principal UK regulated entity. Prior to its acquisition by HRH, Steve was Chairman & CEO of privately owned London wholesale insurance broker, Glencairn Limited. Earlier in his career, Steve was President & CEO of Marsh Affinity Europe, having previously held a number of positions at Marsh and Sedgwick Limited. He has served as Chairman of both the London Market Group (LMG) and the London & International Insurance Brokers' Association (LIIBA) and as a Vice President of the Insurance Institute of London.
- Steve is Executive Director of global broking group Brokerslink.

Data has become a buzzword in our industry, with organisations across the sector looking to see how their businesses can be improved by better use of data. The broker of the future will be fuelled by it. Insight and analytics will underpin every aspect of the service we provide our customers and partners. The quality of the data, along with the people who analyse and deliver will represent a key differentiator.

We will also stop viewing regulation as an impediment to business. Instead we will embrace quality regulation. Providing an efficient and effective service which maintains the highest level of regulatory compliance and which can be evidenced to the regulator, customer and carrier

will be a differentiator. It will provide a competitive advantage. It will allow brokers who ascribe to this standard to save their clients' money. It will win business. Those which do not will falter.

These are a number of the key elements on which the broker of the future will be built. This will not happen overnight, however we at Ed have made significant headway. Over the coming years, the difference between us and our peers who rely on scale and who refuse to challenge outdated practices will become ever more stark. The (re)insurance broking world needs to be redefined. I believe that through Ed, and our like-minded partners in Brokerslink, this has now begun. •