



RISK IS IN THE EYE OF
THE BEHOLDER.



Arthur J. Gallagher
BUSINESS WITHOUT BARRIERS™

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Some people see it.
Some people don't.

Our job is to see all
the risks and show
them to you.



Arthur J. Gallagher

risk management starts with you

We need to understand your business.

The diversity of operations you undertake; the accountabilities you imbed; the reach of your impact on other organisations, on your workforce, on your customers.

Every aspect of your enterprise that represents a risk (or opportunity that could be lost) inside the organisation or outside it.

In fact, there is an International Standard for assessing such things and that seems like the logical place to start.

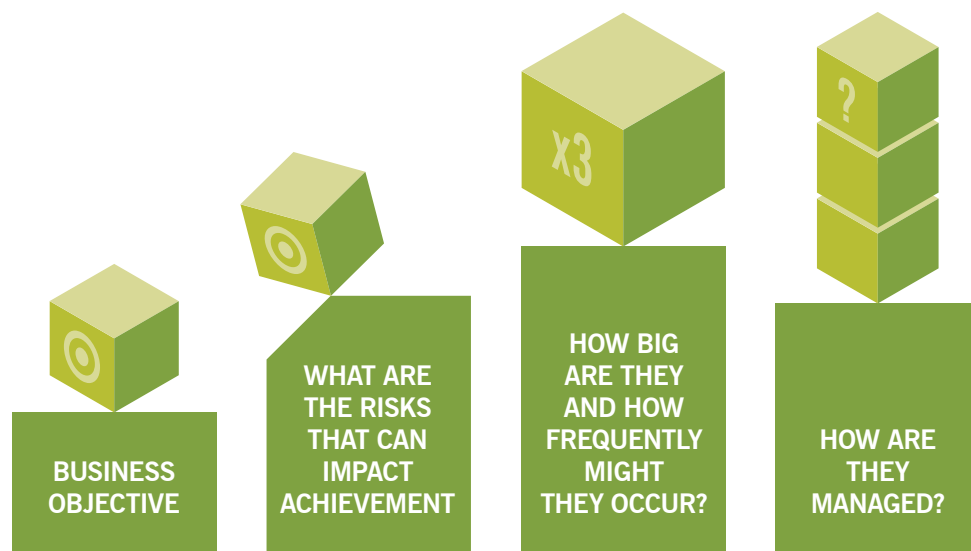
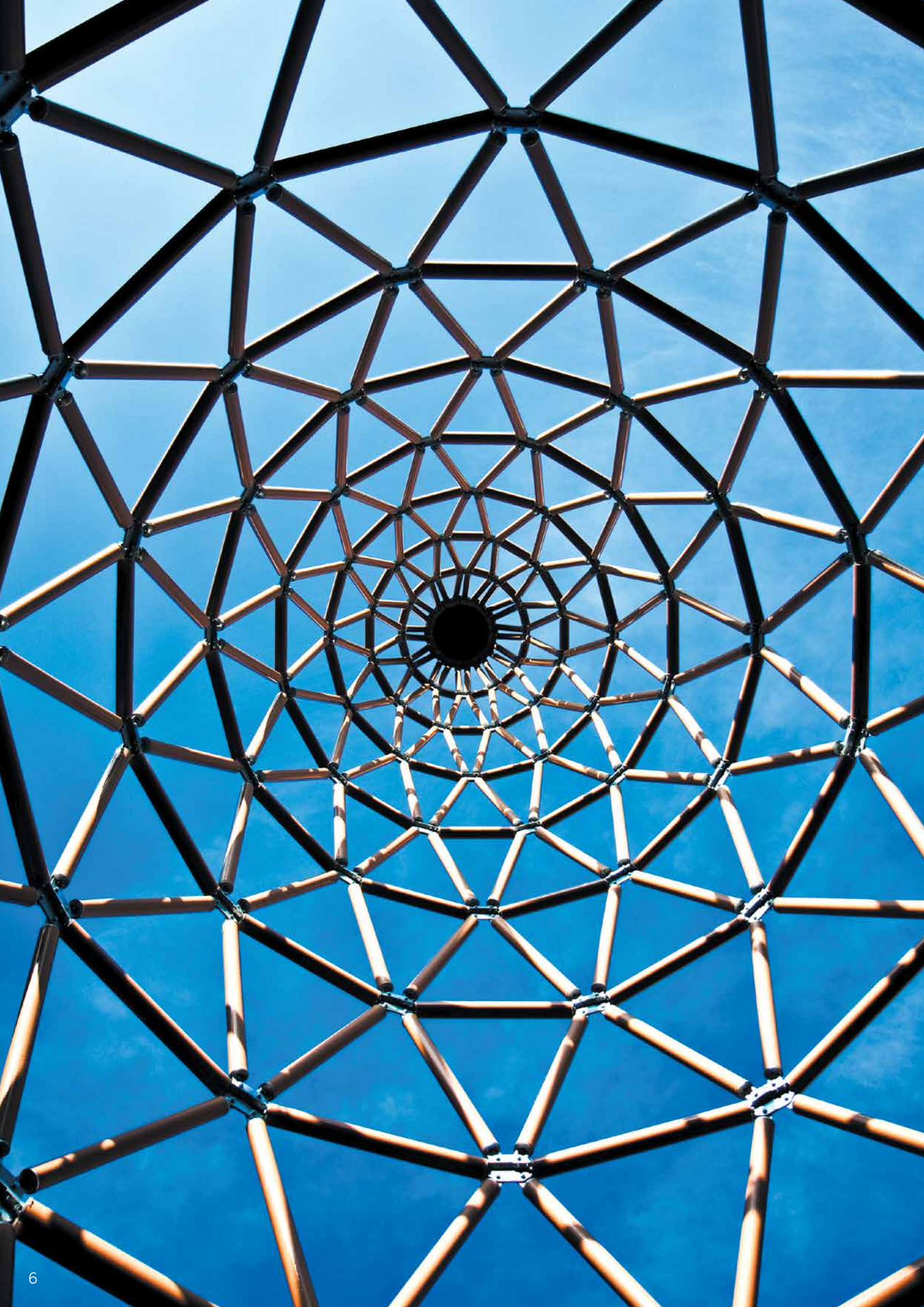


Fig.1 – Risk Management Standard ISO31000:2009

The outcome is that we understand your business objectives so we can identify, scope and manage any and all risks that can impede their achievement.



We put your business on the rack

Framework, actually. We scrupulously adhere to the globally-proven Arthur J. Gallagher service framework™ that leaves nothing to chance.

The first stage is an exhaustive **Risk review**. This process ensures that you have a comprehensive and dynamic grasp of your organisation's exposures. It will incorporate a business interruption calculation model that weights business exposures to ensure, for example, that any interruption is adequately covered at every point in time.

As the name implies the **Gap analysis** is an obvious but underrated step that throws any shortcomings into stark relief. To identify what's missing you have to understand what's there. This will seem like an assessment of all your current insurances or other risk management programs – and it is. Valuably, you will finish up with a Register of Risks with each defined in terms of cover, management or potential exposure.

Every business carries some risk as a matter of course. The **Retention analysis** will help you define the levels of risk your organisation can choose to carry; the options you have for their management; and the impact or enhancement they represent to your risk management bottom line. An important aspect of this process is the analysis of claims history and your organisation's response to those events. Positive remedial responses will contribute to a more cost-effective program.

The **Program strategy** is the nitty gritty. This will reflect all of the revelations from the foregoing analyses. It will define the architecture of the risk management strategy that is:

- desirable
- measurable
- achievable
- sustainable

for your organisation. You will have a direct hand in agreeing the shape of this approach.



Market engagement is a crucial element in the structuring of the most effective insurance program. Only by preparing the most compelling case to the market will we be able to maximise economies and contingencies in your favour. By taking a thorough understanding of your business to the insurance underwriters we can make the most of what is available in terms of both capacity and attitude. The demonstrable commitment of your organisation to **Marketing and placement** will provide invaluable tactical and longer term benefits.

The inclusion of insurance or not is a by-product of the Service Framework risk review, gap and retention analysis. Indeed insurance is not always the answer and is never the only answer.



The 'locally grown' global

Arthur J. Gallagher is unique among the small number of capable multinational risk management and insurance broking groups.

At first glance the difference may seem subtle but the influence that difference exerts on our client outcomes is profound. While the company has grown to be the world's fourth largest risk and insurance advisor it has avoided the stifling bureaucracy typical of corporate organisations of that scale. At heart, Arthur J. Gallagher has a heritage of sincerity and candid honesty that helps to attract and retain the most skilled and purely motivated people. Talent retention is critical to longterm relationships, accrued understanding of our clients' business and the sustenance of a culture that reflects a sense of close collaboration and shared purpose.

Arthur J. Gallagher & Co was founded in the United States in 1927 by the grandfather of today's Chairman and CEO, J. Pat Gallagher. The company is listed on the New York Stock Exchange and has a market capitalisation of over US\$7.5 billion and some 20,000 employees.

Globally, its insurance broking operation maintains a network of more than 400 offices throughout 29 countries. The company has also established the Gallagher Global Alliance, which provides service to its clients in more than 140 countries through annually vetted associates.

Notably the company's guiding ethos – The Gallagher Way – speaks to values and behaviour not targets and ratios.

Rather than create a set of ubiquitous and hollow corporate utterances around 'visions', 'values' and 'missions', over forty years ago Robert E. Gallagher penned 'The Gallagher Way'. It describes how we work with our clients, how we work with each other, and how we preserve our uniquely non-corporate perspective on the world.

The Gallagher Way

- | | |
|--|---|
| 1 We are a Sales and Marketing Company dedicated to providing excellence in Risk Management Services to our clients. | 14 Never ask someone to do something you wouldn't do yourself. |
| 2 We support one another. We believe in one another. We acknowledge and respect the ability of one another. | 15 I consider myself support for our Sales and Marketing. We can't make things happen without each other. We are a team. |
| 3 We push for professional excellence. | 16 Loyalty and respect are earned – not dictated. |
| 4 We can all improve and learn from one another. | 17 Fear is a turn-off. |
| 5 There are no second-class citizens – everyone is important and everyone's job is important. | 18 People skills are very important at Arthur J. Gallagher & Co. |
| 6 We're an open society. | 19 We're a very competitive and aggressive Company. |
| 7 Empathy for the other person is not a weakness. | 20 We run to problems – not away from them. |
| 8 Suspicion breeds more suspicion. To trust and be trusted is vital. | 21 We adhere to the highest standards of moral and ethical behavior. |
| 9 Leaders need followers. How leaders treat followers has a direct impact on the effectiveness of the leader. | 22 People work harder and are more effective when they're turned on – not turned off. |
| 10 Interpersonal business relationships should be built. | 23 We are a warm, close Company. This is a strength – not a weakness. |
| 11 We all need one another. We are all cogs in a wheel. | 24 We must continue building a professional Company – together – as a team. |
| 12 No department or person is an island. | 25 Shared values can be altered with circumstances – but carefully and with tact and consideration for one another's needs. |
| 13 Professional courtesy is expected. | |

When accepted Shared Values are changed or challenged, the emotional impact and negative feelings can damage the Company.

Robert E. Gallagher - May 1984

Arthur J. Gallagher, here

As a large and well-established corporate risk management and insurance broking business in our own right we have a long and successful track record that we bring to the Gallagher family and our clients.

The trans-Tasman broking operation began trading in 1976 and now employs over 2,500 staff in more than 55 locations across Australia and New Zealand with corporate practices in all state and national capitals.

The wider group company comprises four operating entities:

Arthur J. Gallagher - insurance broking and risk management services

Crombie Lockwood (New Zealand) - insurance broking and risk management services

Gallagher Bassett – a multi-line third party claims administrator. Specialising in the detailed implementation and management of claims and compensation programs

Pen Underwriting Agencies – a multi-line general insurance agency

The company puts clients' needs at the centre of its focus. As a consequence, our offices have developed industry and issue-specific capabilities beyond the market standard, in response to client driven necessities.



Our Australasian corporate and general risk management and placement services are complemented by proprietary specialisations in key sectors including:

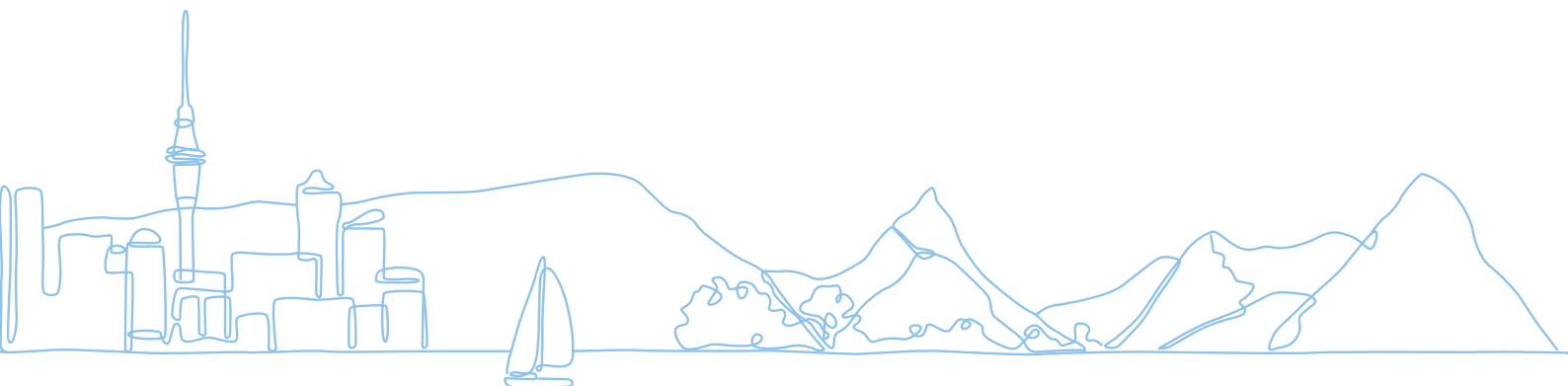
- Financial and professional risks
- Affinity groups
- Public entities
- Resources and energy
- Private equity
- Mineralogy
- Construction
- Marine
- Road Transport
- Trade credit

The group's global resources include centres of excellence, research and services in a further seventeen industries or niches which are directly accessed through your account management team.

All of this delivered only on the basis of what your specific risk management needs are. Indeed the foundation of our business model is a thorough understanding of your business. To gain that, we'll spend as much time and effort as it takes to build a complete picture of what really drives your day-to-day opportunities and exposures.

This client focused discipline is expressed as our aspiration:

Through a commitment to **understand** your business we will earn your **trust** and through proactive **advice** and **solutions** position you to financially **survive** any insurable event.



Our proposition

As your 'locally grown' global broker we undertake three missions:

- We commit to understand your business inside out
- We help you understand what we are doing, so you can clearly judge the value for yourself
- We partner with risk carriers who value that understanding (and the insights it brings)



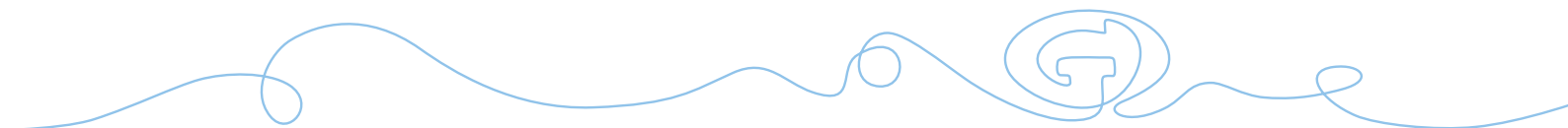
We believe in 'face-to-face advice' delivered by any means

We mean what we say and we stand by it

We work hard to attract and retain the best people in the industry by offering them a unique reason to work with us - your welfare

You benefit directly from our ability to field the strongest team, every day

We are your globally equipped, 'global alternative' in this market



For your nearest branch visit:

ajg.com.au



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