

The economic value of insurance broking.

M.

The value to clients.



Quality of advisory service - ranked as the **#1** factor by clients when choosing insurance. Brokers can offer a higher-quality service, foster personal relationships, and are not aligned to any insurer. Rather, they advocate for their clients' interests.



Tailored risk-management solutions - on average, **40%** of clients are under-insured or not insured at all, before engaging a broker.



Time savings - brokers save each client an average of **11 hours** - or an estimated **\$300 per annum** in the value of time saved.



Greater choice - the average NIBA broker offers products across over **10** different insurers.



Claims support - brokers save clients an average of **2.5 hours** during the claims process. **41%** of SMEs agreed it would have been 'much harder' without the support of a broker.



Understanding & managing risks - **62%** of clients have a very limited understanding of the extent of the risks they face.

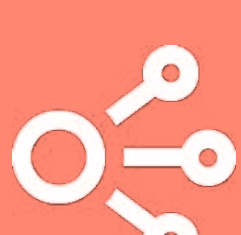
Deloitte

M.

The value to insurers.



Saved resources - saving each insurer an average of 3.3 hours, which equates to more than 1,380 FTE staff each year.



Product distribution and client reach - 38% of broker premiums are written for clients outside of Australia's capital cities.



Product innovation - 13% broker policies represent new market opportunities, with 'cyber risk' commonly identified.

These benefits also reflect value for clients, in the form of saved time, increased choice, and access to more innovative and tailored products.

Deloitte

M.

The value to the economy.



Market efficiencies - reducing uncertainties for insurers and closing information gaps, encouraging more appropriate pricing, product matching and greater competition.



Risk management & economic stability - to facilitate better product matching, faster claims receipts and provide broader risk advice.



\$2.6B annual contribution to the Australia economy - brokerage businesses employ almost 15,000 FTE workers each year.

Deloitte

M.

The value to society.



Disaster relief, advocacy & policy advice - supporting clients with claims preparation, assessment, lodgement and negotiation processes.



Solutions for difficult-to-insure clients - brokers play a key role in finding appropriate insurance for difficult-to-insure risks, particularly in markets where there is limited access to insurance products.



Supporting local communities - surveyed brokerage businesses donated over \$25,000 per year to charitable and other social causes, and volunteered more than 550 staff hours to charities.

Deloitte

M.

Midland.

INSURANCE BROKERS