

## INTRODUCTORY COMMENTS

Thank you for the introduction David [Smith] and thank you to our hosts, Insurance Day and ACORD.

I am honored to be here to talk to you today.

Like John Hennessy, I also did a paper round growing up but I'm not going to talk about that today.

I am however going to say a few words about this.....[Ryder Cup]

Because you see, even though I live in Chicago and I have been in the US for almost 20 years, I am still very much a Brit at heart (though you may not be able to tell from my accent)!

I was lucky enough to attend the Ryder Cup at Medinah to witness the tremendous comeback performance by the European team.

At one point, I found myself in the middle of a group of fans who were chanting USA, USA when much to my amusement there was a chant from the opposite side of the fairway of "You've only got one song" shortly followed by "You're not singing anymore"!

## LONDON MOVE

Before I discuss technology today it is only fitting that since we are in this great city, I say a few words about the decision to move our headquarters from Chicago to London.

We see this as a logical next step in the evolution of our firm.

The move will provide us with increased financial flexibility that will allow us to make more significant investments in our global network, our broking capability, and in the continued development, retention and acquisition of key talent.

Aon certainly remains focused on Chicago. I will continue to be based in Chicago which will continue to serve as our headquarters for the Americas. I do expect to be spending more time in London due to the move.

As you all know well, London has been the center of the insurance world for over three centuries and rightfully is known as the birthplace of insurance and risk management.

A great majority of complex risks are, in one way or another, marketed through London by insurance clients from growth regions such as Asia, Eastern Europe, Africa and the Middle East.

Today's modern, global client is looking for the most innovative and creative uses of capital, and the UK market has been a constant source for those solutions. London is where Aon can thrive in our continued focus on bringing new and innovative products and solutions to market.

## TECHNOLOGY OVERVIEW

Aon is a truly global firm with over 62,000 colleagues in 120 countries. Aon touches nearly 30 percent of the global economy every day. We annually manage about \$60 billion of commercial premium and about \$30 billion of reinsurance premium.

So now let me turn to technology. How do I think about technology powering a global firm like Aon?

I think about using technology to leverage this breadth of activity in three ways:

1. Firstly by leveraging the wealth of data from our global network to drive insights for our clients to help them make more informed, fact-based decisions;
2. Secondly by using technology to enable our colleagues to connect with each other to bring the best of global Aon to our clients;
3. And finally by developing a fast and efficient transaction engine, both within Aon and through the efficient exchange of data with our trading partners, to provide exceptional service to our clients.

## INSIGHTS FOR CLIENTS

First, I'll focus on how we use technology to leverage the wealth of data from our global network to drive insights for our clients.

The power of data will be a key theme throughout my comments today. At its core the Insurance industry is all about gathering and analyzing data to mitigate risk.

Aon has embraced this and our global strategy is built on our ability to use information effectively on behalf of our clients.

The world is drowning in data. There's always more than we can cope with.

By some estimates, 90 percent of the data that exists in the world today was created in the last two years.

Access to data and information is not the problem; making sense of it is the real challenge. In many ways we are data rich, information poor, and

insight starved.

It was Albert Einstein who once said, “Information is not knowledge.” He was right. It is what you do with that information that will help your firm grow and prosper.

That is why Aon has developed proprietary analytical tools to help clients take full advantage of the wide array of information at our disposal.

We can answer questions that clients don’t immediately know to ask. We can identify risks before they turn into problems. We can spot trends as they emerge.

By offering these capabilities, we have become much more than an intermediary that places risk. When all works well, we become a partner with our clients in managing the complexity of risk they face every day.

Historically in our industry instincts and intuition have been dominant when making important decisions. We help clients balance their fast, intuitive thinking with careful analysis centered on hard data.

We continue to invest in cutting-edge analytical tools that enable us to transform this wealth of information and talent into actionable data that gives our clients a competitive advantage.

For example, Aon’s Global Risk Insight Platform, or GRIP, is now the world’s leading repository of insurance placement information, providing clients with comprehensive, real-time insight into market conditions, premium rates, and best practices in program design, across all industries and around the world.

Another example is Aon Benfield’s Impact Forecasting® LLC, a catastrophe

model development center of excellence where subject matter experts analyze the financial implications of natural and man-made catastrophes around the world.

Another use of our analytical capability is our UK terrorism catastrophe model, which simulates attacks on more than 2,000 potential UK targets, including places of worship, financial centers, infrastructure, government and military locations. For each simulated event, the model forecasts the consequent impact on an insurer's exposures which can be used to assess potential financial losses from injuries and deaths. As businesses deal with European Union regulatory changes requiring a closer examination of terrorism risk, this analytical tool helps our clients better understand their exposures and optimize the transfer of their risks to the reinsurance market.

In summary, we help clients transform intuition into data-driven insight, giving them the confidence to pursue their business objectives.

Transforming data into insight is the key to managing the complexity of risk in today's world. We are fortunate in that Aon has the expertise, the technology, the access to data and the global network to help clients harness the information explosion and turn it to their advantage.

## CONNECTING COLLEAGUES AND KNOWLEDGE SHARING

The second technology lever I would like to highlight is our focus on enabling our colleagues to connect with each other to bring the best of global Aon to our clients.

In a large global firm like Aon, hundreds of small, informal networks of colleagues develop organically. They may be based upon geography or line of business or around common social interests. While these informal

communities are encouraged, we feel that they need to be supplemented with tools to enable broader global connections to be established.

At Aon, we have used the power of social media tools operating within our enterprise to create these connections, fuel the sharing of knowledge and provide a platform for collaboration between our colleagues around the globe.

Our colleagues are at the core of Aon's ability to bring value to our clients. That is why we began our journey by establishing a global directory that that serves as Aon's internal LinkedIn.

Our colleagues have completed richly populated individual profiles, which include both descriptive narrative and structured information selected from drop down menus to capture relevant skills and experience.

We increasingly find that we need to establish virtual global teams to serve our global clients. We now have a tool that enables our colleagues to find the experts they need to collaborate with to bring the power of global Aon to our clients.

Our colleagues can establish virtual workspaces to collaborate and share documents. We have also deployed technology to enable discussion forums, polling, event calendars, point-to-point voice and video, online meetings and group video conferencing.

We are also focused on making the tremendous wealth of content at Aon available to colleagues. We are working closely with our Chief Knowledge Officer to further enhance our Knowledge Hub.

By enabling our colleagues to easily post new content, our repository grows every day. A strong focus on search technology enables colleagues

around the world to benefit from innovative thinking across the breadth of Aon network.

In summary, our view is that if we can connect the right colleagues with each other, give them access to the right information, and provide a platform for them to collaborate; we can bring unparalleled service to our clients.

## DEVELOPING A FAST AND EFFICIENT TRANSACTION ENGINE

And now let me turn to the final technology enabler that I am going to talk about today; leveraging technology to create a fast and efficient transaction engine.

Clearly Aon strives to operate as efficiently as possible but the real value in developing a fast and efficient transaction engine is the value to our clients.

To illustrate how we think about this I will quote my good friend and colleague, Ian Summers:

“I would suggest that clients want better, faster access to markets with a good level of security. Where they have business placed for them they want to know about it straight away, not sometime over the following month. Above all else they want claims paid as quickly as possible. And whilst anything is going on that affects their policy they would like to be able to track progress online rather than by having to track someone down first. Give them that and they could be happy to sign a check.”

One of the benefits of being a large global firm is the ability to pool investment and develop world class technology solutions that can be used to bring value to clients around the globe.

This is a core element of my strategy as illustrated by the work I did in Aon Benfield, deploying a global processing system.

We continue to develop standardized global solutions, tailored for local markets

We are committed to maximizing our ability to perform straight-through processing, only keying data once in the process to limit errors and speed the process.

As our platforms and processes become more standardized and efficient around the globe, it becomes increasingly important that we interact with our trading partners in a standardized and efficient manner

I have been fortunate to serve with Greg on the Board of ACORD for the last couple of years. I see ACORD data standards as a key to allowing us to leverage our investments globally and optimize processes regardless of where business is placed

I remember sitting down with Ian back in 2003 and mapping out the processes and message flows as we first began exchanging ACORD XML messages internally at Aon and with other early adopters

I have to say that almost 10 years on, I expected us to be a little further along the journey but I am encouraged with the progress and increased adoption over recent months.

I remain absolutely committed to the principle of a common data standard used around the globe.

In summary, it is a privilege to serve as CIO for Aon at a time when technology is so critical to realizing our vision, and maximizing the value that we bring to our clients.

Thank you.