

# UNIBA PARTNERS STEWARDSHIP REPORT 2020

On behalf of the board:  
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## Table of Contents

<b>2020 IN REVIEW .....</b>	<b>2</b>
ABOUT 2020 .....	2
NETWORK DEVELOPMENT .....	2
THE REGIONS .....	4
BACKBONE .....	6
<b>FINANCIAL OVERVIEW.....</b>	<b>6</b>
<b>BUDGET 2021.....</b>	<b>7</b>



## **2020 IN REVIEW**

Dear Partners,

On behalf of UNIBA Partners' board of directors we are pleased to present you with this Stewardship Report for 2020, a year so unusual that the full implications for our families, our companies and, indeed, our future, are still far from clear.

All of us on UNIBA Partners' board are available to answer any questions you might have in relation to this report - either during our Forward conference or at a time of your choosing.

David Thomson, our Treasurer, will be presenting the financial report, commenting on the 2019 results, the expected 2020 results and the proposed budget for 2021 during the conference.

Exceptionally, we will be inviting you to vote electronically on the budget.

### **ABOUT 2020**

*"Every day what we knew as normal before, fades away.*

*We find ourselves in a transitional space where we cope with the crisis day by day and wonder what we'll be doing whenever the next normal arrives." (McKinsey).*

It is indeed difficult to fully express the extent of the change we have seen over the past months.

In the face of these difficulties, we are impressed by you, our Partners.

Impressed by the resilience with which our Partners across the world switched from high-intensity, face-to-face client and insurer meetings to helping clients to protect their firms and their staff from improvised home offices across the world.

Impressed by how our Partners are embracing the constraints of this crisis as an opportunity for reflection, learning and change.

Impressed by the solidity of our relationships and the willingness to find new ways to share and communicate, and to live and spread the UNIBA Partners' spirit.

This was and is important for the team in Brussels and for the board of directors, who cannot operate effectively in isolation.

It is particularly important also for the new Partners, none of whom we were able to spend time with in person and of who have not yet been able to tap into the experience of community which our conferences normally provide.

### **NETWORK DEVELOPMENT**

2020 was, among many other things, the year of reinventing how we connect.

**[www.uniba-partners.com](http://www.uniba-partners.com)**

It is a testimonial to the quality of our Partners and the engagement of everyone in this organisation that despite the lack of in-person contact, UNIBA Partners was able to continue to grow and thrive in 2020.

The network-wide WhatsApp group which we set up in March immediately became a rapid way of sharing developments and useful material across our different territories. It remains an easy communication tool today.

Our Best Practices COVID 19 conference call kicked off the debate on how to best respond to the crisis, a conversation which has continued in all of our regional conference calls.

The lack of in-person contact has given a new urgency to these calls, intensifying regional collaboration, implementing new projects and surfacing regional needs which would likely have remained dormant without the frequency of these calls.

With no travel and no real-life events to prepare, we redirected resources into three key areas of collaboration:

- Building and Sharing of Knowledge & Opportunities  
140 participants from across the world now contribute to our eight Centers of Excellence. The excellent Cyber newsletter, introductory and specialist webinars on topics ranging from construction to energy, as well as specialist papers and videos on a broad variety of topics, are just some of the examples of the contributions these Centers are already making to the network. Center leaders and their participants deserve huge recognition for the work they have accomplished and continue to deliver at very short notice. Creating synergies between the Centers and the Regions will now be the next step.
- Boosting our Online Effectiveness  
With the growing importance of the Centers and the regions we need a way of sharing the conversations and the resources around them. Horizons is being redesigned to provide interactive, forum-style workspaces for both, including local libraries for videos, documents, webinars etc., searchable by all.

The Marketing Center aims to improve the visibility of both UNIBA Partners and the individual member firms.

Increasing the findability and stickiness of our websites (individual Partners and UNIBA) to attract and retain traffic from clients and prospects is the objective of a pilot project that is already under way. This project will ultimately produce network-wide guidelines for the Partners and membership requirements for new candidates.

- Worldwide Online Conference for All

Meeting plans can be disrupted: we had to cancel our October 2001 meeting (9/11) and our April 2010 meetings (Eyjafjallajökull volcano) and moved our April 2003 meeting (invasion of Iraq).

2020 is very different however: travel restrictions mean none of us are going anywhere. However, today's video conferencing technology enables all of our Partners and interested staff to participate in our 3-day Forward conference - an absolute and very positive first!

Our thoughtful and enthusiastic Conference Committee provided invaluable support in creating and executing this event.

## THE REGIONS

### MEMBERSHIP

We continue to see strong demand for membership in UNIBA Partners.

Video calls have temporarily replaced our in-person meetings with candidates for membership. Once travel restrictions ease, we will make every effort to finally visit the new Partners who joined since the last meeting:

- Advice First, Australia
- Bazzi & Partners, Italy
- Capacity, South Korea
- FinCred, UK (application under way at the time of writing)
- FR Group, Chile (the last new Partner whom we were able to meet in person)
- Insurance Office of America, USA
- KAM Insurance Brokers, Panama (also Central America)
- Skyddo, Mozambique

We are proud to welcome these new Partners, all of whom are strategically committed to developing international business in partnership with you, their fellow members.

Key areas for future geographic development are now China, Canada and Peru.

### ASSOCIATE MEMBERS

2020 was meant to be an active, exploratory year with our Associate Members. COVID 19 clearly distracted from plans for structured collaboration on both sides. Ensuring that we deliver value to our Associate Members is an important part of our 2021 business plan.

Strong engagement on a business level with Chubb and UAA demonstrates the potential for value as well as the need for planning, structure and persistence.

### REGIONAL DEVELOPMENTS

Enthusiastic participation in all regional conference calls effectively replaced the originally planned meetings and enabled the groups to develop new opportunities and to begin addressing regional challenges.

#### Africa & Middle East

- Skyddo in Mozambique brings excellent competence and credibility for this very difficult market. Other regional development plans will be able to resume once travel is possible again. We see no alternative to personal candidate meetings in this region
- Regional calls have led to an exponentially better understanding of the interests, needs and capabilities of each Partner. Sharing of know-how and ideas both in the calls and outside has been intense
- The region has begun exploring its reinsurance needs and capabilities and intends to use appropriate resources in this area as an advantage for its members
- Exploring insurer alliances is high on the agenda for future action

#### Americas

- FR Group in Chile and KAM in Panama (servicing also Central America), substantially strengthen the LatAm region with highly reputed firms in these key countries.  
Insurance Office of America provides excellent US wide coverage and a wealth of expertise, including welcome input into the Centers of Excellence.
- Continued strong relations with Chubb resulted in a LatAm joint business initiative
- Regional LatAm calls have led to sharing content with the network overall, including an excellent contribution from Zurich on compliance of international programs
- Further development of our footprint in Canada and a strong, independent and English-speaking broker in Peru are top of the region's to-do-list

#### Asia Pacific:

- Two new Asia-Pacific Partners (Capacity, Advice First) further strengthen our Employee Benefits capabilities
- Strong interest from insurers enabled high-value contributions from Chubb, Lloyd's and UAA
- Development of a Munich Re based cyber product for SMEs is ongoing
- Employee Benefits pilot with Allianz Global Benefits is ongoing
- The region is discussing what additional reinsurance needs would create an additional advantage

## Europe

- A pilot project in Germany aims to attract more in-house brokers to the network. If successful, this project will be extended to other countries.
- Two excellent new Partners, Bazzi & Partners and FinCred, contribute additional expertise and contacts
- Staff from many European Partners enthusiastically embraced the Centers of Excellence, creating collaboration on a completely new level
- Consolidation continues in Europe and can be expected to impact membership
- Preparations are underway for European regional calls, to begin in 2020

## **BACKBONE**

2020 saw the completion of Phase 1 of our new global policy and coverage reporting tool.

Intended to provide great ease of use as well as expanded functionality, Backbone will be able to fully support the renewal talks on international programs.

Sutton Winson have taken the lead on energetically implementing Backbone for all international business and will host an experience-sharing Backbone roundtable at the Forward conference.

Network-wide use of Backbone will greatly ease the burden of providing premium information on all Partners.

## **FINANCIAL OVERVIEW**

Our Treasurer, David Thomson, will provide his financial report at our Forward conference on Wednesday, October 21st. For the first time, you will also be able to view a recording of this at a time convenient to you.

Our conservative budgeting approach has ensured that our finances remain solid. We are well on target for closing 2020 with a reasonable surplus. As intended, this more than covers the investments we made in 2019.

Budgeting for 2021 necessarily means making assumptions. Which assumptions will survive the encounter with the ongoing COVID 19 crisis is, in reality, impossible to predict.

David Thomson will therefore be presenting you with two scenarios leading to very different financial outcomes: the first one assumes that the face-to-face meetings we hope to organize will be able to take place, the second scenario shows no in-person conferences before our October 2021 conference in Bangkok. Reality will likely lie somewhere in between.

## BUDGET 2021

### UNIBA PARTNERS BUDGET 2021

Amounts in Euros	2019 Results	Budget 2020	Projected Year-end 2020	Budget 2021 with Board, AsiaPac, IDM and Bangkok meetings	Budget 2021 Bangkok Mtg only
<b>REVENUE</b>					
<b>Total Fee Revenue</b>	€ 735.096,64	€ 847.000,00	€ 837.621,00	€ 835.000,00	€ 835.000,00
<b>OPERATIONS</b>					
<b>Compensation</b>	€ 419.493,61	€ 455.500,00	€ 452.000,00	€ 458.500,00	€ 458.500,00
<b>Depreciation</b>	€ 25.829,06	€ 30.000,00	€ 15.000,00	€ 15.000,00	€ 15.000,00
<b>Other op expenses</b>	€267.184,22	€253.600,00	€261.607,25	€317.600,00	€292.600,00
<b>TOTAL OP EXPENSES</b>	<b>€ 712.506,89</b>	<b>€ 739.100,00</b>	<b>€ 728.607,25</b>	<b>€ 791.100,00</b>	<b>€ 746.100,00</b>
<b>OPERATIONS EXCL MEETINGS</b>	<b>€ 22.589,75</b>	<b>€ 107.900,00</b>	<b>€ 109.013,75</b>	<b>€ 43.900,00</b>	<b>€ 88.900,00</b>
<b>MEETINGS</b>					
<b>Expenses</b>	-€ 313.347,63	-€ 287.000,00	-€ 81.468,51	-€ 292.000,00	-€ 225.000,00
<b>Revenue</b>	€ 248.832,00	€ 201.200,00	€ 37.500,00	€ 229.000,00	€ 190.000,00
<b>TOTAL MEETINGS</b>	<b>-€ 64.515,63</b>	<b>-€ 85.800,00</b>	<b>-€ 43.968,51</b>	<b>-€ 63.000,00</b>	<b>-€ 35.000,00</b>
<b>OPERATIONS INCL MEETINGS</b>	<b>-€ 41.925,88</b>	<b>€ 22.100,00</b>	<b>€ 65.045,24</b>	<b>-€ 19.100,00</b>	<b>€ 53.000,00</b>
<b>Non-operating income</b>	€ 434,73				
<b>EBIT</b>	<b>-€ 41.491,15</b>	<b>€ 22.100,00</b>	<b>€ 65.045,24</b>	<b>-€ 19.100,00</b>	<b>€53.900,00</b>

We welcome your interest and questions. Please feel free to contact any board director for more information about the content of this report.

Mareen Hüffmeier, CEO

Christian Hörtkorn, President  
October 14th, 2020