



**LOCKTON<sup>®</sup>**

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**UNCOMMONLY INDEPENDENT**



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LEFT TO RIGHT:  
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**RON LOCKTON**, EXECUTIVE CHAIRMAN

The recent history of commercial insurance broking is a familiar one. Through mergers, acquisitions and private equity roll-ups, the biggest companies in the business have only gotten bigger over the last half-century. All continually chase higher margins in service of shareholder returns.

## THE LOCKTON STORY IS DIFFERENT.

Jack Lockton founded Lockton Companies in 1966 because he saw an opportunity to change the way insurance brokers do business. He offered something the other brokers couldn't: an unwavering commitment to clients and a caring culture, rather than shareholder priorities.

Fifty-seven years later, we're not only still here — we're stronger than ever. And our beliefs and values have never changed.

THE FOLLOWING PAGES WILL SHARE THE STORY OF OUR UNPRECEDENTED RESULTS IN 2022.  
HOWEVER, WE ARE MOST PROUD OF THE STORY BEHIND THE NUMBERS.

Our exponential growth is simply the outcome of people taking care of each other and our clients. As the world changes and presents new and unforeseen challenges, it has been rewarding to watch our people passionately partner with our clients to help achieve their objectives.

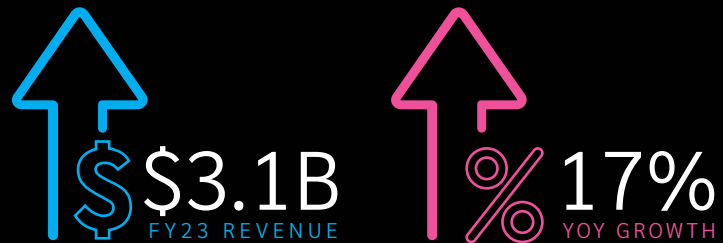
For more than five decades, our independence has allowed us to serve our clients, take care of our people and give back to our communities — this combination has created something very special. It is our privilege and mission to keep Lockton growing while staying true to our shared values. We look forward to continued momentum in the coming year.

**RON LOCKTON**  
EXECUTIVE CHAIRMAN

**PETER CLUNE**  
PRESIDENT & CHIEF EXECUTIVE OFFICER

# Lockton

## by the numbers



LOCKTON IS PROUD TO BE  
THE LARGEST PRIVATELY  
HELD INDEPENDENT  
INSURANCE BROKER  
IN THE WORLD.

Lockton's fiscal year closed on April 30, 2023, and the results we achieved were nothing short of remarkable. But what's most notable isn't the numbers themselves; it's the values, people and stories that make them possible. Our commitment to remaining private means inspiring and delivering on success while also living up to our core principles. We will continue to empower our industry-leading talent to put our clients' interests first.

### PERPETUALLY PRIVATE

### CARING CULTURE

### CLIENT FOCUS

### SHARED VALUES

### EMPOWERED PEOPLE

It's a formula that has delivered success to Lockton for more than 50 years and we are committed to staying true to it in perpetuity.

10,750+

ASSOCIATES WORLDWIDE

130+

OFFICES WORLDWIDE

65,000+

CLIENTS WORLDWIDE

97%

CLIENT RETENTION

## PERPETUALLY PRIVATE

At Lockton, staying perpetually private has put us in a category of one — a standout among our more shareholder-focused competitors. Our freedom from margin-focused constraints enables a completely different dynamic, one that is focused as much on our clients' success as on our own.

### AND WE ARE COMMITTED TO STAYING THAT WAY.

Today, Lockton is in a strong position — we continue to innovate, expand globally and forge ahead as an aligned, family-owned business. When it comes down to it, we are not much different with 10,750 Associates than we were with 50.

That care and dedication to clients power our growth. In addition to our 97% client retention rate, we are posting significant organic growth numbers in an industry where growth is typically driven by acquisitions.

REMAINING PRIVATELY  
OWNED IS AN ESSENTIAL  
PART OF OUR PAST  
AND FUTURE.



JACK LOCKTON,  
LOCKTON COMPANIES FOUNDER



# CARING CULTURE

Jack believed in a culture where people felt valued and cared for — a culture that values people more than its bottom line. It all comes back to having a shared purpose and never taking our culture, history and founding principles for granted.

Lockton's philosophies, a set of core values established by Jack himself, promise the Lockton experience for every Associate — a culture of excellence, innovation and caring where everyone can achieve their ultimate potential. As we continue to grow, it is essential that these principles be considered with every decision we make and action we take. Through these efforts, we maximize creativity of thought and provide excellence to our clients.

**IT IS WHO WE ARE TODAY.**

**IT IS WHO WE HAVE ALWAYS BEEN.**

OUR CARING CULTURE IS GETTING NOTICED



## The building blocks of progress

Lockton's DEI plan matches our values and caring culture, pairing strategies with action.

**OUR GOAL IS TO CONSISTENTLY IMPROVE AND POSITIVELY IMPACT OUR PEOPLE AND OUR COMMUNITIES.**

### LEAN GROUPS

Lockton's Empowered Associate Networks give our people a space to connect, grow and share professional and personal success.

- ASPIRE
- Juntos
- Lockton BOLD
- Lockton U.K. Young Professionals
- Lockton Veterans
- One Pride
- Parents at Work
- Women in Leadership



The BOLD leadership group convened at Lockton's Kansas City headquarters to set the strategy for implementing the coming year's initiatives.

**The Black Originators, Leaders & Doers (BOLD)** group is composed of Black Associates across the United States. Together, across regional lines, these members have collected and donated books, coordinated service days to celebrate Martin Luther King Jr. Day, and partnered with our LEANs to provide educational programming. These Associates are empowered every day to share their mission and have the support of all Lockton Associates along the way.





# CLIENT FOCUS

At Lockton, client relationships are our first priority. That fierce commitment to service has empowered every Associate to deliver uncommon client results in a very common business.

## *Innovative solutions in a changing world*

In an uncertain and ever-changing world, the risks our clients are facing are only becoming more complex. We continue to innovate, evolve and bring new solutions to our clients so we are meeting the needs of the moment as well as the needs of the future. It's what we do every day.

"We can be nimble," Devin Beresheim, Executive Vice President, Specialty Practices, said. "Others are burdened by a bulkiness of size and mentality; they are hamstrung by shareholders' expectations. Lockton's culture allows us to run ideas up the flagpole quickly and get to work. Because of who we are and how we do business, we have the freedom to put new strategies and teams out there in real time."

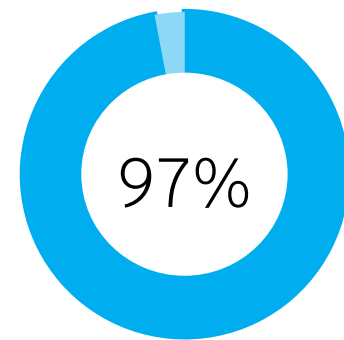
In 2022, Lockton's benefits practice transitioned from Benefits to People Solutions. The name change reflects Lockton's holistic approach to helping clients be more successful and making their people's lives better by delivering people solutions that improve employee experiences, provide better total rewards and benefits, and control costs.

## *Putting clients first*

**JACK SET THE BAR FOR CLIENT PARTNERSHIPS.**

He knew that to win and keep business, Lockton Associates needed to make client relationships their priority.

**CHERYL & JACK LOCKTON ENTERTAINING CLIENTS IN 1975.**



INDUSTRY-LEADING CLIENT RETENTION RATE



**"LOCKTON MAKES ME FEEL LIKE I AM THEIR ONLY CLIENT.**

The other functional groups in our organization consider Lockton as an extension of our company. I truly value their relationship and their expertise."

**— MARCIA CHOW**

DIRECTOR OF RISK MANAGEMENT, LINEAGE LOGISTICS





# SHARED VALUES

## Lockton Cares

Community has always been a central part of Lockton's strong and caring culture. That commitment to service for both clients and communities is a common thread that makes Lockton truly unique.

Our responsibility and commitment to caring is not new. Throughout Lockton's history, there has always been a common story of support. And as Lockton continues to grow, our shared values allow us to take care of our clients, Associates, and communities while fostering a culture of caring that binds us together.

Caring plus empowerment — this defines the Lockton spirit and embodies our shared values. As Jenna Kirkpatrick Howard, Lockton's Community Impact Award recipient said, "It's unlike anywhere else I know of."

Jenna was named the recipient of the 2022 Lockton Community Impact Award, honoring a Producer who has selflessly committed to improving the communities in which we work and do business. In addition to Jenna being a tremendous leader within Lockton, her dedication to the Washington, D.C., community has touched countless lives. "I am honored to be recognized for my community impact, but I am most grateful that Lockton's philosophies are more than a list of values. They come to life every day through our Associates' commitment to clients, communities and each other," said Howard.



Pictured from L to R: Don Lockton, Ron Lockton, Marshall Lockton, Jenna Kirkpatrick Howard, David Lockton, Cheryl Lockton Williams, Steve Lockton



Lockton supports the mission of client and NGO partner Hong Kong Guide Dogs Association through charitable contributions and an on-site presence.



### CHARITABLE DONATIONS IN FY23

**250+** ORGANIZATIONS SUPPORTED

**\$17M+** DONATED IN TOTAL

## Invested in our communities

Every Lockton Associate can do something meaningful and special to better our community. With the support of fellow Associates and of Lockton, each can truly make a positive difference in the causes and communities they care about.

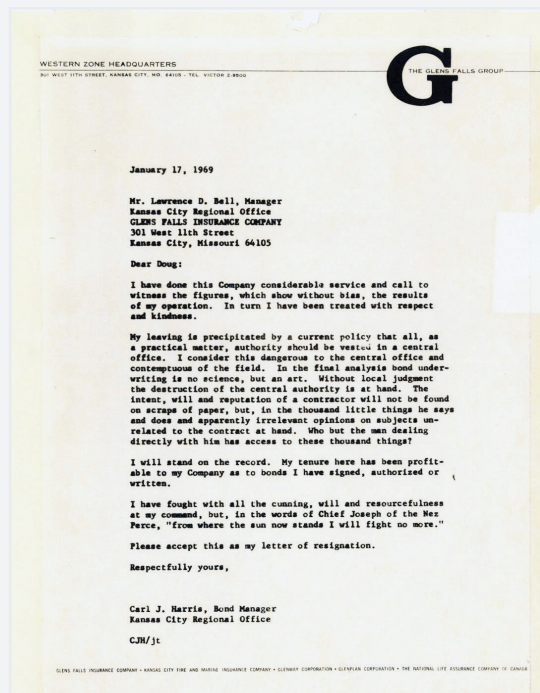




# EMPOWERED PEOPLE

At Lockton, we've built a culture of empowerment that allows our people the freedom to use their individual talents to provide excellent service to clients, be engaged members of their communities and fuel their passions.

Lockton Associates across the globe are empowered to make decisions. Whether they are creating innovative solutions that better serve our clients in an ever-changing marketplace or organizing a grassroots event to serve a local charity, empowerment is at the heart of everything we do. Through it all, the opportunities and resources we provide our people aim to help them achieve their ultimate potential.



When Jack Lockton's mentor, Carl Harris, resigned from the Glens Falls insurance company in 1969 to join Lockton, he wrote a one-page resignation letter stating that increased control from the central office had been the reason for his resignation. His letter warns that too much consolidated control limits each Associate's ability to be creative in solving problems for a client.

Going all the way back to the beginning, empowerment has been Lockton's DNA. It is an important cornerstone of our client-focused and caring culture. Jack believed that with the Lockton philosophies as our compass, everyone should be empowered to make decisions in the best interest of their client. It all comes down to trust.

## TRUSTING PEOPLE TO DO WHAT'S RIGHT FOR THE CLIENT, FOR EACH OTHER AND FOR LOCKTON.

The Carl Harris letter hung in every one of Jack Lockton's offices throughout his career. Today, it can be found in the Jack Lockton conference room in the Lockton headquarters in Kansas City, Missouri.



Alejandro Guerrero receives a certificate of Distinguished Member from Ruy Campos-Dugone, Executive Director of Green Cross United Kingdom.

## *Empowered to pursue your passions*

Since joining Lockton, Alejandro Guerrero, Chief Executive Officer of Lockton Argentina and Uruguay, has become even more energized in his personal efforts to protect the environment and promote the fight against climate change. Alejandro has represented Lockton in multiple global events, including speaking at the 2021 United Nations Climate Change Conference and at the 2022 Summit of the Americas.

"Lockton gave me permission to go ahead and do what I need to do. I am given the encouragement and freedom to do my thing. I don't have to fight a corporation. Lockton is interested in change, and they let me be the expert."

## *Building a culture of empowerment*

Julie Marcello joined Lockton in October 2021 because of Lockton's culture of independence. She continues to enhance that experience for her teams every day by leading with trust, engaging in two-way dialogue and rewarding those who are proactive.

"Lockton differentiates itself as an organization with a focus on culture and empowerment. The best people want to be empowered and free to deliver in line with their skill sets, with the opportunities they see and with the causes that they care about."

### **JULIE MARCELLO**

Executive Vice President, Chief Operating Officer, Mountain West Series, Lockton U.S.



# Momentum

Our 2023 fiscal year results can be attributed to the passion and dedication our people bring to clients, communities and one another every day. The success we see as a company is a direct result of those commitments.

Lockton would not be what it is — what it has been, year after year for more than 50 years — without our people.

**WE ARE EXCITED TO CONTINUE BUILDING ON THIS MOMENTUM.**



“Lockton did not make any of these people. Their specialness came from their moms and dads and all of their life experiences. We have just found each other, and the right kind of people have been very attracted to being part of what we are all about. It has almost been just that simple.”

**JACK LOCKTON**

SERVING CLIENTS IN **140+**  
COUNTRIES ACROSS THE GLOBE



**LOCKTON BRINGS CREATIVE THINKING AND AN ENTREPRENEURIAL SPIRIT TO THE INSURANCE BUSINESS, AND WE ARE UNIQUELY POSITIONED TO HELP YOU SUCCEED.**





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