

**STRATEGIC REPORT, DIRECTORS' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

FOR

**ARTHUR J. GALLAGHER HOLDINGS (UK)
LIMITED**

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ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021**

DIRECTORS:

S Langley (Non-Executive)
J Drummond-Smith (Non-Executive)
S Green (Non-Executive)
L Patten (Non-Executive)
E Jenkin (Non-Executive)
T Gallagher
S Matson
C Scott

SECRETARY:

A Peel

REGISTERED OFFICE:

The Walbrook Building
25 Walbrook
London
EC4N 8AW

REGISTERED NUMBER:

06578719 (England and Wales)

INDEPENDENT AUDITOR:

Ernst & Young LLP
Statutory Auditor
25 Churchill Place
Canary Wharf
London
E14 5EY

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their Strategic Report for the year ended 31 December 2021.

REVIEW OF BUSINESS

The principal activity of the Company in the year under review was that of a holding company whose subsidiaries carried on the business of insurance broking and that of an insurance management agent for insurance companies and Lloyd's underwriters. It is expected that there will be no significant change to the nature of the Company's activities in the foreseeable future.

The Company is a wholly owned subsidiary of Arthur J. Gallagher & Co., a company incorporated in the United States of America and is included in the publicly available consolidated financial statements of Arthur J. Gallagher & Co. ("the Group"). Arthur J. Gallagher & Co. is a global insurance brokerage, risk management and consulting services firm, headquartered in Rolling Meadows, Illinois, USA. The company has operations in 57 countries and offers client service capabilities in more than 150 countries around the world through a network of correspondent brokers and consultants. The Group's strategic focus continues to be on the organic growth of existing core business and the acquisition of businesses to enhance future turnover and profitability.

The results of the Company for the year ended 31 December 2021 are set out in these financial statements on pages 18 to 31.

For the year ended 31 December 2021 the Company has recorded a loss before tax of £39,485k compared to the profit of £13,169k in 2020. The principal driver of the decrease in profit was the increase in interest payable on loans and the decrease in dividends received from group undertakings.

On 28th January 2021, the Company disposed of its shares in GGB Finance 4 Ltd in exchange for additional shares in GGB Finance 3 Ltd. On 4th February 2021, Gallagher Holdings (UK) Limited, a subsidiary of the Company, entered into an agreement to purchase the entire share capital of Bollington Wilson Group Limited for a total value of £241m. The purchase was funded by additional borrowings by the Company from the Gallagher Group (listed unsecured loan notes through The International Stock Exchange Limited) of £175m, the sale of a minority stake in GGB Finance 3 Ltd and GGB Finance 5 Ltd to Gallagher Corporate Services LLC for £50m with the balance from internal resources. The remaining £16m was funded by cash reserves from the UK Group.

The Company also increased its shareholding in Gallagher Holdings (UK) Ltd by £225m, GGB Finance 5 Ltd by £175m and GGB Finance 3 Limited by £124m.

On December 1, 2021, Arthur J. Gallagher & Co. acquired substantially all of the Willis Towers Watson (WTW) treaty reinsurance brokerage operations for an initial gross consideration of \$3.25 billion, and potential additional consideration of \$750 million subject to certain third-year revenue targets. StormClose Limited and Gallagher Securities Limited form part of the acquired operations. To fund the UK acquisition the Company's parent Gallagher International Holdings Inc. subscribed for preference shares in exchange for cash of £729.3m. The Company subsequently increased its shareholding in its subsidiary Gallagher Holdings (UK) Ltd by £729.3m in order to acquire the UK WTW business.

Given the external developments and geopolitical disruption in relation to the ongoing COVID-19 pandemic, future forecasts and projections have taken these conditions into account. The disruption caused by the COVID-19 pandemic has reduced since the prior year and no additional risk is expected. The Company is fully operational, has deployed continuity protocols and has not been materially impacted by the COVID-19 pandemic. The business is not impacted materially by the conflict in Ukraine. The Company has adequate resources to continue in operational existence for a period of at least to 30 September 2023, and no material uncertainties related to going concern have been identified.

SECTION 172 STATEMENT

The Directors of Arthur J. Gallagher Holdings (UK) Limited have regard to the interests of the Company's stakeholders in accordance with S172(1) of the Companies Act 2006.

The Directors recognise their responsibility to act in good faith to promote the success of the Company for the benefit of its shareholder, the Gallagher Group, while also considering the impact of their decisions on other stakeholders. These stakeholders include clients, strategic partners (for example, insurance companies), employees, suppliers, our regulator, the environment and the wider community. Engagement with these stakeholders, to understand the issues and factors which are most important to them, is an important aspect of our decision-making process. In making key decisions, the Directors consider the outcomes of engagement with the relevant stakeholders. Set out below are four key decisions taken by the Directors during 2021, with details of the stakeholder engagement process undertaken in arriving at them, and how it influenced the decisions taken.

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

SECTION 172 STATEMENT – continued

1. Acquisition of Willis Re UK assets

Context:

Arthur J. Gallagher & Co. agreed to acquire the treaty reinsurance brokerage operations of Willis Towers Watson in August 2021 and the purchase was concluded in December 2021. Although the to-be-acquired business was global, a significant proportion of its assets were located in the UK. It was agreed that the majority of these UK assets would eventually be integrated into the Company's indirect subsidiary, Arthur J. Gallagher (UK) Limited. The Board of Arthur J. Gallagher Holdings (UK) Limited was heavily involved with the transaction throughout the process, including reviewing the impacts on key stakeholders of both businesses.

How the Directors engaged with stakeholders:

The Board met on several occasions in 2021 to consider the proposed acquisition of the UK assets of Willis Re. Directors were briefed on the background to the proposal, financial information relating to the target business, and key risks relating to the transaction. Jointly with the board of Arthur J. Gallagher UK Limited, the Board also considered the interests of stakeholders impacted by the transaction. This included employees of Willis Re, who would transition to Gallagher employment by way of a TUPE transfer. Particularly careful attention was paid to the needs of employees transferring into the Gallagher Group from Willis Re. The Board considered the positive engagement which had taken place with the Financial Conduct Authority in the run-up to the acquisition. The Board was also careful to understand the implications of the transaction for clients, and to ensure that appropriate transitional arrangements were put in place to ensure that Willis Re clients would be supported through the transition process.

Outcomes:

The Gallagher Group completed its acquisition of Willis Re on 1 December 2021. This resulted in Gallagher Re becoming the world's third largest reinsurance broker, with more than 70 offices across 31 countries and around 2,400 staff. Arthur J. Gallagher (UK) Limited took on the majority of the UK assets of Willis Re, and then began a successful process of integration.

2. Strategy Review

Context:

Formulation and implementation of strategy is a key function of the Board of Arthur J. Gallagher Holdings (UK) Limited. In November 2021, the board held a strategy offsite meeting, at which the Company's strategic imperatives were reviewed and debated.

How the Directors engaged with stakeholders:

The Company's strategy, predicated on continuing growth, impacts all of its stakeholders. At the offsite, the Board was briefed on market trends in the insurance broking sector, and the evolving needs of customers. The Board discussed ways of maintaining and growing the foundations of our business, and reviewed the potential for the business and how best to realise it. The offsite benefitted from input from external advisors and from senior representatives of the Gallagher Group, as well as from the leaders of its trading divisions. The Board considered regulatory imperatives, and agreed that the need to recruit and retain key talent was vital to future growth ambitions.

Outcomes:

The 2021 board strategy offsite afforded an opportunity to review strategy in the round, factoring in the interests of all of the Company's shareholders.

3. Return to Office Working

Context:

Gallagher Global Brokerage UK (GGB-UK) employs c. 6,000 staff in the UK. The COVID pandemic resulted in an increase in remote working by these staff during 2020 and 2021. 2022 saw a gradual return of the workforce to the office environment, when it was considered safe for them to do so. The Board oversaw this process, and ensured that employee wellbeing was properly safeguarded throughout this period of change.

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

SECTION 172 STATEMENT – continued

3. Return to Office Working- continued

How the Directors engaged with stakeholders:

One of the key tools for engagement with the workforce is the annual Employee Engagement Survey which, in 2021, showed a very high level of engagement between the Company and its workforce, despite the challenges of the previous twelve months. Staff welfare continued to be monitored closely throughout the year, with a focus on mental health initiatives around the business. Thought was given to office space requirements, and in many of our offices, employees returned to a refurbished and improved working environment.

Outcomes:

The Board has a duty of care towards GGB-UK's workforce, and exercises this duty diligently, and with regard to the best interests of employees. The careful return to the office environment was a success, in that by November 2021 offices were fully opened, with no restrictions in place.

These decisions underline the importance of consideration of a range of stakeholder interests to the Company's decision-making process.

The Company, its Directors and its management remain fully committed to engaging effectively with the Company's key stakeholders as part of their decision-making process, and will continue to do so in future.

4. Environmental, Social and Governance (ESG)

Context:

It is clear that there is an increased level of interest in ESG and social value from all of our stakeholders, including clients, peers, insurance partners and the media. For example, clients are now frequently attributing an increased weighting to ESG matters in the tenders in which we participate. Current and prospective employees, and partner organisations, and our regulator, the Financial Conduct Authority, are eager to understand our position on a range of ESG matters.

How the Directors engaged with stakeholders:

In April 2021, the Board approved the establishment of an ESG Committee, chaired by the Chief Risk and Compliance Officer, and benefitting from the involvement of one of our Non-Executive Directors. August 2021 saw the appointment of a dedicated Head of ESG, Inclusion and Diversity who, since then, has reported progress on ESG initiatives to both the Board and the Executive Committee.

Overseen by the Board, the ESG Committee continues to drive progress in each of its focus areas. These include a Communications workstream, which has engaged with Gallagher employees about the meaning of ESG, what the Company is doing to address ESG issues within our business and what opportunities this presents for growth. The Environment & Sustainability workstream has focussed on managing the environmental impact of our directly controlled office spaces, reducing our impact through plastics reductions and building on the results of our first Streamlined Energy and Carbon Report (SECR) from 2020. Our real estate team are now engaging with landlords across our property portfolio to better understand the efficiency of our estate, and will work on driving improvements in these areas (such as confirming that the landlord controlled electricity supply is renewable, and on in-office efficiencies such as sensor LED lighting and reducing the percentage of waste going to landfill). In addition, a new Supplier Code of Conduct has been produced to challenge suppliers on their own approaches and ensure our supply chain is operating in line with Gallagher's ESG ambitions. A Corporate Social Responsibility & Community workstream promotes engagement by Gallagher colleagues with our Matched Giving and Community Fund programmes. This workstream has reinvigorated our volunteering programme and network of charity champions, who encourage and drive local support for grass roots charities in the communities in which we operate. The Governance workstream has considered our ESG communications and disclosures, and how best to frame our already robust governance structure through an ESG lens. The Governance workstream has also reviewed risk appetite statements and how these might be influenced by ESG, for example how we look at climate change through our risk processes.

In 2021, the Board has taken an active involvement in promoting inclusion and diversity (I&D) within the organisation, and considers I&D in the context of recruitment, succession planning, and remuneration and reward. The Board receives data on the progress of the Company's I&D initiatives, to which it is firmly committed, such as the "More than Meets the Eye" campaign in support of the International Day of People with Disabilities.

The Board also oversees the Company's position on Modern Slavery; it has approved a zero tolerance policy towards any form of slavery and human trafficking, and has stated its commitment to enforcing effective systems and controls to ensure neither is taking place in any part of our business or in any element of our supply chain.

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

SECTION 172 STATEMENT – continued

4. Environmental, Social and Governance (ESG) - continued

Outcomes:

Our ESG workstreams and initiatives impact all of the Company's stakeholders. The Board's involvement in, and strong commitment to, this area is driving change throughout the business, with a growing awareness of ESG issues across our workforce, and increasingly active engagement with our clients, suppliers, partner organisations and other bodies, such as charities and our regulator. The ESG programme has already produced tangible benefits, such as the removal of single use plastics from our offices, transitioning our electricity supplies to renewable sources. The Board will seek to ensure continued progress in delivering our ESG agenda.

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

We fulfil the statutory requirements for Streamlined Energy and Carbon Reporting which includes disclosure of the Company's carbon emissions. Under the Companies Act 2006 / SECR Regulations, 'Large' companies' are required to report their annual emissions in their Directors' report.

Arthur J. Gallagher Holdings (UK) Limited Streamlined Energy and Carbon Reporting statement covers the reporting period 1 January 2021 - 31 December 2021 and has been prepared in line with the requirements of the Streamlined Energy and Carbon Reporting regulations and the relevant areas of the Greenhouse Gas ('GHG') Protocol Corporate Accounting and Reporting Standard.

A 'Dual Reporting' methodology has been used to indicate emissions using UK electricity grid average emission factors (known as the 'Location Based' method), and also emissions using supplier specific generation emission factors (the 'Market Based' method).

'Location Based' Method

The total energy consumption for 2021 was 5,786,332.90 kWh equating to 1,345.188 tCO₂e

Emissions from combustion of gas (Scope 1)	66.984 tCO ₂ e
Emissions from combustion of fuel for transport purposes (Scope 1)	423.231 tCO ₂ e
Emissions from purchased electricity (Scope 2)	746.682 tCO ₂ e
Emissions from Transmission and Distribution (Scope 3)	66.077 tCO ₂ e
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)	42.214 tCO ₂ e

Carbon intensity: Emissions of tCO₂e / £m Sales Revenue during 2021 was 1.347 tCO₂e

However, the company strategy has been to purchase renewable energy where possible backed by Renewable Electricity Guarantees of Origin (REGO) certificates. Through this strategy, within the above 2021 total energy consumption, the company has sourced a total of 1,979,462.59 kWh of REGO backed (zero emission) electricity.

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

STREAMLINED ENERGY AND CARBON REPORTING (SECR) – continued

'Market Based' Method

The total energy consumption for 2021 was 5,786,332.90 kWh equating to 1,094.222 tCO₂e

Emissions from combustion of gas (Scope 1)	66.984 tCO ₂ e
Emissions from combustion of fuel for transport purposes (Scope 1)	423.231 tCO ₂ e
Emissions from purchased electricity (Scope 2)	516.354 tCO ₂ e
Emissions from Transmission and Distribution (Scope 3)	45.439 tCO ₂ e
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)	42.214 tCO ₂ e

Carbon intensity: Emissions of tCO₂e / £m Sales Revenue during 2021 was 1.096 tCO₂e

The SECR reporting methodology follows the Environmental Reporting Guidelines (Updated March 2019) and, as required within this, the Greenhouse Gas Protocol (Corporate Accounting and Reporting Standard).

Energy efficiency action taken:

- Following on from previous upgrades handled in 2020, AJG have continued the roll out of LED lighting and PID sensors at a number of AJG sites.
- AJG has employed a policy where staff can now only choose from either hybrid or fully electric vehicles for company cars and have therefore made a conscious move away from the previous option of diesel/ petrol vehicles to support the reduction of our carbon footprint.
- Tracking and monitoring of building EPC ratings is periodically undertaken to ensure the improvement of AJG sites.
- AJG are holding discussions with their landlords around the option of receiving renewable energy for the electricity use for landlord controlled sites
- The company strategy has been to purchase renewable energy where possible backed by Renewable Electricity Guarantees of Origin (REGO) certificates.

Item	Comparison Reporting Year (2020)	Current Reporting Year (2021)
Total energy consumption (kWh)	3,465,741.00 kWh	5,786,332.90 kWh
Associated Carbon Emissions (tCO ₂ e)	803.100 tCO ₂ e	1,345.188 tCO ₂ e
Metric - Emissions of tCO ₂ e per £m Sales Revenue	1.010 tCO ₂ e	1.347 tCO ₂ e
Metric - Emissions of tCO ₂ e per Full-Time Equivalents	N/A	0.253 tCO ₂ e

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's international operations and debt profile expose it to a variety of financial and operational risks including the effects of change in foreign currency exchange rates, counterparty credit risks, compliance risk, liquidity and interest rates. The UK Group's Board of Directors are responsible for setting the UK Group's risk appetite and ensuring that it has an appropriate and effective risk management framework and monitors the ongoing process for identifying, evaluating, managing, and reporting the most material risks. To facilitate this, the UK Group maintains a risk framework, through which the key risks affecting the UK Group are identified, assessed and monitored. Each business entity also undertakes a similar process and these risk profiles help inform the overall risk profile of the UK business. This is reviewed by each business division's risk and conduct committee and in turn the combined risk profile is overseen by the GGB –UK Risk Committee, which is chaired and attended by independent non-executive members, and reports to the Board of Directors.

The UK Group has in place a risk management programme and policies in the context of the wider Group risk framework. This risk management programme seeks to manage any adverse impact upon the Group caused by the nature of its principal activity. The approach to the most material risks facing the business is noted below:

Borrowing facilities and liquidity risk

Operations for the Group are financed by a mixture of shareholders' funds, external borrowing facilities, inter-group borrowings and cash reserves. The objective is to ensure a mix of funding methods offering flexibility and cost effectiveness to match the needs of the Group. Forward looking cash flow projections are prepared on a regular basis to assess funding requirements.

Foreign currency risk

The Group's major currency transaction exposure arises in respect of transactions with fellow group undertakings and foreign currency revenue earned in the UK. As a consequence, the Group's results are sensitive to changes in foreign currency exchange rates.

In the management of its exchange rate exposures the Group utilises currency derivatives on a non-speculative basis to hedge future transactions and cash flows and is therefore party to a number of forward foreign currency contracts.

Interest rate risk

Interest rates on the Group's formal intra-group loans are fixed in nature and set in accordance with the wider Group treasury and transfer pricing policies.

BY ORDER OF THE BOARD:

Alistair C. Peel

.....
A Peel - Secretary

Date: 31 August 2022

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their report with the audited financial statements of the Company for the year ended 31 December 2021. The results for the Company for the year ended 31 December 2021 and future developments are discussed in the Strategic Report.

DIRECTORS OF THE COMPANY

The Directors who have held office during the period from 1 January 2021 to the date of this report are as follows:

S Langley (Non-Executive)
J Drummond-Smith (Non-Executive)
S Green (Non-Executive)
L Patten (Non-Executive)
T Gallagher
S Matson
C Scott

Other changes in Directors holding office are as follows:

E Jenkin (Non-Executive) – appointed 1 September 2021
D Coldman (Non-Executive) – resigned 21 September 2021
T Newbery (Non-Executive) – resigned 1 November 2021

DIVIDENDS

No interim dividends were distributed for the year ended 31 December 2021 (2020: £50,786k). The Directors do not recommend the distribution of any further dividends.

EVENTS AFTER THE REPORTING PERIOD

Information relating to events after the reporting period is given in note 16 to the financial statements.

EMPLOYEES

The Company is an equal opportunities employer and bases all decisions on individual ability regardless of race, religion, gender, age or disability.

DIRECTORS' INDEMNITY PROVISIONS

The Directors have benefited from qualifying third party indemnity provisions in place during the financial year and to the date of this report.

CORPORATE GOVERNANCE STATEMENT

The Board of Arthur J. Gallagher Holdings (UK) Limited ('AJG Holdings') has formally adopted the Wates Corporate Governance Principles for Large Private Companies as the framework for its corporate governance. The following statement, given under the Companies (Miscellaneous Reporting) Regulations 2018, sets out the corporate governance arrangements which apply to AJG Holdings.

Purpose and Leadership

AJG Holdings is the holding company for the UK broking subsidiaries of Arthur J. Gallagher & Co. AJG Holdings' shareholders are Gallagher International Holdings (US) Inc., whose parent company is Arthur J. Gallagher & Co. (the ultimate parent company of the Arthur J. Gallagher Group), and Gallagher European Holdings Limited, a subsidiary of Gallagher International Holdings (US) Inc.. The majority of AJG Holdings' ordinary share capital is owned by Gallagher International Holdings (US) Inc.; the entirety of AJG Holdings' preference share capital is owned by Gallagher European Holdings Limited.

AJG Holdings is led by a Board of directors (the 'Board'), whose objective is to promote the long-term success of the Company and its UK subsidiaries. The Board meets at least six times each year.

The Board is able to understand the views of its shareholders through ongoing dialogue. There is regular dialogue between members of the Board and the Gallagher Group, and at management level between the executive management of AJG Holdings and that of the Gallagher Group, which covers matters including business strategy, budget setting and remuneration policy.

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

CORPORATE GOVERNANCE STATEMENT - continued

The Board recognises that the Company has a number of other stakeholders in addition to its shareholders. These stakeholders include clients, strategic partners (for example, insurance companies), employees, suppliers, our regulator and the wider community including any impact on the environment. The Board builds relationships with these stakeholders through regular dialogue and interaction, supported by management's reporting and provision of data. This dialogue shows a clear sense of purpose and collective vision, based on the Gallagher Group's aim to form lasting partnerships with clients and insurers. Communication with employees includes annual engagement surveys, through which the Board is able to monitor employee sentiment. The Board oversees the development and implementation by management of action plans in response to the findings of these engagement surveys.

The Board focuses on strategy, both at the level of AJG Holdings and at the level of its principal subsidiaries. Whilst the principal subsidiaries have their own articulations of strategy, the Board of AJG Holdings has sought to bring strategy together across its UK businesses. Strategy is regularly discussed by the Board and executive management. In November 2021, the Board and management held an offsite meeting with a specific focus on strategy.

The Board has a strong focus on the culture of the organisation, and is regularly briefed by executive management on matters relating to culture, such as leadership development, talent and succession, and learning and development. Promoting good culture is particularly important to AJG Holdings. Good culture is embedded in the organisation by the provision of training, awareness campaigns (for example, on inclusion and diversity) and by the example set by the Board and by senior management.

The Gallagher Group's strong commitment to ethical conduct has led to our recognition as one of the World's Most Ethical Companies by the Ethisphere Institute since 2012. We maintain this commitment to ethical conduct in a number of ways, including by our adherence to a statement of the Group's shared values, the 'Gallagher Way'. Gallagher employees are expected to act in accordance with the Gallagher Way, and with integrity at all times, adhering to the spirit and letter of company policies and laws.

Our principal trading subsidiaries are regulated by the Financial Conduct Authority ('FCA'), and as such are subject to the FCA's Conduct Rules.

The Company takes any malpractice seriously, and has in place a Whistleblowing Policy, whose purpose is to ensure that any individual working for the Company can raise any matter that concerns them, in the knowledge that it will be taken seriously, treated as confidential and that no action will be taken against them. The Company also has a Conflicts of Interest Policy designed to ensure that employees will always act in the best interests of the customer.

Board Composition

The Arthur J Gallagher Holdings (UK) Limited Board comprises eight directors, three of whom are executive and five non-executive. All of the non-executive directors are deemed to be independent. The size and composition of the Board are appropriate to the scale and complexity of the Company's business. All Board members have extensive and relevant experience of insurance and financial services, which enables them to understand our business and make decisions effectively. The Board held 17 meetings in 2021 and overall attendance was 86%.

The roles of Chairman of the AJG Holdings Board, and Chief Executive Officer of Gallagher Global Broking-UK ('GGB-UK') are separate, and are clearly defined. Role descriptions exist for each of these roles. The Chairman, who is an independent non-executive director, is responsible for the leadership of the AJG Holdings Board, whilst the Chief Executive Officer is appointed by the Board to manage the day-to-day business of GGB-UK, with the support of the GGB-UK Executive Committee.

The other executive members of the Board are the Chief Financial Officer of GGB-UK, and the CEO of Gallagher Global Broking.

Our five non-executive directors bring a wider perspective which enables them to constructively challenge management proposals and performance. Non-executive directors are typically appointed for three-year terms, and are normally expected to serve not more than nine years in total. During 2021, John Coldman and Trevor Newbery left the Board and Elizabeth Jenkin joined the Board.

In considering new appointments to the Board, a range of factors are taken into consideration, including a candidate's skills, background, experience and knowledge, as well as the overall balance, skillset and diversity of the Board. The Board is supported, in considering senior appointments, by the Remuneration and Nominations Committee, which assists in identifying the required capabilities, and makes appropriate recommendations.

Directors are given regular briefings at Board meetings on different aspects of the business. An annual board evaluation process ensures that strengths and weaknesses of board performance and processes are identified and addressed. All directors have access to the services of the Company Secretary.

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

CORPORATE GOVERNANCE STATEMENT - continued

Director Responsibilities

The role of the AJG Holdings Board is to promote the long-term success of the Company and its UK subsidiaries. In fulfilling this role, the Board's responsibilities include:

- Overall leadership of the UK Group, and setting appropriate values and standards, including promoting inclusion and diversity;
- Responsibility for the UK Group's culture, and for setting the appropriate 'tone from the top';
- Setting the high level strategy for the UK Group;
- Monitoring performance against strategy;
- Monitoring the effectiveness of the UK Group's compliance with applicable laws and regulatory responsibilities;
- Ensuring fair outcomes for our clients.

The Board is also responsible for reviewing the effective implementation of the risk and control framework. In its oversight of internal financial and operational controls, the Board is assisted by the Audit Committee (which meets at least quarterly), and by Internal Audit and the other control functions (Compliance, Risk and Legal). As part of the annual board evaluation exercise, the Board reviews its own performance and gives feedback on the data provided to it by management.

The responsibilities and accountabilities of executive directors, and of those non-executive directors who act as chairs of board committees or subsidiary boards, are clearly defined as part of the Company's application of the FCA Senior Management and Certification Regime framework. Board committees (Audit, Risk and Remuneration and Nominations) and principal subsidiary boards have terms of reference which clearly set out their remits and decision-making powers, and are part of the corporate governance framework designed to promote effective decision-making throughout the organisation. This corporate governance framework is set out in our Governance Manual. The Governance Manual is approved by the AJG Holdings Board and the Board is supported, in applying the corporate governance framework, by the Company Secretary. Governance processes are reviewed in the context of the annual board evaluation, and initiatives to strengthen the Company's governance (such as the adoption of the Wates Principles) are discussed by the Board.

Opportunity and Risk

The Company creates long-term value for the Gallagher Group by growing its business in the UK, developing its customer base and advising customers on insurance and risk management. The Company continues to grow its business both organically and through acquisition, and has entered into strategic partnerships to add value to the products and services offered to clients. The Board is regularly briefed by the Chief Executive Officer on new business opportunities, on new client relationships and on mergers and acquisitions activity within the sector. The Board reviews and, where appropriate, approves acquisitions and subsequently oversees the process of integration of the newly-acquired business. In 2021, this included the acquisition of the UK reinsurance operations of Willis Towers Watson.

The Board is responsible for the oversight of risk within the business, and has identified a set of board-level risks as a framework for exercising oversight of risk. The Board is supported in this by the Risk Committee, whose objective is to assist the Board's and the principal subsidiaries boards' oversight of risk management, compliance and IT infrastructure in the GGB-UK business. The Risk Committee meets at least quarterly.

AJG Holdings recognises enterprise risk management as a key strategic business discipline, which enables the achievement of its objectives through the effective management of risk across all aspects of the business. AJG Holdings' strategy for managing risk is a combination of the level of risk that the Board is prepared to seek, accept or avoid in executing the Company's strategy and objectives, and the governance structure, policies and business processes by which AJG Holdings manages its risks within appetite, and escalates and remedies any breaches ('the ERM Framework').

The ERM Framework, endorsed by the Board, is designed to comply with UK regulatory requirements, and to follow risk management best practice. It is applied to identify potential events that may affect AJG Holdings, to manage the associated risks and opportunities and to provide reasonable assurance that its objectives will be achieved.

An Enterprise Risk Management report is given at each AJG Holdings Board meeting, updating the Board in respect of changes related to policy reviews, the UK Board risk profile, risk events, risk appetite and horizon risks.

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

CORPORATE GOVERNANCE STATEMENT – continued

AJG Holdings is committed to providing competitive rewards that attract, retain and incentivise our employees to deliver outstanding performance in the eyes of our customers and shareholders. We have a clearly defined performance management process, which supports our overall business strategy and plans, and links individual pay with business and personal performance, whilst ensuring that individuals adhere to the FCA's principles and rules. This is delivered through the compensation framework overseen by the Executive Committee and the Remuneration and Nominations Committee. The Company manages the rewards of senior leadership through an objective framework that aims to strengthen the link between pay and performance by using a balanced scorecard approach. The Remuneration and Nominations Committee oversees and approves reward and compensation for members of the Executive Committee.

Remuneration

The Company has in place a Remuneration and Incentives Policy, whose purpose is to promote a performance-driven culture by differentiating total compensation based on the relative performance of businesses and individuals. The Policy seeks to promote and reward the demonstration of Gallagher shared values, and to ensure that remuneration and incentives are driven by consideration of qualitative performance and behaviour, as well as commercial results. Under the Policy, remuneration and compensation programmes, structures and decisions are aligned with shareholder, customer, employee and other stakeholders' interests. The Policy aims to reinforce an organisational culture based on the highest ethical standards, and to focus on positive customer outcomes, and mitigates business risks by encouraging prudent decision-making.

The Remuneration and Nominations Committee is responsible for, among other things, reviewing and approving the remuneration packages of those within its scope, which includes the CEO and Executive Committee members, and certain other members of the senior management population. The Remuneration and Nominations Committee also has responsibility for reviewing, approving and recommending to the Board the Company's reward and compensation framework, employee benefits, core organisational policies and reward philosophy and strategy.

Stakeholder Relationships and Engagement

The Board considers the impacts of the Company's activities on a number of key stakeholders, including our customers, our suppliers, our regulator and our employees.

In relation to customers, the Board is provided, as part of its regular reporting, with detailed management information, including new customer wins and information on claims.

Our key suppliers include the insurers and markets with whom the Company works, and periodic reporting is given to the Board on these relationships, from which the Board is able to identify market trends and developments.

Our principal trading subsidiaries are regulated by the FCA as fixed portfolio firms and, as such, are subject to supervision through thematic and market-based work, along with programmes of communication, engagement and education aligned to the key risks the FCA identify in the insurance sector. We have a Compliance Framework which sets out in detail how our compliance arrangements operate, including our interaction with the FCA. We regard the FCA as a significant stakeholder, and the Board and management are actively engaged in developing our relationship with them.

Employee relations are monitored through regular reporting by the Human Resources function, and the Board is provided with data on areas such as headcount activity, staff turnover and absence rates. The Board is also able to engage with the workforce through the Company's annual Employee Engagement surveys.

In 2018, Gallagher became the title partner of Premiership Rugby, and has used its position as sponsor of the Gallagher Premiership as part of its outreach programme to local communities. One example of this was Project Rugby, a community initiative which aims to better connect traditionally underrepresented groups with the sport.

Gallagher actively encourages volunteering by employees in charitable and community work. The Company has a volunteering policy which allows employees to take up to three days per year to volunteer during working hours. The Company also operates a matched giving scheme, whereby the Company matches funds raised by employees for charity up to a set maximum amount per individual per calendar year.

The Board supports these initiatives and activities as part of the Company's engagement with local communities in the UK.

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies in accordance with Section 10 of FRS 102, Accounting Policies, Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides, relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company financial position and financial performance;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITOR

The auditor, Ernst & Young LLP, will be proposed for re-appointment in accordance with section 487(2) of the Companies Act 2006.

BY ORDER OF THE BOARD:

Alistair C. Peel

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A Peel - Secretary

Date: 31 August 2022
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

Opinion

We have audited the financial statements of Arthur J. Gallagher Holdings (UK) Limited ('the company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- confirmed our understanding of the directors' going concern assessment process and obtaining the assessment for the period under review;
- assessed the appropriateness of assumptions applied by management in performing the going concern assessment and corroborated those with our understanding of the Company's operations as a holding company;
- evaluated whether the subsidiaries carried as an investment on the statement of financial position will generate sufficient cash to support the settlement of the company's obligations as they fall due over the assessment period;
- performed enquiries of management and those charged with governance to identify risks or events that may impact the Company's ability to continue as a going concern;
- assessed the appropriateness of the going concern disclosures by comparing the disclosures with management's assessment and for compliance with the relevant reporting requirements; and
- obtained confirmation from the directors of the Company that they have no intentions to either liquidate or cease the operations of the Company or its significant subsidiaries.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the period to 30 September 2023, being at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Overview of our audit approach

Key audit matters	<ul style="list-style-type: none"> • Valuation of investments in subsidiaries
Materiality	<ul style="list-style-type: none"> • Overall materiality of £27.8m which represents 2% of net assets

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED - continued**

Tailoring the scope

Our assessment of audit risk and our evaluation of materiality and performance materiality determines our audit scope for the company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the company and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>Valuation of investments in subsidiaries</p> <p>Refer to the Audit Committee Report (page 5); Accounting policies (page 21); and Note 8 of the Financial Statements (pages 23-24)</p> <p>The valuation of investments in subsidiaries is judgemental due to the judgements required to be applied by management in determining whether indicators of impairment exist at each reporting date. If such indicators are deemed to exist, further judgement is applied to calculate a recoverable amount which is compared to the carrying value of subsidiaries to assess whether an impairment is required. The determination of the recoverable amount of an insurance broker requires judgements to be applied in respect of an appropriate multiple of earnings ('EBITDA') which is subject to the risk of management bias. There is an inherent risk that these amounts may be misstated.</p> <p>The risk is consistent with the prior period.</p>	<p>Our audit work in respect of the valuation of investment in subsidiaries included:</p> <ul style="list-style-type: none"> confirming our understanding of management's impairment process by assessing the design and implementation of controls; assessing whether there were any impairment indicators based on our knowledge of the business and wider market experience- identifying no indicators of impairment as a result; to corroborate our assessment that there are no indicators of impairment, assessing the reasonableness of the recoverable amount in conjunction with our valuation specialists – with a particular on the multiple of earnings assumed; confirming the completeness and accuracy of data used in management's impairment process; and reviewing the latest available financial results of key subsidiaries subsequent to year-end to determine whether it has any impact on the projected earnings used by management. 	<p>Based on the results of the procedures performed, we concluded that the investment in subsidiaries balance of the company is not materially misstated as at 31 December 2021.</p>

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED - continued

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the company to be £27.8m (2020: £14.1m), which is derived from 2% (2020: 2%) of net assets. The Company is a wholly owned subsidiary and therefore the primary user of the financial statements is its ultimate parent company, Arthur J Gallagher & Co. We believe that the primary user is most interested in the equity of the Company as this would be used to fund future acquisitions via the issuance of new capital. Our view is therefore that equity provides us with an appropriate basis on which to determine materiality.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the company's overall control environment, our judgement was that performance materiality was 75% (2020: 75%) of our planning materiality, namely £20.1m (2020: £10.6m). This reflects our expectation of errors based on our prior period audit experience.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £1.4m (2020: £0.7m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED - continued

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 12, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (UK GAAP and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom.
- We understood how the Company is complying with those frameworks by making enquiries of management, internal audit, and those responsible for legal and compliance matters of the company. In assessing the effectiveness of the control environment, we also reviewed significant correspondence between the company and regulatory bodies. We reviewed minutes of the Board to identify any areas of non-compliance with laws and regulations. We also obtained an understanding of the company's approach to governance.
- For direct laws and regulations, we considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- For both direct and other laws and regulations, our procedures involved: making enquiries of the directors of the company and senior management for their awareness of any noncompliance of laws or regulations; enquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees; and enquiring about the company's methods of enforcing and monitoring compliance with such policies.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED - continued**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud - continued

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the controls that the Company has established to address risks identified by the Company, or that otherwise seek to prevent, deter or detect fraud. Where the fraud risk, including risk of management override, was considered to be higher, we performed audit procedures to address each identified risk. These procedures included testing on a sample basis the appropriateness of manual journal entries recorded in the general ledger and evaluating the business rationale for significant and/or unusual transactions and agreeing them to supporting documentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Ernst & Young LLP

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Benjamin Gregory
Senior Statutory Auditor
For and on behalf of Ernst & Young LLP
London
Date: 31 August 2022

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £'000	2020 £'000
Administrative expenses		-	(2,500)
Income from shares in group undertakings	4	69,002	111,189
Other Income	5	<u>4,126</u>	<u>-</u>
		73,128	108,689
Interest payable and similar expenses	6	(112,613)	(95,520)
(LOSS)/PROFIT BEFORE TAXATION		(39,485)	13,169
Tax on (loss)/profit	7	<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(39,485)</u>	<u>13,169</u>

The notes form part of these financial statements

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED (REGISTERED NUMBER: 06578719)

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2021

	Notes	£'000	2021 £'000	£'000	2020 £'000
FIXED ASSETS					
Investments	8		3,593,070		2,459,679
CURRENT ASSETS					
Debtors	9	1,917		1,917	
Cash at bank		<u>51</u>		<u>39</u>	
		1,968		1,956	
CREDITORS					
Amounts falling due within one year	10	<u>5,194</u>		<u>-</u>	
NET CURRENT ASSETS/ LIABILITIES			<u>(3,226)</u>		<u>1,956</u>
TOTAL ASSETS			3,589,844		2,461,635
CREDITORS					
Amounts falling due after more than one year	11		<u>2,197,572</u>		<u>1,757,024</u>
NET ASSETS			<u>1,392,272</u>		<u>704,611</u>
CAPITAL AND RESERVES					
Called up share capital	12		485,200		448,369
Share premium	13		768,589		76,155
Retained earnings	13		<u>138,483</u>		<u>180,087</u>
SHAREHOLDERS' FUNDS			<u>1,392,272</u>		<u>704,611</u>

The financial statements were approved and authorised for issue by the Board of Directors on 31 aug 2022
and were signed on its behalf by:

Charles scott

.....
C Scott - Director

The notes form part of these financial statements

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2020	448,369	76,155	217,704	742,228
Changes in equity				
Dividends declared	-	-	(50,786)	(50,786)
Profit for the financial year	-	-	13,169	13,169
Balance at 31 December 2020	<u>448,369</u>	<u>76,155</u>	<u>180,087</u>	<u>704,611</u>
Changes in equity				
Share capital issued	36,831	692,434	-	729,265
Dividends paid	-	-	(2,119)	(2,119)
Loss for the financial year	-	-	(39,485)	(39,485)
Balance at 31 December 2021	<u>485,200</u>	<u>768,589</u>	<u>138,483</u>	<u>1,392,272</u>

The notes form part of these financial statements

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

Accounting convention

These financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland", and with the Companies Act 2006.

Arthur J. Gallagher Holdings (UK) Limited is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page. The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates and the accounts are presented in £'000s.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The Company has taken advantage of Section 401 of the Companies Act 2006 in not preparing consolidated financial statements on the basis that the results of the Company are included within the consolidated financial statements of Arthur J. Gallagher & Co., a company incorporated in the United States of America and for which results are publicly available from the Company's registered office.

The Company has taken advantage of the exemptions, under FRS 102 paragraph 1.12(b) & (e) respectively, from preparing a Statement of Cash Flows and disclosure of key management compensations, on the basis that it is a qualifying entity and its ultimate holding company, Arthur J. Gallagher & Co., includes such disclosures in its own consolidated financial statements. The Company has also taken advantage of the exemptions available under paragraph 33.1A of FRS 102 Related Party Disclosures, not to disclose transactions that have taken place between members of the Group where the party to the transaction is a wholly owned member.

The financial statements have been prepared on a going concern basis, under historical cost. Given the external developments and geopolitical disruption in relation to the ongoing COVID-19 pandemic, future forecasts and projections have taken these conditions into account. The disruption caused by the COVID-19 pandemic has reduced since the prior year and no additional risk is expected. The Company is fully operational, has deployed continuity protocols and has not been materially impacted by the COVID-19 pandemic. The business is not materially impacted by the conflict in Ukraine. The Company has adequate resources to continue in operational existence for a period of at least to 30 September 2023, and no material uncertainties related to going concern have been identified. The Directors therefore continue to prepare the accounts on a going concern basis.

Significant judgements and estimates

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements include:

i. Impairment of investments

Where there are indicators of impairment of individual assets, the Group performs impairment tests based on a value in use calculation. The value in use calculation is based on a net asset or revenue multiple basis. Both methods are derived from the financial statements and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The multiple rate used is in line with recent acquisitions.

Income from shares in group undertakings

Income from shares in Group Undertakings is recognised in the Statement of Comprehensive Income when the shareholder's right to receive payment is established.

Interest receivable/payable

Interest receivable/payable is recognised in the Statement of Comprehensive Income on an accruals basis based on the terms of the underlying contracts or agreements.

Taxation

Provision is made at current enacted rates for taxation. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax in future periods.

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES – continued

Taxation- continued

Deferred tax assets and liabilities are not discounted.

Fixed asset investments

Fixed asset investments in the financial statements are stated at cost less provision for any impairment in value.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in other operating expenses.

Loans to/from group undertakings

Loans to/from other group undertakings are initially recognised at transaction price, less any transactional costs unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future payments discounted at a market rate of interest. In subsequent years the loans are carried at amortised cost, using the effective interest rate method.

Where loans are repayable on demand they are classified as short term debtors/creditors and recognised at the full amount payable. The loans are derecognised when the liability is extinguished, that is when the contractual obligation is discharged or cancelled.

The loans are recognised using the criteria set out in Section 11 and 12 of FRS102.

Dividends

Dividends are recognised when declared and paid during the financial year and no longer at the discretion of the Company.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the date of the Statement of Financial Position. All exchange rate differences are taken to the Statement of Comprehensive Income.

2. DIRECTORS' REMUNERATION

	2021 £'000	2020 £'000
Directors' remuneration	<u>2,133</u>	<u>4,089</u>
Information regarding the highest paid Director is as follows:		
	2021 £'000	2020 £'000
Director's remuneration	<u>1,848</u>	<u>3,819</u>

The above amounts represent remuneration allocated to the Directors based on their directorships of entities within the Group. The Directors were remunerated during the year by a fellow subsidiary within the Group and Arthur J. Gallagher & Co., the ultimate holding company. The Company has not been recharged any amount for the remuneration of these Directors (2020: £nil).

3. GROSS PROFIT

Auditor's remuneration in the current year of £22k (2020:£7k) has been borne by a fellow group undertaking and has not been recharged to the Company.

4. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2021 £'000	2020 £'000
Dividend from group undertakings	<u>69,002</u>	<u>111,189</u>

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. OTHER INCOME

	2021	2020
	£'000	£'000
Gain on sale of investment in subsidiary	<u>4,126</u>	<u>-</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£'000	£'000
Interest on loans from group undertakings	<u>112,613</u>	<u>95,520</u>

7. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 December 2021 nor for the year ended 31 December 2020.

The tax assessed for the year can be reconciled to the loss/profit per the Statement of Comprehensive Income as follows:

	2021	2020
	£'000	£'000
(Loss)/Profit before tax	<u>(39,485)</u>	<u>13,169</u>
(Loss)/Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(7,502)	2,502
Effects of:		
Income not taxable for tax purposes	(13,895)	(21,126)
Effects of group relief/ other reliefs	21,539	17,740
Transfer pricing adjustments	(142)	409
Expenses not deductible	<u>-</u>	<u>475</u>
Total tax charge	<u>-</u>	<u>-</u>

The Company profits are taxable in the UK under the standard rate of corporation tax being 19% (2020: 19%). The Company is expected to continue to attract the standard rate of UK corporation tax. On 10 June the UK Government legislated to increase the main rate of corporation tax to 25% as of 1 April 2023. This increase has been reflected in the 2021 closing deferred tax asset.

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £'000
COST	
At 1 January 2021	2,459,679
Additions	1,255,318
Disposals	<u>(121,927)</u>
At 31 December 2021	<u>3,593,070</u>
NET BOOK VALUE	
At 31 December 2021	<u>3,593,070</u>
At 31 December 2020	<u>2,459,679</u>

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

8. FIXED ASSET INVESTMENTS- continued

As part of the restructure to fund the acquisition of Bollington Wilson Group Limited, the Company increased its shareholding in its subsidiaries Gallagher Holdings (UK) Limited by £225m, GGB Finance 5 Limited by £175m and GGB Finance 3 Limited by £124m. The Company also disposed of its £120m investment in GGB Finance 4 Limited.

During the year Company received a transfer of investments from its subsidiary and the Company subsequently disposed of 100% of its investment in Gallagher Re Brasil Participacoes Ltda and Gallagher Re Miami Inc.

The Company also acquired the UK assets of the reinsurance arm of Willis Towers Watson for £729m. Further details can be found in the review of the business within the Strategic Report.

A full listing of investments is detailed in note 17.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Amounts owed by group undertakings	<u>1,917</u>	<u>1,917</u>

Amounts owed by group undertakings are unsecured, repayable on demand and on an interest free basis.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Amounts owed to group undertakings	<u>5,194</u>	<u>-</u>

Accrued loan interest on listed loan notes has been classified within current rather than long term creditors in 2021, to better reflect the liability. An adjustment to the comparative amount has not been made as it is not considered material to the comparative amounts.

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £'000	2020 £'000
Amounts owed to group undertakings	<u>2,197,572</u>	<u>1,757,024</u>

In February 2021 the Company received £400,000k of new loans related to the financing of acquisitions. £175,000k with the US parent company, Gallagher International Holdings (US) Inc, £175,000k and £12,000k with GGB Finance 5 Limited and £38,000k with GGB Finance 3 Limited.

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED
**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**
11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR- continued

The carrying value of the loan notes is held within Amounts owed to group undertakings, falling due after more than one year. The loan notes have the following terms and conditions:

Aggregate loan value	Interest rate	Interest terms	Repayment period	Aggregate carrying value
£22,960k	6.75%	Compounded annually	2031 for both capital and interest but the borrower can repay in whole or in part without penalty.	£23,059k
£341,461k	6.75%	Compounded annually	2023 for both capital and interest but the borrower can repay in whole or in part without penalty.	£343,311k
£61,356k	6.75%	Compounded annually	2024 for both capital and interest but the borrower can repay in whole or in part without penalty.	£61,709k
£60,936k	6.19%	Compounded annually	2025 for both capital and interest but the borrower can repay in whole or in part without penalty.	£61,257k
£275,000k	5.4%	Compounded annually	2029 for both capital and interest but the borrower can repay in whole or in part without penalty.	£276,231k
£533,662k	5.4%	Compounded annually	2029 for both capital and interest but the borrower can repay in whole or in part without penalty.	£617,302k
£160,000k	5.4%	Compounded annually	2029 for both capital and interest but the borrower can repay in whole or in part without penalty.	£160,716k
£120,000k	4.0%	Compounded annually	2030 for both capital and interest but the borrower can repay in whole or in part without penalty.	£129,622k
£120,000k	4.0%	Compounded annually	2030 for both capital and interest but the borrower can repay in whole or in part without penalty.	£120,395k
£175,000k	4.2%	Compounded annually	2031 for both capital and interest but the borrower can repay in whole or in part without penalty.	£175,604k
£175,000k	4.2%	Compounded annually	2031 for both capital and interest but the borrower can repay in whole or in part without penalty.	£181,648k
£37,993k	4.2%	Compounded annually	2031 for both capital and interest but the borrower can repay in whole or in part without penalty.	£39,436k
£12,000k	4.2%	Compounded annually	2031 for both capital and interest but the borrower can repay in whole or in part without penalty.	£12,456k

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £'000	2020 £'000
448,368,693	Ordinary	£1	<u>485,200</u>	<u>448,369</u>

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

12. CALLED UP SHARE CAPITAL- continued

The shares have attached to them full voting, dividend and capital distribution (including on wind up) rights. The Company may issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or member. In addition, the shares carry pre-emption rights.

Reconciliation of movements during the period:	No. Of Shares	Value at Par £'000
At 1 January 2021	448,368,693	448,369
Issue of fully paid shares	<u>49,244,707</u>	<u>36,831</u>
At 31 December 2021	<u>497,613,400</u>	<u>485,200</u>

The Company has issued and allotted 49,244,707 new preference shares of \$1 each on 1 December 2021 for an intercompany consideration of £729,265k. The increase in share capital was approved by the Board and the board of Gallagher European Holdings Limited, and is issued to Gallagher European Holdings Limited.

13. RESERVES

Called Up Share Capital - represents the nominal value of shares that have been issued.

Share Premium - represents the excess of any consideration received for shares issued above the nominal value.

Retained Earnings - includes all current and prior period profits and losses.

14. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemptions available under paragraph 33.1A of FRS 102 Related Party Disclosures, not to disclose transactions that have taken place between members of the Group where the party to the transaction is a wholly owned member.

15. PARENT COMPANY AND ULTIMATE HOLDING COMPANY

The immediate parent company is Gallagher International Holdings (US) Inc. a company incorporated in the United States of America. The largest group of undertakings of which the Company is a member and for which financial statements are prepared is Arthur J. Gallagher & Co. a company incorporated in the United States of America, which is the ultimate holding company. The registered address of Arthur J. Gallagher & Co. is 2850 W. Golf Rd., Rolling Meadows, IL 60008. A copy of these consolidated financial statements is available from the registered office of the Company

16. EVENTS AFTER THE REPORTING PERIOD

The Directors confirm that there are no other events after the reporting period that are required to be disclosed.

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

17. INVESTMENT IN SUBSIDIARIES

The Company's investments at the Statement of Financial Position date, in the share capital of group undertakings, comprised the following:

Name of Company	Registered Address	Holding	Proportion of shares held
Gallagher Holdings (UK) Limited	The Walbrook Building	Ordinary Shares	100%
Arthur J. Gallagher (UK) Limited*	The Walbrook Building	Ordinary Shares	100%
Risk Management Partners Ltd.*	The Walbrook Building	Ordinary Shares	100%
Alesco Risk Management Services Limited*	The Walbrook Building	Ordinary Shares	100%
Pen Underwriting Limited*	The Walbrook Building	A&B	100%
Contego Underwriting Limited**	The Walbrook Building	Ordinary Shares	100%
Risk Services (NW) Limited*	The Walbrook Building	Ordinary Shares A & B	100%
Arthur J. Gallagher Services (UK) Limited*	The Walbrook Building	Ordinary Shares	100%
HLG Holdings Limited***	The Walbrook Building	Ordinary Shares	100%
Friary Intermediate Limited*	The Walbrook Building	Ordinary Shares	100%
Acumus Interco Limited**	The Walbrook Building	Ordinary Shares	100%
Acumus Holdings Limited**	The Walbrook Building	Ordinary Shares A & B	100%
Belmont Insurance Holdings Limited**	The Walbrook Building	Ordinary Shares	100%
Belmont International Limited**	The Walbrook Building	A, B & C	100%
Blenheim Park Limited**	The Walbrook Building	Ordinary Shares	100%
Deacon Insurance Services Limited**	The Walbrook Building	Ordinary Shares	100%
Evolution Underwriting Group Limited**	The Walbrook Building	Ordinary Shares	100%
Gallagher Holdings Four (UK) Limited***	The Walbrook Building	Ordinary Shares	100%
Oamps (UK) Limited***	The Walbrook Building	Ordinary Shares	100%
Gallagher Holdings Three (UK) Limited***	The Walbrook Building	Ordinary Shares	100%
Insurance Dialogue Limited*	The Walbrook Building	Ordinary Shares	100%
Fenchurch Trustees Limited**	The Walbrook Building	A, B, E & F	100%
Heath Lambert Limited*	The Walbrook Building	Ordinary Shares	100%
Gallagher Benefits Consulting Limited*	The Walbrook Building	Ordinary Shares	100%
Heath Lambert Overseas Limited*	The Walbrook Building	Ordinary Shares	100%
Fenchurch Faris Limited*	Jordan	Ordinary Shares	10%
Fenchurch Faris Limited (Saudi Arabia)*	Saudi Arabia	Ordinary Shares	14%
Oval Limited*	The Walbrook Building	Ordinary Shares & Deferred Shares	100%
Bartholomew & James (Properties) Limited**	Metropolitan Building	Ordinary Shares	100%
Bartholomew & James Limited**	Metropolitan Building	Ordinary Shares	100%
FMW Risk Services Limited**	The Walbrook Building	Ordinary Shares	100%
John Eke And Partners Limited**	Building	Ordinary Shares	100%
Oval EBT Trustees Limited*	The Walbrook Building	Ordinary Shares A	100%
Oval Financial Limited**	Spectrum Building	Ordinary Shares	100%
Oval Management Services Limited**	The Walbrook Building	Ordinary Shares	100%
Cuthbert Service & Jackson Limited**	The Walbrook Building	Ordinary Shares A & B	100%
Oval Insurance Broking Limited*	Spectrum Building	Ordinary Shares	100%
The Ward Mitchell Partnership Limited**	The Walbrook Building	Ordinary Shares A & B	100%
Property & Commercial Limited*	The Walbrook Building	Ordinary Shares	100%
Riba Insurance Agency Limited*	The Walbrook Building	Ordinary Shares	100%
Rio 587 Limited***	The Walbrook Building	Ordinary Shares	100%
Rio 588 Limited***	The Walbrook Building	Ordinary Shares	100%

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED
**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**
17. INVESTMENT IN SUBSIDIARIES (continued)

Name of Company	Registered Address	Holding	Proportion of shares held
Quillco 226 Limited*	Spectrum Building	Ordinary Shares A & B	100%
Quillco 227 Limited*	Spectrum Building	Ordinary Shares	100%
Giles Holdings Limited*	Spectrum Building	Ordinary Shares	100%
R. A. Rossborough Limited*	Liberation House	Ordinary Shares	100%
R. A. Rossborough (Guernsey) Limited*	Rossborough House	Ordinary Shares	100%
R.A. Rossborough (Insurance Brokers) Limited*	Liberation House	Ordinary Shares	100%
Rossborough Healthcare International Limited*	Rossborough House	Ordinary Shares	100%
Rossborough Insurance (IOM) Limited*	Victory House	Ordinary Shares	100%
Rossborough Insurance Services Limited**	Liberation House	Ordinary Shares	100%
Rossborough Insurance Brokers Limited**	The Walbrook Building	Ordinary Shares	100%
Arthur J. Gallagher Insurance Brokers Limited*	Spectrum Building	Ordinary Shares	100%
Ink Underwriting Agencies Limited***	The Walbrook Building	Ordinary Shares	100%
CBG Group Limited**	The Walbrook Building	Ordinary Shares	100%
CBG Insurance Brokers Limited**	The Walbrook Building	Ordinary Shares	100%
Dickson Insurance Brokers Limited**	The Walbrook Building	Ordinary Shares	100%
Robinson Leslie Limited**	The Walbrook Building	Ordinary Shares	100%
Igloo Insurance PCC Limited*	Heritage Hall	Ordinary Shares	100%
Capsicum Reinsurance Brokers LLP*	The Walbrook Building	Partnership	33%
Capsicum Reinsurance Brokers No.1 LLP**	The Walbrook Building	Partnership	20%
Capsicum Reinsurance Brokers No.2 LLP***	The Walbrook Building	Partnership	20%
Capsicum Reinsurance Brokers No.3 LLP***	The Walbrook Building	Partnership	20%
Capsicum Reinsurance Brokers No.4 LLP***	The Walbrook Building	Partnership	20%
Capsicum Reinsurance Brokers Bermuda Limited*	Bermuda	Ordinary Shares	20%
Capsicum Reinsurance Brokers No.5 LLP***	The Walbrook Building	Partnership	20%
Capsicum Reinsurance Brokers No.6 LLP**	The Walbrook Building	Partnership	20%
Capsicum Reinsurance Brokers No.7 LLP***	The Walbrook Building	Partnership	20%
Capsicum CRLA LLP***	The Walbrook Building	Partnership	20%
Capsicum Reinsurance Brokers No.9 LLP***	The Walbrook Building	Partnership	33%
Capsicum Reinsurance Brokers No.10 LLP**	The Walbrook Building	Partnership	20%
Capsicum Reinsurance Brokers No. 11 LLP**	The Walbrook Building	Partnership	20%
Alize Limited*	Cumberland House	Ordinary Shares	20%
Stormclose Limited	The Walbrook Building	Ordinary Shares	100%
Gallagher Securities Limited	The Walbrook Building	Ordinary Shares	100%
Bollington Wilson Group Limited	The Walbrook Building	Ordinary Shares	100%
Bollington Wilson Limited	The Walbrook Building	Ordinary Shares	100%
Talbot Deane Investments Limited	The Walbrook Building	Ordinary Shares	100%
The Bollington Group (Holdings) Limited	The Walbrook Building	Ordinary Shares	100%
Bollington Insurance Brokers Limited	The Walbrook Building	Ordinary Shares	100%
Bollington Underwriting Limited	The Walbrook Building	Ordinary Shares	100%
Compucar Limited	Temple Square	Ordinary Shares	100%
F Wilson (Insurance Brokers) Limited	The Walbrook Building	Ordinary Shares	100%
Dalton Browne Limited	The Walbrook Building	Ordinary Shares	100%
Northern Keep Limited	The Walbrook Building	Ordinary Shares	100%
Ashgrove Insurance Services Limited	The Walbrook Building	Ordinary Shares	100%
CLA (Risk Solutions) Limited	The Walbrook Building	Ordinary Shares	100%
Prophet Group Limited	The Walbrook Building	Ordinary Shares	100%
Prophet Trade Credit Limited	The Walbrook Building	Ordinary Shares	100%
F Wilson Group Limited	The Walbrook Building	Ordinary Shares	100%
F Wilson (Holdings) Limited	The Walbrook Building	Ordinary Shares	100%
Quoteline Direct Limited	Temple Square	Ordinary Shares	100%
Wilsons Commercial Insurance Services Limited	The Walbrook Building	Ordinary Shares	100%

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

17. INVESTMENT IN SUBSIDIARIES (continued)

Name of Company	Registered Address	Holding	Proportion of shares held
Prophet Reports & Collections Limited	The Walbrook Building	Ordinary Shares	100%
Surecollect Limited	Temple Square	Ordinary Shares	100%
Stafford Brokers Limited	Temple Square	Ordinary Shares	100%
CLA Acquisitions Limited	Temple Square	Ordinary Shares	100%
Watson Laurie Holdings Limited	The Walbrook Building	Ordinary Shares	100%
Watson Laurie Limited	The Walbrook Building	Ordinary Shares	100%
Portmore Insurance Brokers Limited*	Temple Square	Ordinary Shares A, B & C	100%
Portmore Insurance Brokers (Wiltshire) Ltd*	Temple Square	Ordinary Shares	100%
Pavey Group Holdings (UK) Limited*	Temple Square	Ordinary Shares	100%
Pavey Group Holdings Limited*	Temple Square	Ordinary Shares	100%
Pavey Group Limited*	Temple Square	Ordinary Shares A, B & C	100%
Purple Bridge Group Limited*	The Walbrook Building	Ordinary Shares A & B	100%
Just Landlords Insurance Services Ltd*	The Walbrook Building	Ordinary Shares	100%
Vasek Insurance Services Limited*	The Walbrook Building	Ordinary Shares	100%
Unoccupied Direct Limited*	The Walbrook Building	Ordinary Shares	100%
Purple Bridge Investments Limited*	The Walbrook Building	Ordinary Shares	100%
Purple Bridge Publishing Limited*	The Walbrook Building	Ordinary Shares	100%
Purple Bridge Finance Limited*	The Walbrook Building	Ordinary Shares	100%
Purple Bridge Claims Management Limited*	The Walbrook Building	Ordinary Shares	100%
Purple Bridge Online Services Limited*	The Walbrook Building	Ordinary Shares	100%
Insure My Villa Limited*	The Walbrook Building	Ordinary Shares	100%
Stackhouse Poland Limited*	The Walbrook Building	Ordinary Shares	100%
Honour Point Limited*	Temple Square	Ordinary Shares	100%
Quantum Underwriting Solutions Limited*	The Walbrook Building	Ordinary Shares	100%
Title & Covenant Brokers Limited*	The Walbrook Building	Ordinary Shares	100%
Symmetry Private Insurance Limited*	Temple Square	Ordinary Shares	100%
Foley Healthcare Limited*	Temple Square	Ordinary Shares	100%
Stackhouse Poland Group Limited*	The Walbrook Building	Ordinary Shares	100%
Stackhouse Poland Midco Limited*	The Walbrook Building	Ordinary Shares	100%
Stackhouse Poland Holdings Limited*	The Walbrook Building	Ordinary Shares	100%
Antrobus Investments Limited*	The Walbrook Building	Ordinary Shares	100%
Coleman Group (Holdings) Limited*	Temple Square	Ordinary Shares	100%
Coleman Holdings Limited*	Temple Square	Ordinary Shares	100%
Lucas Fettes Limited*	The Walbrook Building	Ordinary Shares	100%
Title Investments Limited*	Temple Square	Ordinary Shares	100%
Risk Solutions Group Limited*	Temple Square	Ordinary Shares	100%
Ptarmigan Underwriting UK Limited*	Temple Square	Ordinary Shares	67%
Ptarmigan Underwriting Agency Limited*	Temple Square	Ordinary Shares	100%
Property Insurance Initiatives Limited*	Temple Square	Ordinary Shares	100%
Protek Group Limited*	The Walbrook Building	Ordinary Shares	33%
Medical Professional Indemnity Group Limited*	Temple Square	Ordinary Shares	100%
Lucas Fettes Central Limited*	Temple Square	Ordinary Shares	100%
Lucas Fettes and Partners Limited*	Temple Square	Ordinary Shares	100%
Plough Court Insurance Services Limited*	Temple Square	Ordinary Shares	100%
Insurance Acquisitions Holdings Limited*	The Walbrook Building	Ordinary Shares	100%
Stackhouse Poland Bidco Limited*	The Walbrook Building	Ordinary Shares	100%
Stackhouse Fisher Limited*	Temple Square	Ordinary Shares	100%

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

17. INVESTMENT IN SUBSIDIARIES (continued)

Name of Company	Registered Address	Holding	Proportion of shares held
Cheam Insurance Brokers Limited*	Baker Street	Ordinary Shares	100%
GPIS Limited*	Baker Street	Ordinary Shares	100%
RHB Insurance Services Limited*	Temple Square	Ordinary Shares	100%
Plexstar Insurance Services Limited*	Temple Square	Ordinary Shares	100%
Coulter Hurst & Co Limited*	Baker Street	Ordinary Shares	100%
The Healthcare Management Company (UK) Limited*	Temple Square	Ordinary Shares	100%
Sutton Meears and Company Limited*	Temple Square	Ordinary Shares	100%
Parish Council Insurance Brokers Limited*	Temple Square	Ordinary Shares	100%
JC Richards Limited*	Temple Square	Ordinary Shares	100%
David Fangen Holdings Limited*	Baker Street	Ordinary Shares	100%
David Fangen Limited*	Baker Street	Ordinary Shares	100%
W Burch & Son Limited*	Temple Square	Ordinary Shares	100%
HFM Columbus Insurance Services Limited*	Baker Street	Ordinary Shares	100%
Chris Frost Insurance Services Limited*	Baker Street	Ordinary Shares	100%
Foster Leighton & Company Limited*	Baker Street	Ordinary Shares	100%
Foster Leighton Risk Managers Limited*	Baker Street	Ordinary Shares	100%
E Coleman & Co Limited*	Temple Square	Ordinary Shares	100%
Coleman Marine Limited*	Baker Street	Ordinary Shares	100%
RGA Underwriting Limited*	The Walbrook Building	Ordinary Shares	100%
Rentguard Limited*	The Walbrook Building	Ordinary Shares	100%
Home & Travel Limited*	The Walbrook Building	Ordinary Shares	100%
RGA Referencing Limited*	The Walbrook Building	Ordinary Shares	100%
Inspire Underwriting Limited*	The Walbrook Building	Ordinary Shares	100%
GGB Finance 1 Limited*	The Walbrook Building	Ordinary Shares	100%
GGB Finance 2 Limited*	The Walbrook Building	Ordinary Shares	100%
GGB Finance 3 Limited	The Walbrook Building	Ordinary Shares	100%
GGB Finance 4 Limited	Temple Square	Ordinary Shares	100%
GGB Finance 5 Limited	The Walbrook Building	Ordinary Shares	100%
Manchester Underwriting Agencies Limited	The Walbrook Building	Ordinary Shares	100%
Manchester Underwriting Management Limited	The Walbrook Building	Ordinary Shares	100%
MUM European Holdings Limited	Old Bakery Street	Ordinary Shares	100%
Jatco Insurance Brokers PCC Limited	The Reed Centre	Ordinary Shares	100%
Pelican Underwriting Management Limited	The Walbrook Building	Ordinary Shares	100%

* Held Indirectly

** Dissolved in 2021

*** Dissolved in 2022

ARTHUR J. GALLAGHER HOLDINGS (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021****17. INVESTMENT IN SUBSIDIARIES (continued)**

Registered Address	Street Address
The Walbrook Building	25 Walbrook, London, EC4N 8AW
Liberation House	Ground Floor, Liberation House, Castle Street, St Helier, Jersey, JE2 3BT
Heritage Hall	Heritage Hall, P.O. Box 230, Le Marchant Street, St. Peter Port, Guernsey GY1 4JH
Jordan	Jordan Insurance Company Building No.: B, 5th Floor, Office No.: 4, Third Circle, Prince Mohammad Street, P.O. BOX 840371, Jabal Amman 11181 Amman, Jordan
Metropolitan Building	Metropolitan Building, 29-31 Alfred Street, Belfast, BT2 8ED
Victory House	New Wing, Victory House, Prospect Hill, Douglas, Isle of Man, IM1 1EQ
Rosborough House	Rosborough House, Bulwer Avenue, St. Sampsons, Guernsey, GY2 4LF
Spectrum Building	Spectrum Building, 7th Floor, 55 Blythswood Street, Glasgow, G2 7AT
Bermuda	Overbay 106 Pitts Bay Road, Pembroke, Bermuda, HM08
Rua Surubim	Rua Surubim, 577, 21 st Floor, Sao Paulo, 04571-050
Cumberland House	1 Victoria Street, Hamilton, Bermuda
Temple Square	C/O BDO LLP, 5 Temple Square Temple Street, Liverpool, L2 5RH
Baker Street	55 Baker Street, London, W1U 7EU
The Reed Centre	Blue Harbour, Ta'Xbiex Seafront, Ta'Xbiex, Malta, XBX 1027
Old Bakery Street	171 Old Bakery Street, Valletta Vlt 1255