

Closing the Insurance Protection Gap

How Aon is advancing global resilience

Uniting the public and private sectors to create financially-viable solutions that can be replicated around the world.



Why?

Over 400 natural catastrophes in 2019 generated economic losses of USD232 billion, yet only USD71 billion was insured. By managing the impact of factors such as severe weather incidents and climate change we can work to close this significant gap and protect communities everywhere.

We are committed to working across industries and with governments, humanitarian organizations and NGOs to find solutions that protect people, property and places against catastrophic events.



Aon's mission

Aon is committed to scaling resilience on a global scale by providing collaborative solutions. We can help create value for governments and non-government organisations (NGOs) by using private sector solutions to transfer risk in a way that supports entities for the near and the long term.

Opportunities to Build Resilience and Enhance Growth

Identifying and quantifying risk

Aon combines proprietary data, technology and expertise to develop insights to help clients reduce volatility and improve performance, with the ability to:

- Quantify, analyze and **visualize property and people exposures** through Aon's ImpactOnDemand mapping tool.
- Understand risk and **estimate financial losses** from natural and man-made disasters – plus explore the impact of an evolving climate – through Impact Forecasting's catastrophe models spanning 12 perils in 60 countries.
- Run **climate scenarios** to help understand exposure by combining academic research with Aon data, powered by modelling start-ups that assess future impact and devise strategies that limit volatility and improve performance.

Transferring risk

In addition, Aon collaborates with re/insurers to reduce volatility and build more resilient communities by providing risk transfer, claims advocacy and capital management solutions including:

- **Property and business interruption insurance** to protect infrastructure, homes, people and the economy when it is needed the most.
- **Catastrophe bonds** for a named peril and territory to provide balance sheet protection in the event of a disaster.
- Innovative, data-driven **parametric solutions** – based on a pre-agreed trigger rather than an actual claim – provide financial protection against volatility including the weather.
- Man-made risk transfer with **mortgage protection** products – purchased in high risk locations for extreme events like high winds, flood or earthquake – to help protect a portfolio's physical assets.

Managing risk

In addition, to build further resilience in an evolving world, Aon works with organisations to:

- Improve risk profiles and manage **total cost of risk** by identifying and quantifying risks; assisting with the selection and implementation of the appropriate risk transfer, risk retention and risk mitigation solutions; and ensuring the continuity of operations through claims consulting.
- Better manage flood, wildfire, wind and earthquake risk by working with the **design, construction, built world asset management and technology industries** to develop of operational best practices.
- Enhance the digital experience and bring operational efficiencies by collaborating with Aon's **technology partners** – we monitor 1200 start ups globally – to achieve each organisation's innovation goals.
- Integrate Environmental, Social and Governance (ESG) risk into **responsible investment strategies** and aligning portfolios towards a low-carbon economy.

Aon is bringing new innovative solutions and greater value to our public sector clients through the New Ventures Group

As risk evolves, governments and public institutions play a critical role in building resilience for their constituents. To help navigate the public sector's priority challenges, Aon is investing in its capabilities around climate, housing and balance sheet strength with its **Public Sector Partnership**, part of the New Ventures Group (NVG). The NVG focuses on the rapid incubation and delivery of new high-impact sources of value for clients. This builds upon our strengths in natural disasters and mortgage/credit risk management but is just the start: cyber, healthcare, infrastructure and terrorism have also been noted as longer term opportunities to maximize performance in the public sector.



How can we help you become more resilient?

Please contact:

Joe Monaghan

Chief Executive Officer of Public Sector Partnership
joseph.monaghan@aon.com

Bridget Gainer

Chief Commercial Officer of Public Sector Partnership
bridget.gainer@aon.com

Emma Karhan

Head of Public Private Enterprise – UK
emma.karhan@aon.com

Greg Lowe

Head of Sustainability & Climate
greg.lowe@aon.com

About Aon

Aon plc (NYSE:AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance.

© Aon plc 2020. All rights reserved.

The information contained herein and the statements expressed are of a general nature and are not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information and use sources we consider reliable, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

www.aon.com

FP#12961