

**AON**

# Climate Analytics

Helping our clients  
navigate Carbon  
Markets



# We Bring World Class Risk Management Capabilities to Help Our Clients Make Better Decisions on Climate

## Climate capabilities



**Dedicated climate team** focused on innovation and enabling projects and investments.



**Industry vertical specialists** across all hard-to-abate sectors and financial sectors.

**500+**

**specialists in Aon Growth Ventures** group which acts as an incubator for new client solutions

**150+**

dedicated **renewables EML**, risk engineering and risk analysis professionals

**US\$ 130+ m**

**invested p.a. in data and analytics**

**140+**

**IP professionals** incl. Law, Finance, Insurance, M&A, and Technology<sup>1</sup>

## Select partnerships

### Physical climate risk modelling



### Climate transition



### Accelerating growth



## Our commitments

Internal operations and supply chain

**Net Zero**

by 2030

Investment activities

**50%** reduction<sup>2</sup>

by 2030

**Net zero**

by 2050



1. incl. dedicated team of attorneys, proxy advisors & investor intelligence experts

# How We Help Our Clients Address Climate Change



## 1 Increasing resilience against physical risks

Impacts of climate change are causing large-scale disruptions globally.



## 2 Reducing costs & volatility of transitioning to net zero

Climate-related laws and regulations are fast-evolving, leading to new sources of uncertainty and costs.



## 3 Unlocking new growth opportunities

Transitioning to a green economy will create new growth opportunities and employment globally.

### How we help our clients

We assess, mitigate and transfer climate-related physical risks to protect assets and build resilience.

We provide protection against reputation, litigation, and other transition risks, as well as enable the responsible transition of assets and portfolios from brown to green.

We provide solutions to unlock capital for new climate investment, including de-risking market, technology and off taking risk.

# The role of (re)insurance

## Carbon credits



- Insuring carbon credit/offsetting solutions.
- What happens when those solutions fail, e.g. fail to grow or damaged by a severe weather event?

## Sustainable practices



- Providing investment into sustainable practices.
- Is the current insurance available suitable?
- Can we measure the impact of the sustainable practice?

## Regenerative future



- Using insurance investment to promote regenerative farming.
- Can we monitor and prove the practice is being successful?

## New insurance products



- Parametric insurance offers a new way of getting insurance to locations/perils not currently covered.
- It offers quicker payments and is a cheaper process.

# What do we look for in our partnerships?

## Transparency

We need to be able to explain and defend the position taken to our clients, who in turn have to do the same to regulators.

- Traditional black boxes are becoming less acceptable within the market.
- Whitepapers can provide a reasonable amount of transparency, however peer-reviewed publications are always preferred.
- We need to validate and evaluate the model before using with our clients.

## Scientifically Robust

The integrity of our advice lies in our scientific approach, thus any tool we use must be scientifically sound.

- Over-simplification of the problem or science leads to misunderstanding within the market.
- There is considerable scientific expertise on these topics in the market that is often overlooked.
- Our expertise lies in the translation of the science to industry needs.

## Engage with our tools and expertise

There is a lot of data and knowledge within the market that is commercially sensitive and therefore cannot be passed to third parties.

- This data can significantly improve a model's suitability for our clients.
- The ability to integrate our tools, expertise and our clients' data into any third-party tool increases its use for our clients.



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