

Risk Analyzer

Aon's Real Time Valuation, Monitoring and Risk Analytics System



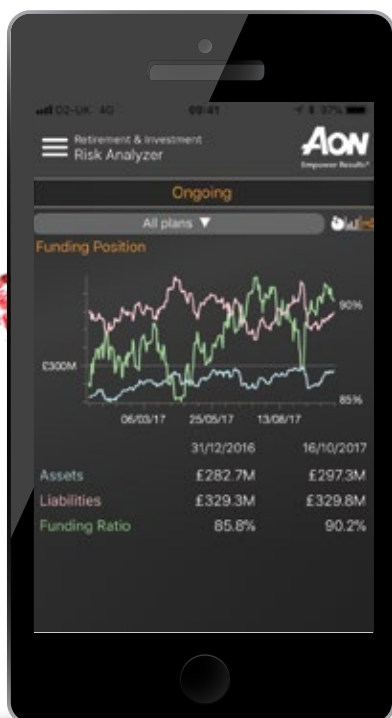
New technology for a new era in pension scheme risk management

One of the biggest challenges facing sponsors and trustees of defined benefit pension plans is being able to make effective and timely decisions based on a large volume of information from a variety of sources. From daily market swings, investment opportunities that come and go, de-risking opportunities and funding decisions, pension schemes present complex issues that demand a simple solution.

Aon has brought its investment and actuarial expertise together to create a fully integrated real-time valuation and risk management system for pension schemes: Risk Analyzer. This powerful easy to use tool strengthens sponsors' and trustees' ability to understand, manage and more importantly take immediate action in relation to their pension schemes. The tool provides a simple integrated pension risk management platform showing daily funding analysis and risk metrics.

Delivered directly to you

Valuations, updates and projections consistent with our actuarial and investment advice - it is the system we use to advise you. We are simply making the key features available to you online.



Screenshot taken from the app available to you

Key features

Risk Analyzer's key features are available to you on your computer, tablet and smartphone via a user friendly website or app.

- The homepage shows the high level funding level tracking and reconciliation functionality
- A global system that enables sponsors to value and monitor pension schemes individually and in aggregate
- Aon's actuarial and investment consulting expertise at your fingertips
- Make decisions quickly based on up-to-date information to help with your journey to pensions stability
- Active risk monitoring, including email notifications, as part of a flight path and wider governance framework
- Quickly evaluate investment strategies and risk reduction techniques

We have
over 750
schemes with
£500 billion
of assets on
Risk Analyzer



The foundation of how we work with you

Risk Analyzer is the software foundation of how Aon consults with its clients. Giving our clients access to our valuation, monitoring and risk analytics system via the web and app means you can be assured of absolute consistency with our advice.

With market leading intellectual capital on pension fund solutions and UK and global investment markets, Risk Analyzer delivers a clear, up-to-date snapshot of your pension scheme all backed up by our unparalleled depth of experience.

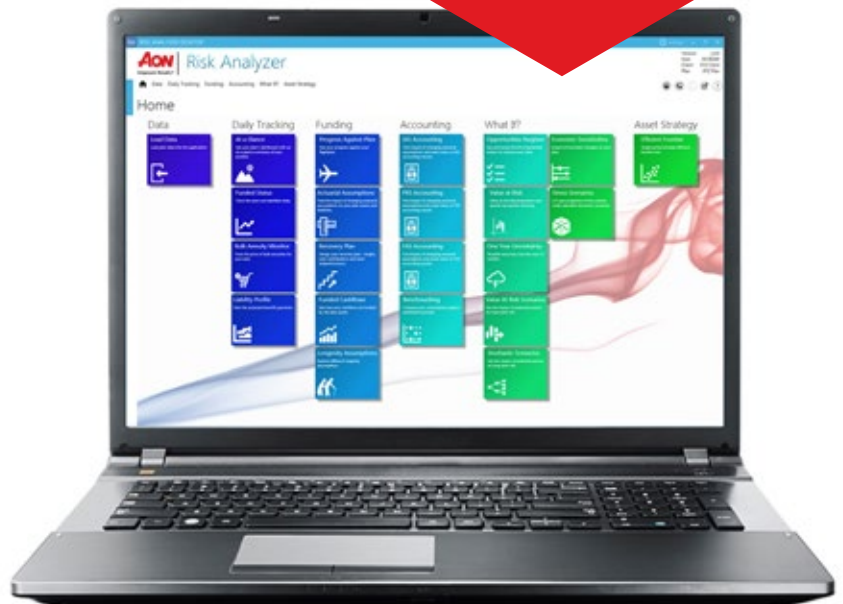
With its ability to consolidate schemes across geographies in a consistent way, it also allows companies to fully understand and manage their global situation.

Valuation

Accurately value the liabilities, based on up-to-date data

The core of any analytics system is reliable and robust actuarial valuation of benefits, based on accurate data

- Use interactively in meetings, enabling you to clearly understand your options and their impacts
- Enables highly informed funding valuation discussions to negotiate and agree your valuation basis and Recovery Plan (illustrated below) quickly and efficiently
- Liabilities based on the membership data provided by the scheme's administrators, updated as frequently as required
- Assets based on values from the scheme's fund managers, updated as frequently as required
- Analytics available on a modular basis and can be downloaded to Excel



Screenshot taken from the consultant portal presented to you in meetings



Screenshot taken from the online portal available to you

Recovery plan



Screenshot taken from the consultant portal presented to you in meetings

Scheme sponsors and trustees today want an integrated understanding of how market movements impact the scheme's funded status.

Insights

Daily asset, liability and funding level tracking

Daily updates of scheme funding along with robust analysis of changes over user specified periods

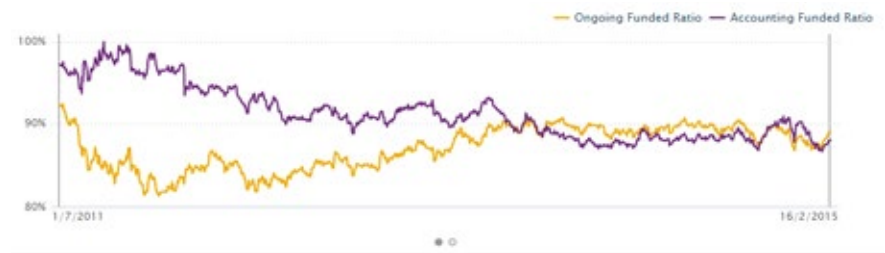
- Funded status**
 Risk Analyzer provides daily asset, liability and funding level tracking on measures you select (e.g. funding, accounting, self-sufficiency), amalgamating across multiple schemes in multiple geographies

- Monitoring of pre-agreed triggers**
 Risk Analyzer can notify you if any measures reach preagreed trigger points, allowing you to quickly implement de-risking strategies

- Attribution analysis**
 Showing the change in financial position between any two dates, broken down into the factors affecting your scheme's liabilities and assets

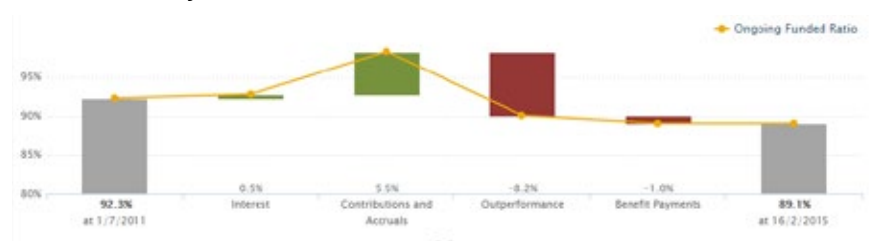
- Bulk annuity monitor**
 Monitor the bulk annuity market for settlement opportunities, using live pricing feeds directly from insurers

Funded status



Screenshot taken from the online portal available to you

Attribution analysis



Screenshot taken from the online portal available to you

Bulk annuity monitor



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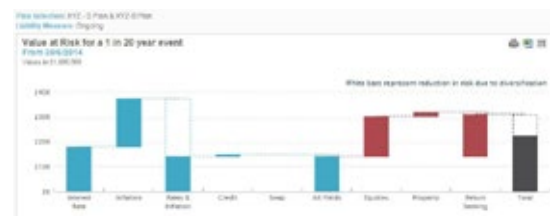
Risk

Risk measuring and monitoring

Robust forecasting, sensitivity analysis and projection of pension plan metrics, incorporating daily market movements, in your hands

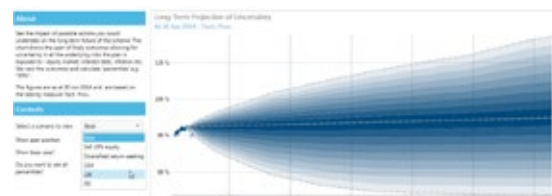
- **Change Assumptions**
Measure “what-if?” scenarios, instantly assess the impact of changing key variables, like interest rates, inflation and mortality to get the effect on the balance sheet. Aid discussions and decision-making e.g. on valuations
- Production of full year end, interim and regular accounting figures
- **Value at Risk and other metrics (e.g. PV01, IEO1)**
Risk Analyzer quantifies the most important risks to the funded status of the plan
- **Hedging analysis**
Evaluates the impact on assets and liabilities of changes in interest rates via the hedge ratio metric
- Projection of liability and assets cashflows, distribution of liabilities by category etc
- Deterministic and stochastic projection of assets, liabilities and funding level

Value at risk



Screenshot taken from the consultant portal presented to you in meetings

Stochastic scenarios



Screenshot taken from the consultant portal presented to you in meetings

Stress scenarios



Screenshot taken from the consultant portal presented to you in meetings

Learn more

As one of the world's leading actuarial and investment consulting firms, Aon is now helping plan sponsors and trustees use technology to more effectively manage their plans.

For more information or a demo of Risk Analyzer please contact your usual Aon consultant, email risk.analyzer@aon.com, visit <https://riskanalyzer.aon.com> or search 'Risk Analyzer' in your device's app store.

About Aon

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