

## Aon's Severe Convective Storm (SCS) Hazard Score

# Manage SCS Risk with Confidence

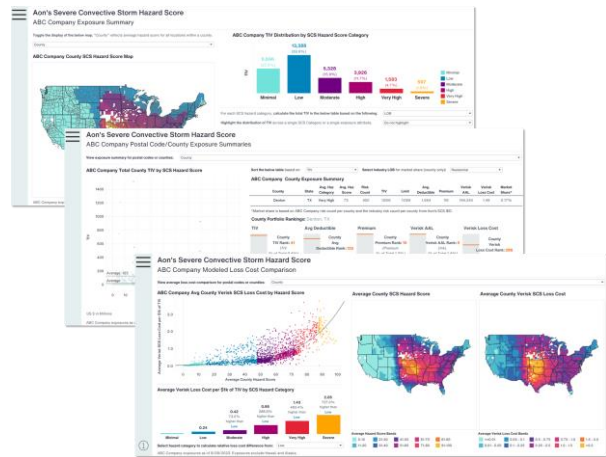
### Does your view of risk accurately reflect severe thunderstorm volatility?

In the U.S., SCS caused \$38 billion of insured loss in the first half of 2023, breaking the record of \$33 billion set in the first half of 2011. Characterized by high frequency but low-severity events, accurately estimating SCS losses presents unique challenges for insurers, compounded by increased exposure in regions prone to these events.

To help clients navigate the increased volatility of SCS risk, Aon has developed a **Severe Convective Storm Hazard Score**. Based on a scale of 1-100, the score provides a comprehensive, model-agnostic view of severe thunderstorm risk to help clients understand the physical hazard at individual locations across the United States.

#### Better Inform Your View of SCS Risk

Aon's SCS Hazard Score considers a combination of robust meteorological and historical data to capture where SCS events are most likely, as well as have historically occurred, to create a holistic view of severe thunderstorm risk. Insights are delivered via the Hazard Score Dashboard offering a dynamic view of current portfolio risk - supporting an improved understanding of risk drivers, concentration risk, and SCS catastrophe model suitability.



Aon's SCS Hazard Score Dashboard

#### Better SCS Risk Management Decisions

Underwriting	Accumulation Management	Rating Territories and Pricing
Enhance risk selection with the ability to differentiate risks with similar modeled Average Annual Loss based on true underlying SCS hazard.	Leverage hazard score to identify pockets of high concentration in riskiest areas to tailor risk management strategy and actions.	Strong correlation between hazard score and loss cost can help inform pricing decisions in territories with limited experience data.

**Aon is in the business of better decisions**

**Get Started Today, Contact:**

Dan Hartung  
 Managing Director  
[Daniel.Hartung@aon.com](mailto:Daniel.Hartung@aon.com)

Laura Powers  
 Director  
[laura.powers2@aon.com](mailto:laura.powers2@aon.com)

Adam Dawson  
 Director  
[adam.dawson@aon.com](mailto:adam.dawson@aon.com)