

Why businesses should think about climate change — and how it can affect their risk



What this means for insurance:

\$144B

in global insurance losses from disaster events in 2017¹

3x

increase in worldwide loss-relevant catastrophes in the last 35 years²

2x

catastrophe losses projected each decade due to building density and costs³

What to expect by region:⁴



Wildfire season in the West starts earlier, lasts longer, and burns more acreage.



Heat waves have become more frequent and intense, especially in the West.



Drought has increased in the West. And in the last 10 years, the Southwest has seen the most persistent droughts on record.



Average temperatures have risen 1.3-1.9°F since 1985, with the greatest warming in the North and West.



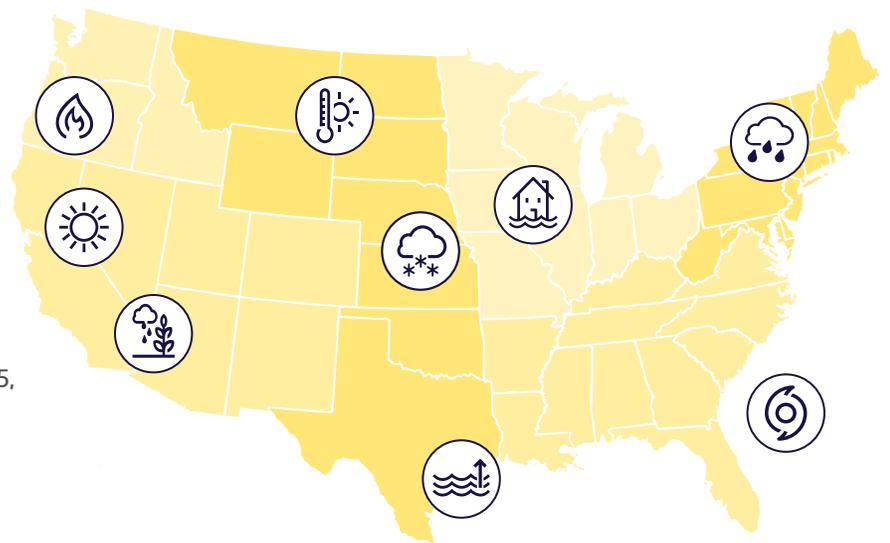
Winter storms have increased in severity and frequency since the 1950s, and shifted north.
Cold waves are less frequent and intense.



Sea level has risen about 8" along the Mid-Atlantic and Gulf coasts over the last 50 years.



Floods. These are more common in the Midwest and Northeast.



Precipitation. Heavy downpours have increased over the last 3-5 decades, especially in the Midwest and Northeast.



Hurricanes. Frequency has increased in the North Atlantic since the early 1980s.

Types of loss and impact to businesses:



- Damage to property and lost revenues
- Disruption to evacuated injured workers
- Litigation against companies seen as causing climate change
- More costly auto repairs as new technology evolves
- Management team risks for vulnerable businesses

Our solutions:



- Notification systems for imminent threats
- Disaster preparedness resources
- Development of telemedicine to increase access to care
- Networks of specialized legal resources
- Improved hazard analyses to capture changing risks
- Prompt response following catastrophes
- Comprehensive, multi-line coverages for evolving risks

¹ https://www.swissre.com/media/news-releases/2018/nr20180410_sigma_global_insured_losses_highest_ever.html

² <https://www.sciencedirect.com/science/article/pii/S2212094715300347>

³ <https://www.iii.org/article/spotlight-on-catastrophes-insurance-issues>

⁴ https://nca2018.globalchange.gov/downloads/NCA4_Ch01_Overview.pdf