



NEWS RELEASE

Verisk Extreme Event Solutions Releases Climate Change Projections for U.S. Hurricane and Caribbean Tropical Cyclone Models

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Projections of hurricane risk in 2030, 2050, 2075 and 2100 will help stakeholders assess the evolution of current risks across a range of future potential climate scenarios

BOSTON, Oct. 17, 2022 (GLOBE NEWSWIRE) -- Verisk (Nasdaq: VRSK), a leading global data analytics provider, has announced the release of climate change projections for its U.S. Hurricane and Caribbean Tropical Cyclone Models that can help quantify climate-related, extreme event losses and their potential evolution over the next few decades.

The climate change projections provide a probabilistic view of future risk in 2030, 2050, 2075 and 2100 across four Shared Socioeconomic Pathway (SSP) and Representative Concentration Pathway (RCP) scenarios. Insurance and reinsurance companies can use these projections to investigate how future climate change may impact their full distribution of modeled loss, including not only average annual losses (AALs) but key return period metrics that inform underwriting and risk transfer strategies.

“Insurers, reinsurers, corporations and investors are all actively working to assess the impacts of climate change on their portfolios as they respond to stakeholders and manage their business,” noted Bill Churney, president of Extreme Event Solutions at Verisk. “Our climate change solutions help them understand the growing risks and rising losses from the physical damage and liability aspects of climate change, enabling them to thoughtfully prepare operational and strategic resilience initiatives that meet the needs of all stakeholders.”

Verisk climate scientists developed the projections with a thorough review of the latest international research and simulations of hurricanes based on nine different general circulation models (GCMs). This unique methodology provides

an ensemble view of GCM results with physics-based, high-resolution simulations that more accurately represent how future hurricanes may form, intensify and move.

The climate change projections can be leveraged to assess future losses for residential, commercial/industrial, manufactured (mobile) homes and automobile lines of business. The results have a variety of use cases, including:

- Responding to Environmental, Social and Governance (ESG) reporting and regulatory climate disclosure requirements such as Task Force on Climate-Related Financial Disclosures (TCFD) and other regulatory bodies globally
- Stress-testing and rebalancing portfolios
- Improving climate risk insights and streamlining reporting to stakeholders and investors
- Gaining peril-specific insights that inform mitigation and adaptation strategies

“Catastrophe models have been developed to model the financial impacts of extreme weather. By frequently updating catastrophe models and applying a probabilistic modeling approach, Verisk extreme event models are designed to reflect a near-present (0-10 year) view of climate risk,” said Dr. Peter Sousounis, vice president and director of climate change research, Verisk Extreme Event Solutions. “Our projections for the longer-term (10+ years) view of risk leverage a unique methodology where we downscale the results of high-resolution GCMs.”

The projections are part of a wide range of climate change and ESG solutions that Verisk offers for assessing climate risk and informing adaptation efforts across different sectors of the insurance industry and the global economy. Verisk businesses provide robust data sets and tools for managing climate change risks and Environmental, Social and Governance (ESG) concerns. Learn more about [Verisk's climate and ESG solutions](#).

About Extreme Event Solutions at Verisk

Extreme event solutions at Verisk (AIR Worldwide) provides risk modeling solutions that help individuals, businesses, and society become more resilient to extreme events. In 1987, Verisk founded the catastrophe modeling industry and today models the risk from natural catastrophes, supply chain disruptions, terrorism, pandemics, and casualty catastrophes. Insurance, reinsurance, financial, corporate, and government clients rely on Verisk’s advanced science, software, and consulting services for catastrophe risk management, insurance-linked securities, longevity modeling, site-specific engineering analyses, and agricultural risk management. Verisk’s extreme event solutions team is headquartered in Boston, with additional offices in North America, Europe, and Asia. For more information, please visit www.air-worldwide.com. For more information about Verisk, a leading data analytics provider serving customers in insurance, energy and specialized markets, and financial services, please visit www.verisk.com.

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