

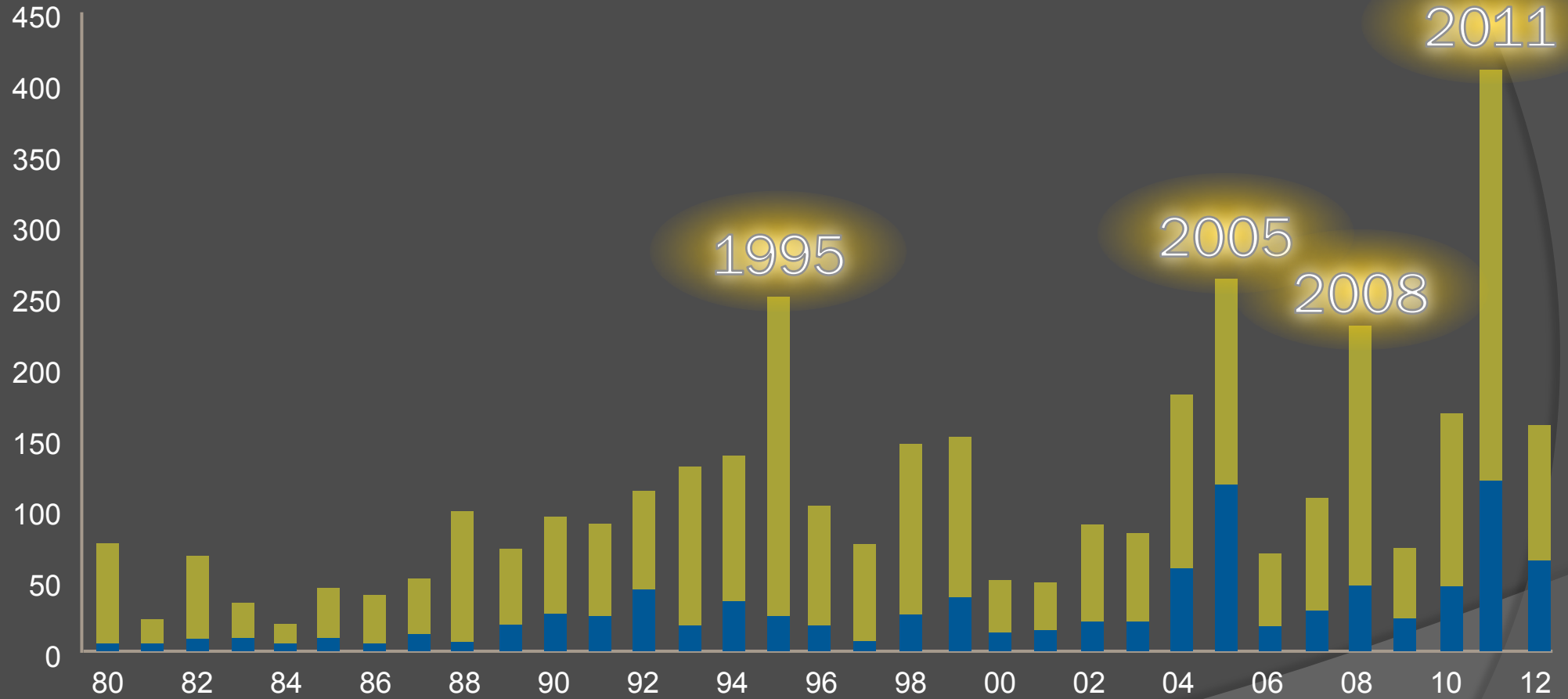
The future is not what it used to be



# The Economic Risk of Climate Change

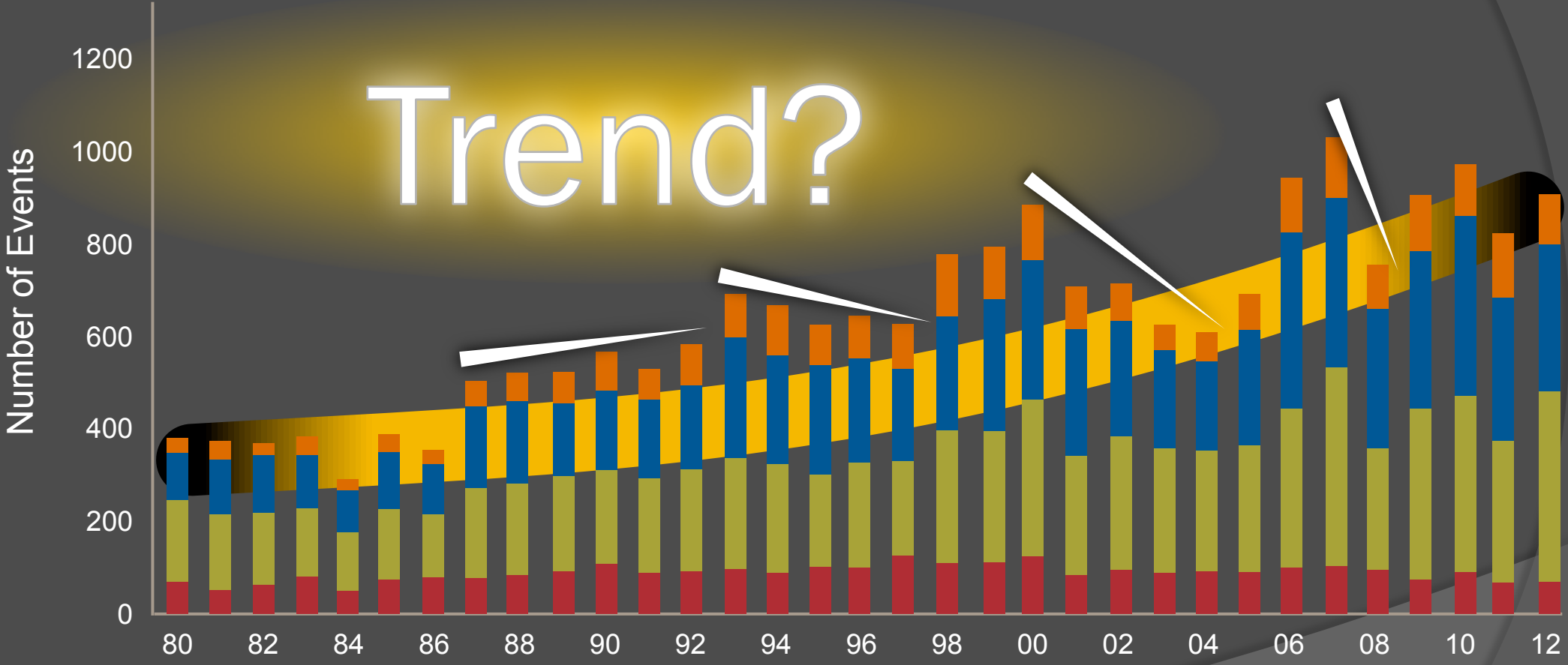
Dr. Louis Gritzko  
Head of Research,  
FM Global

# Overall Losses in US \$Billions

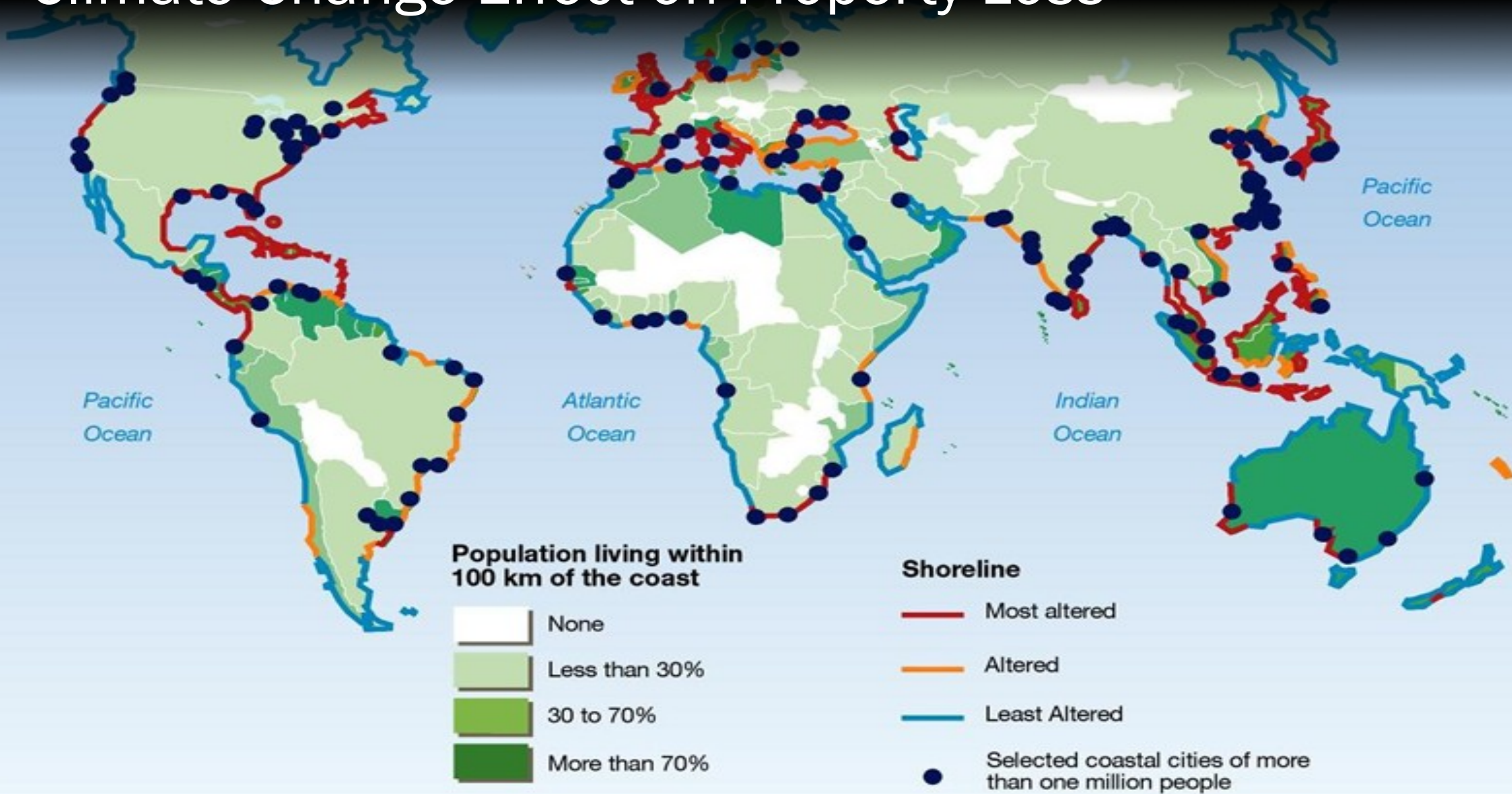


# NatCat Worldwide (1980-2012)

Trend?

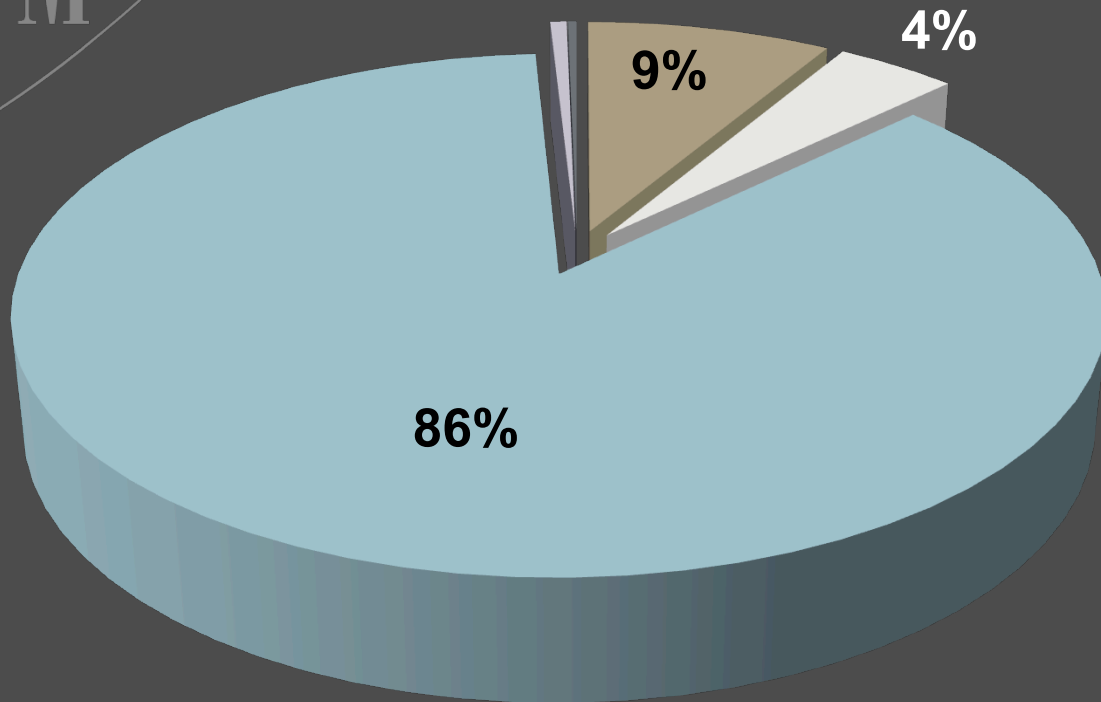


# Climate Change Effect on Property Loss



# Overview of latest loss trends

FM Global<sup>®</sup>



- Wind and Hail
- Service Interruption
- Flood
- Water – Liquid Damage
- Miscellaneous



Globalization

# Urbanization

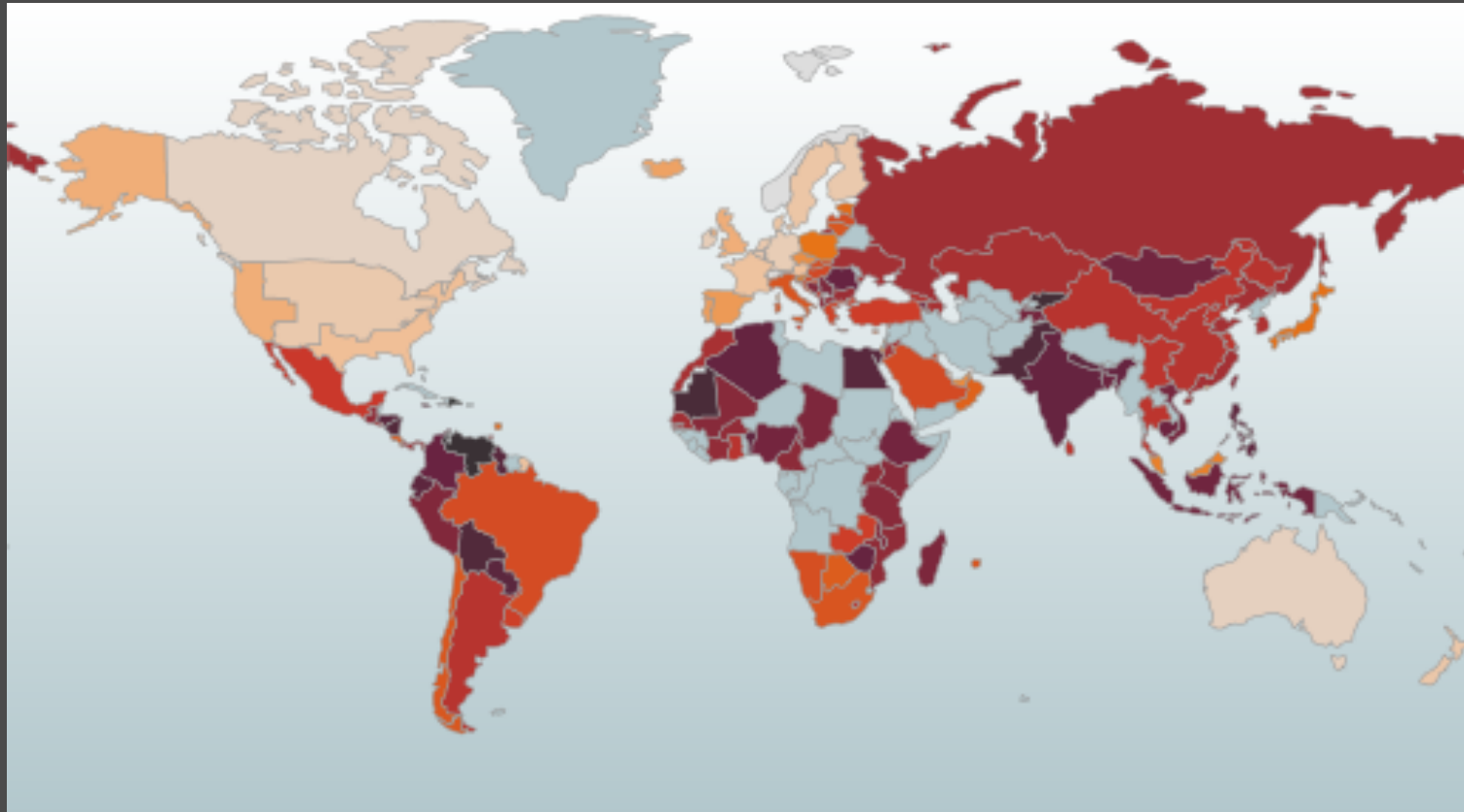


# Brittle System of Interdependencies





Where in the world is your company potentially vulnerable?





# Resilience Index

TOP

Country	Main Index Rank
Norway	1
Switzerland	2
Canada	3
Australia	4
Ireland	5
Germany	6
Luxembourg	7
Netherlands	8
Belgium	9
United States Region 3	10

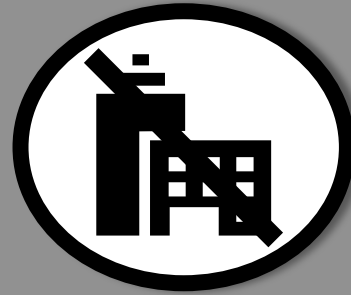
BOTTOM

Country	Main Index Rank
Egypt	121
Jamaica	122
Guyana	123
Nicaragua	124
Pakistan	125
Bolivia	126
Mauritania	127
Kyrgyz Republic	128
Venezuela	129
Dominican Republic	130

# Economic Impact to Companies



Property



Business  
Interruption



Shareholder  
Value

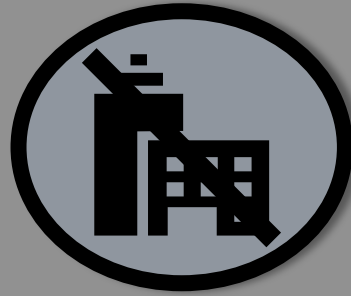


Reputation

# Transferring Risk?



Property



Business  
Interruption



Shareholder  
Value



Reputation

**Insurable**

**Un-Insurable**

# Earnings Fluctuations



# WALL STREET

**Strong Risk Practices  
17.9%**

**Weak Risk Practices  
31.4%**



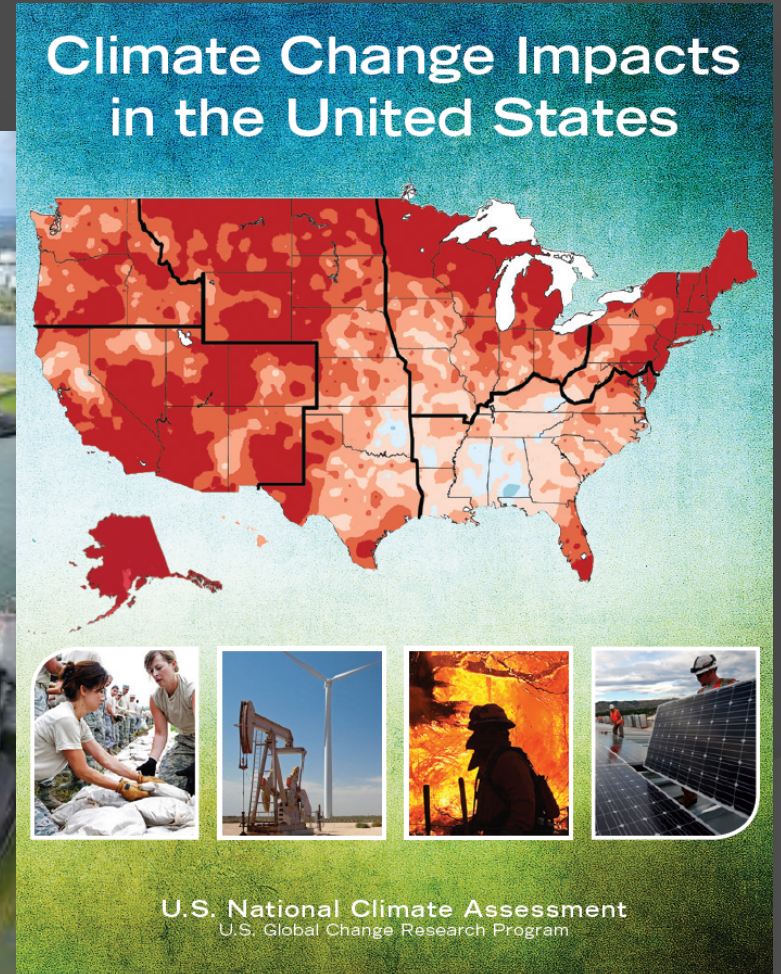
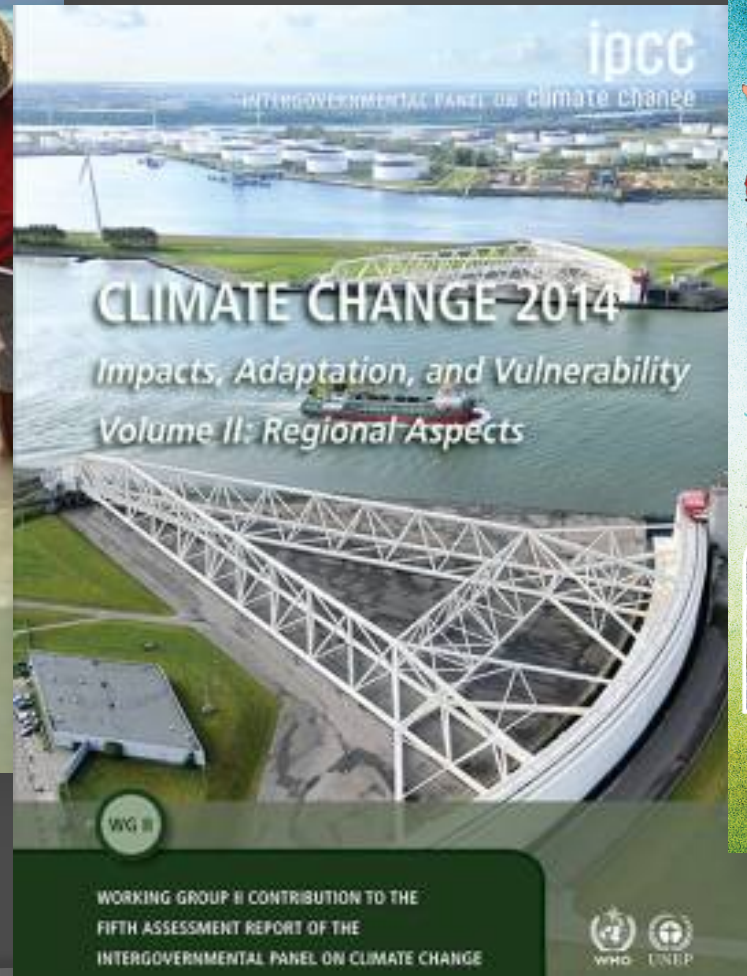
When you're  
**RESILIENT,**

you're in  
**BUSINESS.**



The Hazard: How is it changing?

# The reports are out...





# Key Session Concepts

- Summary of Climate Knowledge in Select Key Areas
- Assessment of Uncertainty
- Analysis of Major Gaps
- Plan of Action

## Prof. Tim Palmer



- Royal Society Research Professor in Climate Physics, Oxford University

## Prof. Peter J. Webster



- Professor, School of Atmospheric Sciences, Georgia Institute of Technology

## Prof. Roger Pielke, Jr.



- Professor and Director of Center for Science and Technology Policy Research at University of Colorado

## Mr. Jeremy Oppenheim



- McKinsey's Global Sustainability and Resource Productivity Practice. Leader of New Climate Economy Project

A wooden signpost with a red sign is set against a cloudy sky. The sign contains the text 'The future is not what it used to be'. To the right of the sign, the title 'The Economic Risk of Climate Change' is displayed in a grey font. Below the title, the event details 'Weds, 2 July at 9:00a.m. ExCeL Room A' are also in grey font.

**The future is not what  
it used to be**

# **The Economic Risk of Climate Change**

**Weds, 2 July at 9:00a.m.  
ExCeL Room A**