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Academy Raises Awareness of Growing Climate- and Weather-Related Risks

WASHINGTON, D.C. – Ahead of Earth Day (April 22), the American Academy of Actuaries will use social media messages to help bring attention to the risk of severe extreme weather/climate-related events and their incidence. The effort follows the Academy's release of an *Essential Elements* paper on [Climate Change](#) earlier this year and its ongoing work with a group of North American actuarial organizations on a project to index the frequency and severity of such events.

"The Academy hopes to enhance understanding among policymakers and the public at large of the increasing risks from extreme weather incidents," said Shawna Ackerman, vice president of the Academy's Casualty Practice Council. "Our aim is to evaluate and help manage exposure to these risks from an insurance perspective. We do that by combining an objective perspective on what current climate science is telling us with our actuarial expertise."

From the drought in the West to record snowfalls in the Northeast and high-intensity, high-impact hurricanes making landfall on the Atlantic and Gulf coasts, natural disasters are taking an increasing human toll, including costing Americans more, either directly or through their insurers, which face increasing property and casualty losses. According to the National Oceanic and Atmospheric Administration, there were 80 U.S. weather-related events that cost more than \$1 billion each between 2004 and 2013. During the previous decade, there were only 46 such events. The costs have been aggravated over the course of years by increased building along coasts and rivers. Wildfires in drought-ridden areas and other increasingly frequent extreme events are also behind the mounting costs.

The Academy is part of a group of North American actuarial organizations jointly developing the Actuaries Climate Index and the Actuaries Climate Risk Index, which will focus on measuring the frequency and intensity of extremes in key climate indicators based on controlled observational data of temperature, precipitation, drought, wind, sea level, and soil moisture in the United States and Canada. A second stage of this project is intended to include socioeconomic data, with the addition of a more targeted index that reflects the risk to populations and capital due to climate change.

Learn more about this issue by visiting www.actuary.org/content/climate-change-resources and follow the Academy's efforts on Facebook, Twitter, and LinkedIn:

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The American Academy of Actuaries is an 18,500+ member professional association whose mission is to serve the public and the U.S. actuarial profession. The Academy assists public policymakers on all levels by providing leadership, objective expertise, and actuarial advice on risk and financial security issues. The Academy also sets qualification, practice, and professionalism standards for actuaries in the United States.