



# CLIMATE RISK REPORT

Sample Client

Account Engineer - Account Engineer Name

Account Manager - Account Manager Name

30-April-2023



# MANAGING YOUR CLIMATE RISK

## Climate risk is a business continuity risk

As the effects of a changing climate become more significant, its effect on the frequency and magnitude of climate risk, such as flood or wind, will also likely increase.

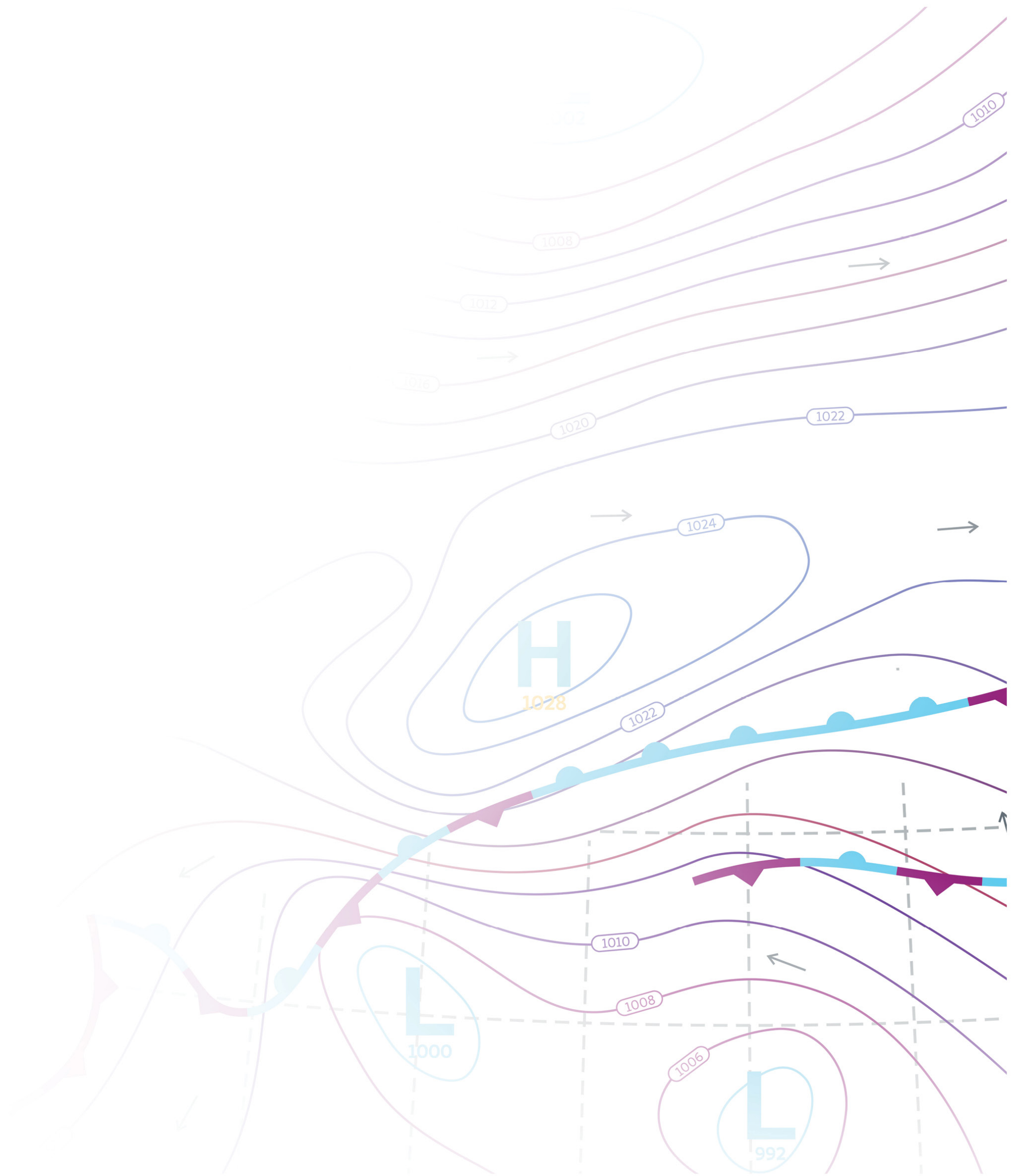
Leveraging the latest in advanced analytics, FM Global has prepared this proprietary report focused on climate perils to help you sustain your business resilience, so you can look to the future with confidence.

## CLIMATE-RELATED LOSSES at locations of highest climate risk

**30x**  
More Likely

**180x**  
More Severe

This analysis includes a breakdown of the current, event-driven climate risk your organization faces based on locations FM Global has visited, degree of actionable vs. inherent climate risk, and prioritized listings of facilities and recommendations to maximize your resilience to climate exposures. Impacts from climate change are outside the scope of this report.



# EXPOSURE TO CLIMATE RISK

NOTE: All currencies referenced are in U.S. dollars.

## Understanding your climate risk

Identifying which of your facilities are exposed to extreme climate events is the first step in assessing your exposure to climate risk.

Shown here is your organization's exposure to climate risk for visited locations.

### Total insured value exposed

Property

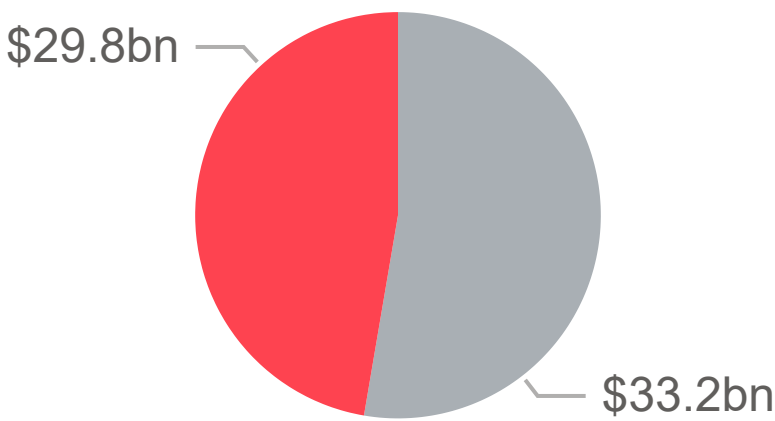
**\$14.6bn**

Business interruption

**\$15.2bn**

## Exposure to climate risk

Total Insured Value

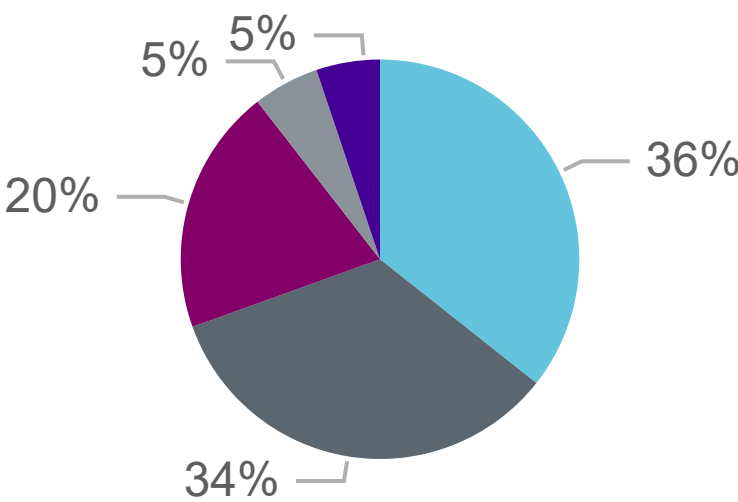


Number of Locations



Exposed Not Exposed

## Total climate risk by peril

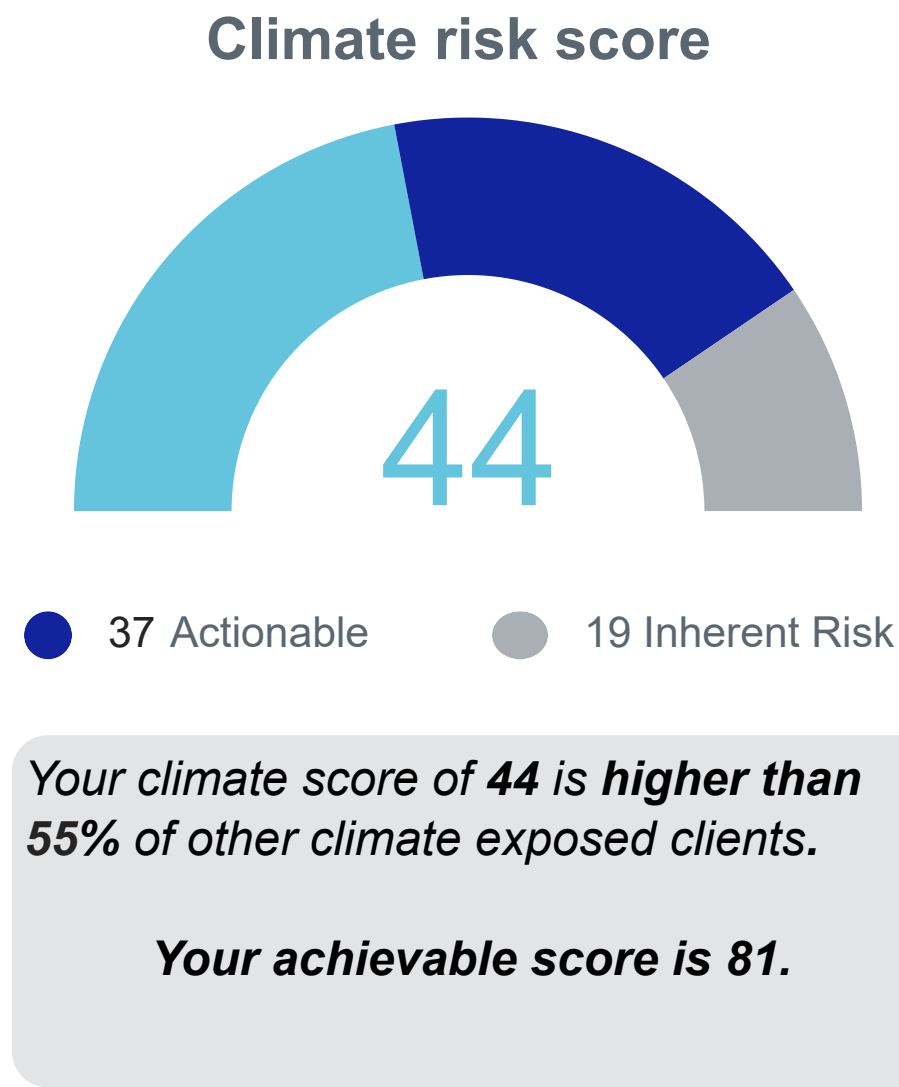


Wildfire Freeze Wind  
Collapse Flood Hail  
Lightning

## Locations with the highest climate risk

Rank	City	Index	Total insured value	Property value	Business interruption value	Perils
▲						
1	Wakefield	A44746.25-01	\$809.5M	\$303.3M	\$506.3M	Hail,Collapse,Freeze,Flood
2	Randolph	B49133.19-02	\$934.7M	\$394.7M	\$540.0M	Wind
3	Sagamore	B06411.07-02	\$1.8bn	\$251.3M	\$1.5bn	Wind,Collapse
4	Gardner	B17538.20-01	\$828.2M	\$814.7M	\$13.5M	Collapse
5	Chepachet	A00811.01-01	\$643.0M	\$265.0M	\$378.0M	Wind
6	Lexington	C39052.00-01	\$89.7M	\$89.7M	\$0	Flood
7	Abington	B11558.00-02	\$72.1M	\$72.1M	\$0	Collapse,Wind,Flood
8	Ipswich	A29538.78-01	\$528.0M	\$187.6M	\$340.3M	Flood
9	Lawrence	C06157.00-02	\$44.3M	\$3.8M	\$40.5M	Flood
10	Johnston	B94098.00-01	\$445.5M	\$0	\$445.5M	Flood,Wind,Collapse

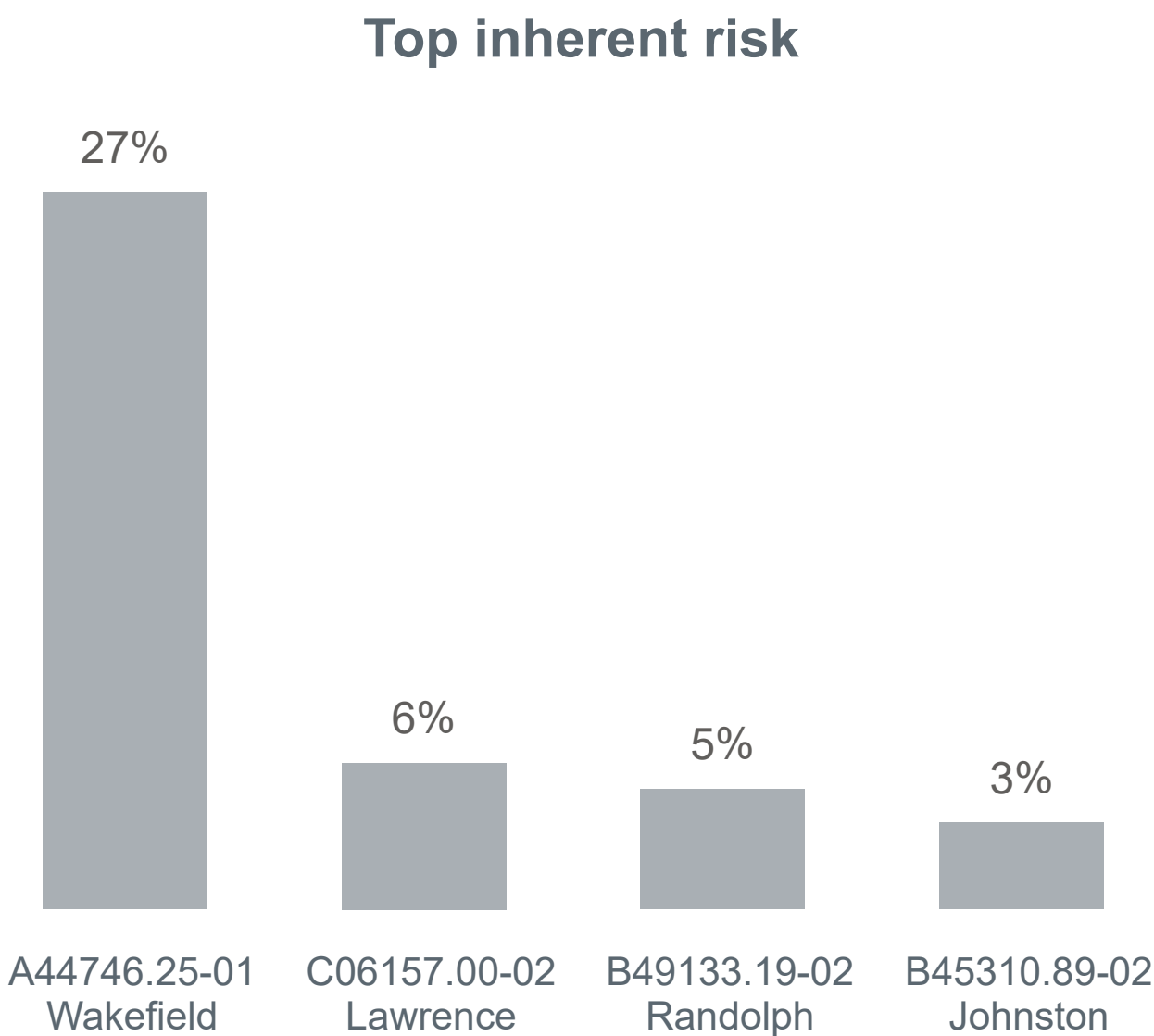
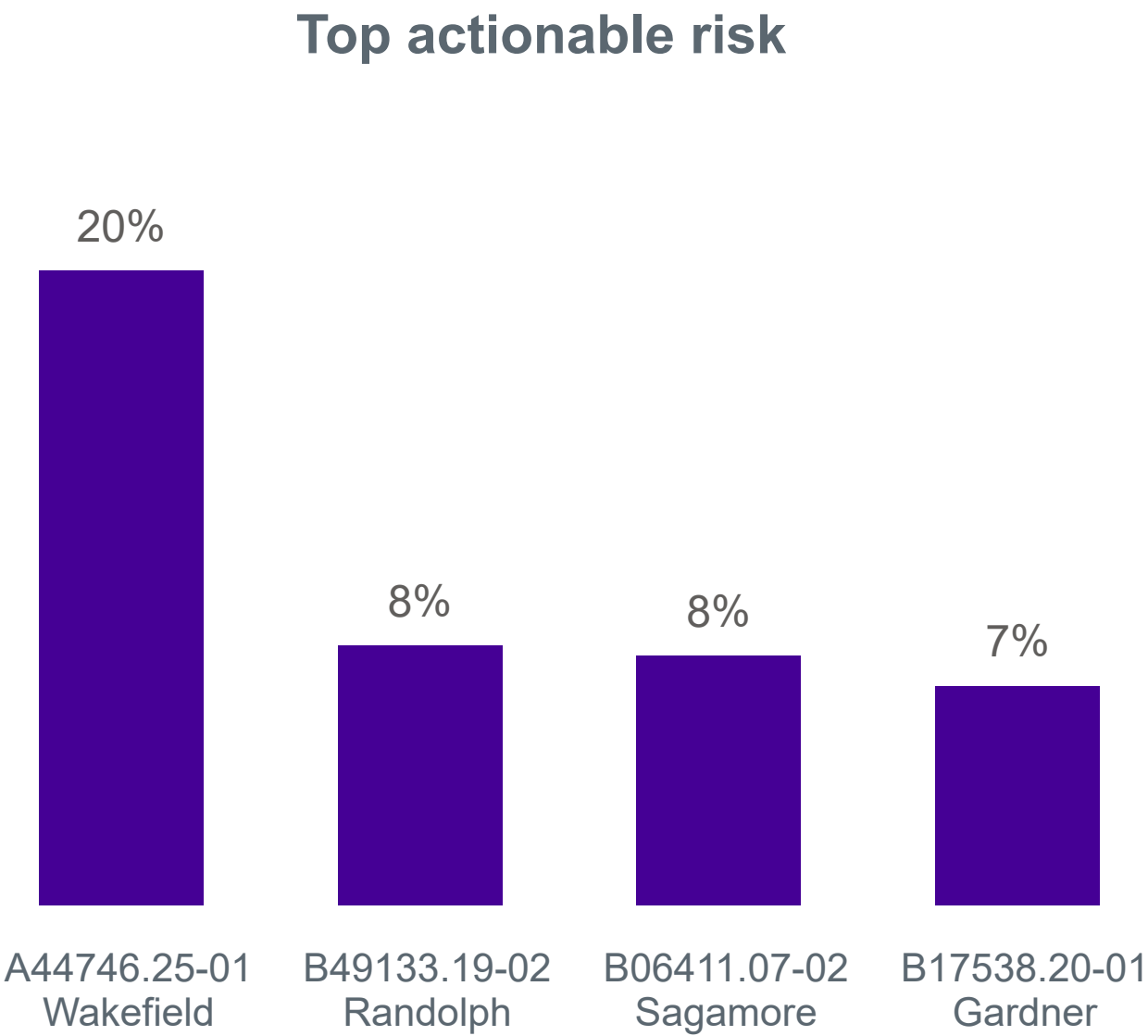
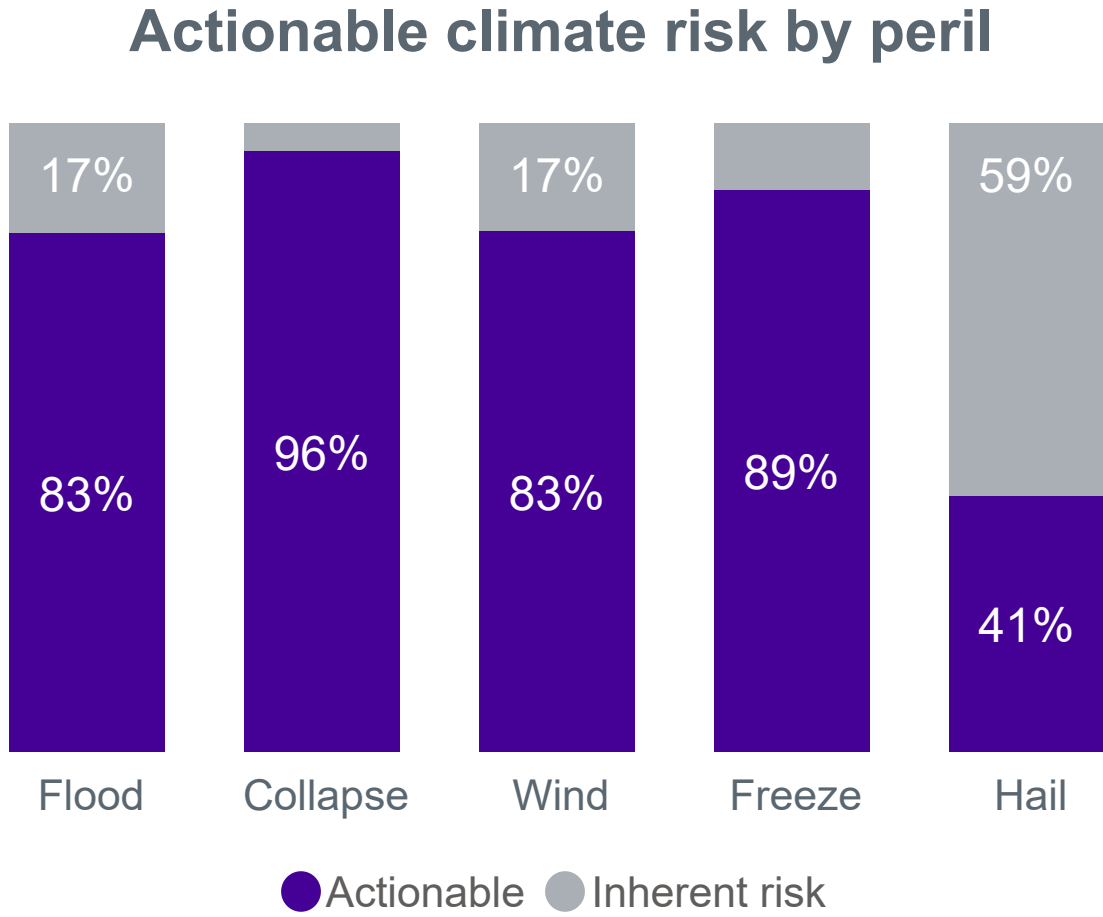
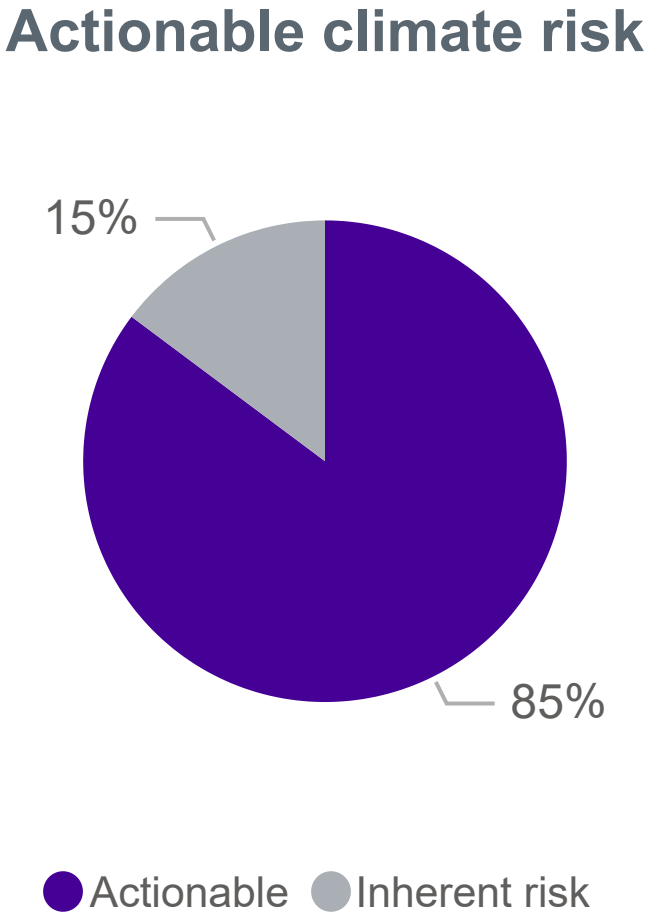
CLIMATE RISK QUALITY



Improving your climate risk quality

Your climate risk score is shown above. This is a proprietary metric developed by FM Global that captures the potential for property loss and associated business interruption from climate-related events across a portfolio of your visited locations.

The metric shows the potential score attainable by completing all mitigating recommendations to address outstanding climate exposures (the actionable risk). The inherent climate risk is the exposure that remains after all mitigating action has been taken.





# CLIMATE RESILIENCE

NOTE: All currencies referenced are in U.S. dollars.

## Building climate resilience

There are actions you can take to strengthen your organization’s climate resilience.




The achievable climate risk reduction for your organization is the sum of loss expectancies (LE) for climate perils at locations FM Global has visited.

To the right are the most significant physical and human element climate-related recommendations (recs) made for your visited facilities by FM Global engineers. **Contact your client service team for details on all your locations.**

### Achievable climate risk reduction

\$1.3bn

### Attained climate risk reduction (3 yrs)

-  **\$246.7M** Risk reduced
-  **23** Physical recs completed
-  **65** Human element recs completed

### Estimated resilience credit

\$0\*

## Top outstanding climate physical risk recommendations

Rank ▲	City	Index	Title	Recommendation	Peril	LE	Cost Est
1	Randolph	B49133.19-02	Secure all roofto...	13-07-001	Wind	\$57.6M	\$253.0K
2	Sagamore	B06411.07-02	Provide seconda...	22-04-001	Collapse	\$82.3M	\$2.0M
3	Lawrence	C06157.00-02	Provide tempora...	20-08-001	Flood	\$37.4M	\$284.2K
4	Chepachet	A00811.01-01	Conduct a winds...	19-10-003	Wind	\$9.6M	\$15.0K
5	Lexington	C39052.00-01	Relocate critical ...	12-03-003B	Flood	\$12.1M	\$105.0K
6	Gardner	B19678.00-01	Develop a flood ...	21-06-006	Flood	\$26.3M	\$136.0K
7	Wakefield	A44746.25-01	Improve stormw...	10-10-001C	Flood	\$33.7M	\$55.0K
8	Wakefield	A44746.25-01	Provide adequat...	10-10-001H	Flood	\$33.7M	\$64.0K
9	Wakefield	A44746.25-01	Replace roof cov...	20-02-005	Hail	\$675.0K	\$75.0K
10	Abington	B11558.00-02	Protect the prod...	16-03-007B	Flood	\$27.4M	\$301.0K

## Top outstanding climate human element risk recommendations

Rank ▲	City	Index	Title	Recommendation	Peril
1	Wakefield	A44746.25-01	Implement a quarterly roof inspectio...	21-07-008	Collapse
2	Gardner	B17538.20-01	Develop a snow monitoring and eme...	21-10-001	Collapse
3	Wakefield	A44746.25-01	Document a freeze prevention plan.	21-07-007	Freeze
4	Lexington	C39052.00-01	Improve the existing flood emergenc...	12-03-003C	Flood
5	Malden	B29838.41-02	Create a snow monitoring and respo...	21-11-003	Collapse
6	Abington	A96105.26-02	Develop a formal, documented snow...	22-05-001	Collapse
7	Fall River	A17531.08-02	Improve the existing flood emergenc...	18-06-002	Flood
8	Sagamore	B32546.48-02	Formalize a roof snow monitoring an...	21-12-003	Collapse
9	Malden	B19422.00-01	Upgrade the existing flood emergenc...	20-02-001	Flood
10	Abington	B11558.00-02	Improve the existing flood emergenc...	19-12-003	Flood



# GLOSSARY

## CLIMATE EXPOSED LOCATION

An insured facility visited by FM Global Field Engineering within the past 5 years that is exposed (inherent and/or actionable) to one or more of the seven climate perils considered in this report.

## EXPOSURE TO CLIMATE RISK

### EXPOSURE TO CLIMATE RISK

Breakdown of visited total insurable value (TIV) & locations exposed to climate perils.

### TOTAL CLIMATE RISK BY PERIL

Breakdown of risk by primary climate peril for visited locations. Risk in this chart is total risk, comprising inherent and actionable risk.

### TOTAL INSURED VALUE EXPOSED

Breakdown of TIV of visited locations exposed to climate risk, by property and business interruption (BI) values.

### LOCATIONS WITH THE HIGHEST CLIMATE RISK

Listing of locations visited in descending order of total climate risk, and the associated exposing climate peril(s).

## CLIMATE RISK QUALITY

### CLIMATE RISK SCORE

A proprietary FM Global metric representing climate risk quality across the client's portfolio of visited locations relative to FM Global's book of business. It categorized climate risk by current score, degree of actionable risk, achievable score, and inherent risk.

### ACTIONABLE CLIMATE RISK

Breakdown of total climate risk by actionable and inherent on a persistent 100% scale. Contribution of each portion is relative to the specific client.

### ACTIONABLE CLIMATE RISK BY PERIL

Breakdown of total climate risk by actionable and inherent, for each primary climate peril.

### TOP ACTIONABLE CLIMATE RISK

Prioritization of locations with the greatest actionable opportunity to improve climate risk, regardless of peril, on persistent 100% scale.

### TOP INHERENT RISK

Prioritization of locations with the greatest contribution of inherent climate risk, regardless of peril, on persistent 100% scale.

## CLIMATE RESILIENCE

### CLIMATE RISK SCORE

Prioritization list of FM Global recommendations at visited locations in order of risk reduction. Note the order of recommendations does not correlate 1:1 on a loss expectancy basis as this ranking takes into account frequency/likelihood of the actionable component of total risk.

### ACHIEVABLE CLIMATE RISK REDUCTION

Aggregation of loss expectancy of outstanding climate related recommendations from FM Global Field Engineering at visited locations.

### ATTAINED CLIMATE RISK REDUCTION

Number of human element and physical climate related recommendations (and aggregation of associated loss expectancy) completed over the past 3 years.



RESILIENCE IS A CHOICE.



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