Uncovering Environmental Risks: The Data Challenge

Environmental risks are coming under increasing scrutiny by lenders, mortgage security holders, and property equity owners. This is driven by a number of factors including climate change, insufficient insurance coverage and increased building in high-risk areas.

Yet unavailable, inconsistent, or outdated data mean such risks are often unaccounted for in standard risk management processes.

Coverage Gaps in the Property Market

While cover for environmental risk is available, under-insurance is a major issue in the U.S. property market for certain perils. For example in California, less than 15 percent of residential properties are covered by earthquake insurance, and only 20 percent of properties affected by Hurricanes Harvey and Sandy had flood insurance.

Where insurance is purchased to secure a loan, it is often not maintained for the duration of the mortgage, leaving the property exposed to future hazards such as flood or earthquake which may not be insured. From a climate change perspective, this level of risk is changing over time.

Respond with Actionable Risk Data

RMS, a world leader in hazard and disaster risk modeling, helps companies across the property arena quantify and manage climate risks with actionable data from a complete source.

Developed over 30 years and back tested against real climate events, we combine cutting edge science, vast datasets, and the power of smart technology platforms to create models which deliver unrivaled risk insights. RMS modeling and data is also focused on impact to physical assets and not just the hazards.

Multi-Peril Data

RMS models span multiple perils on a global basis

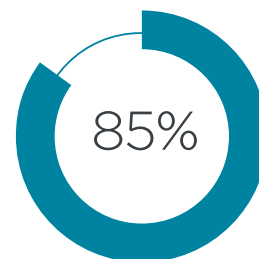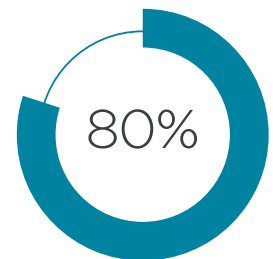|			
Earthquake	Hurricane	Hail	Storm Surge
Flood	Winterstorm	Wildfire	Tornado
Terrorism	Non-hurricane Wind	Cyber	Pandemic

Property at Risk

85% residential properties in California without earthquake cover

80% homes affected by Harvey and Sandy without flood cover

The Power of RMS Data

Unlike other solutions that make broad assumptions across regions, RMS analytics are based on established disaster risk modeling that use ground up climate analytics to fully understand the vulnerability of a physical asset to environmental risks.

RMS offers clients a single, consistent, current view of risk across all key climate perils in the U.S. based on the latest science and risk modeling techniques.

Climate change assessment
Forward looking, portfolio level or property specific analytics highlighting impact of climate change on physical losses.

ESG reporting
Obtain environmental risk metrics and quantify impacts of climate change on physical assets, and guide long-term business strategy.

Report-ready datasets
Easily consumable datasets that provide ground-level data on millions of properties based on 80+ data layers in a consistent format and delivered by one organization.

Hot spot identification
Identify hot spots and risk concentrations for specific climate perils that can drive systemic risk across your portfolio and assess the financial implications on performance from individual property through to portfolio level.

Portfolio risk assessment
Determine exposure to uninsured risks in existing portfolios of real-estate equity, loans, and mortgage-backed securities based on current and future climate conditions.

Risk transfer solutions
Explore traditional and customized options to transfer climate risk from your portfolio to insurance or alternative capital markets.

Post-event valuation
Gain rapid insight into damage and disruption after an event, to understand and manage the possible range of financial consequences on your book of business.

To learn more about how RMS can help your organization understand, quantify, and manage climate risks, contact info@rms.com

www.rms.com

About RMS
RMS is the world's leading catastrophe risk modeling company. Insurers, reinsurers, trading companies, and public sector and financial organizations trust RMS solutions to help them better understand and manage the risks of natural and man-made catastrophes.

RMS