

Extreme weather risks are increasing



The frequency and severity of severe weather is growing, and more businesses are indicating that storms are impacting business results.

2020 damages: **\$95 billion**
2021 damages: **\$158 billion**
2022 damages: **\$176 billion**¹

Inflation fueling storm costs

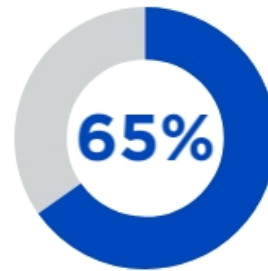
Costs of storm damage continue to rise, driven by frequency, severity and inflation of material costs.¹

Damage rising

A single storm can be devastating to a wide area. In 2022, Hurricane Ian destroyed thousands of buildings across Florida and led to more than 150 deaths.^{2,3}

\$109 B

Hurricane Ian alone cost more than \$109 billion after it struck Florida.



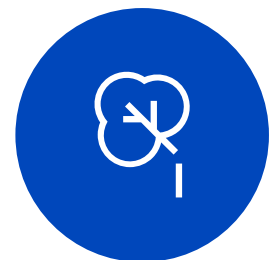
Businesses that report results being impacted by weather

Companies' bottom line hit by weather

More businesses are stating the effects of weather in their annual reports. In 1994, 25% of businesses mentioned weather impacting results. By 2018, that figure climbed to 65%.⁴

Severe weather frequency

86 high-cost events occurred in the last five years vs. 63 occurring from 2000-2009 (adjusted for inflation).⁵



- [Billion-Dollar Weather and Climate Disasters | National Centers for Environmental Information \(NCEI\) \(noaa.gov\)](#)
- [Hurricane Ian | Deaths, Damage, & Facts | Britannica](#)
- [Hurricane Ian costliest storm in Florida history, reached Cat 5, new report states \(tampabay.com\)](#)
- Nagar, Venky and Schoenfeld, Jordan and Schoenfeld, Jordan, Measuring weather exposure with annual reports (August 5, 2022). Review of Accounting Studies, Forthcoming, Available at SSRN: <https://ssrn.com/abstract=3438428> or <http://dx.doi.org/10.2139/ssrn.3438428>
- <https://www.climate.gov/news-features/blogs/beyond-data/2021-us-billion-dollar-weather-and-climate-disasters-historical>