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Insuring future heat

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Hong Kong

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The challenge of Climate Change to insurance



Extreme heats



Floods

Secondary Perils



Droughts



Other secondary perils

Insurability of secondary perils

Data

- Lack of loss & exposure data

Modelling

- Definitions & standardisation

Systemic risks

- Accumulation & risk management

Regulations

- Policy objectives & market distortions

The Insurability of Extreme Heat

Category	Impact	Availability of insurance coverages	Type of potential insurance coverages
Health & safety	Mortality	Green	Term life insurance
	Hospitalisation & emergency department visits		Medical insurance
	Outpatient visits		Medical insurance
	Birth-related outcomes		Medical insurance
	Workplace injuries		Group medical insurance/ worker's compensation insurance
Economy	Dairy productivity	Yellow	Limited parametric insurance options (within agro insurance)
	Dairy cow mortality	Yellow	Agriculture insurance (cow health/life insurance)
	Crop agriculture productivity	Green	Crop insurance/revenue insurance
	Manufacturing productivity	Yellow	Business interruption (BI) insurance
	Reduced work time in weather-exposed ind.	Red	Not available
Business closures and other loss revenue	Yellow	Business interruption (BI) insurance	
Infrastructure	Rail costs	Yellow	Limited coverage
	Road costs	Yellow	Limited parametric policies for local governments
	Airports	Yellow	Travel insurance, some BI policies
Electricity	Costs of power outages	Yellow	BI insurance
	Residential energy costs	Red	Not available
	Distribution & transmission infrastructure repairs	Red	Not available
Governance	Event response costs	Yellow	Parametric insurance options
	Tax revenue losses	Red	Generally not available
	Increased demand for government services	Red	Generally not available

Examples of heat-specific insurance products



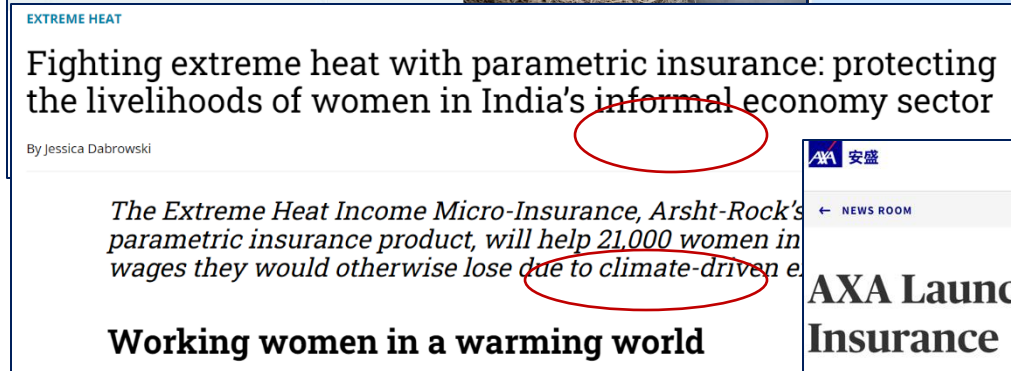
SCOR The Art & Science of Risk

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CORPORATE SOLUTIONS THE ART & SCIENCE OF RISK

ABOUT US SUSTAINABILITY INVESTORS MEDIA CAREERS PROPERTY & CASUALTY LIFE & HEALTH INVESTMENTS RISK KNOWLEDGE RISK MANAGEMENT

Launch of 'Heat Stress Protect' insurance to protect dairy income from climate change



EXTREME HEAT

Fighting extreme heat with parametric insurance: protecting the livelihoods of women in India's informal economy sector

By Jessica Dabrowski

The Extreme Heat Income Micro-Insurance, Arsht-Rock's parametric insurance product, will help 21,000 women in wages they would otherwise lose due to climate-driven e...

Working women in a warming world



FINANCIAL TIMES

Opinion Japanese business & finance

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...tending conditions



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AXA Launches Pioneering Heatwave Parametric Insurance

To safeguard outdoor practitioners amid escalating climate risks in the summer in Hong Kong

AXA Hong Kong and Macau ("AXA") is committed to being a driving force against climate change, and leveraging its expertise in climate risk assessment to support businesses in addressing related risks and building a sustainable future. Today, we are pleased to announce the launch of the market-first "Heatwave Parametric Insurance", an offering that aims to provide enhanced protection for outdoor practitioners that work outdoor in the summer.

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Thank You

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