

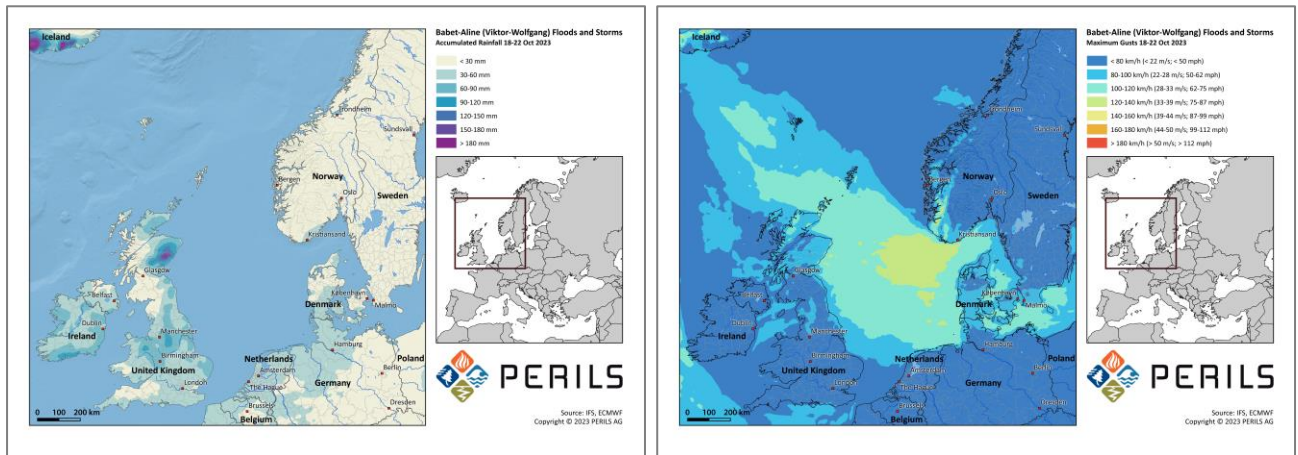


## PERILS PUTS INITIAL INDUSTRY LOSS ESTIMATE FOR THE BABET-ALINE FLOODS AND STORMS AT EUR 509M

**Zurich, 4 December 2023** – PERILS, the independent Zurich-based organisation providing industry-wide catastrophe insurance data, has today disclosed its initial industry loss estimate for the floods and storm in the British Isles and northwestern Europe during the period of 18 to 22 October 2023. The systems were named Babet by the UK Met Office (Viktor by the Free University of Berlin (FUB)) and Aline by the Spanish state meteorological agency (Wolfgang by the FUB).

PERILS’ estimate of the insurance market loss, based on loss data collected from the affected insurers, is EUR 509 million. In line with the PERILS coverage definition for Europe, this loss number covers the property line of business. The majority of the industry losses – GBP 329 million – occurred in the UK.

An updated estimate of the market loss from the Babet-Aline Floods and Storms will be made available on 22 January 2024, three months after the event end date.



**Rainfall (left) and maximum gusts (right), 18 to 22 October 2023:** The maps show the accumulated rainfall amounts and the maximum wind gusts during 18-22 October 2023. The extreme conditions were the result of low-pressure systems Babet (Victor) and Aline (Wolfgang) which became stationary when blocked by a high-pressure system over Scandinavia. This led to an unusually long period of intense weather over the British Isles and northwestern Europe. The initial PERILS industry loss estimate for the event is EUR 509m.

The large-scale weather pattern which resulted in the flooding and strong winds over the British Isles and northwestern Europe was unusual in several respects. Firstly, the low-pressure systems Aline and Babet followed a track from south to north – autumn storms normally track west to east. Secondly, the low-pressure systems became stationary when blocked by a high-pressure system over Scandinavia. Thirdly, the easterly direction of the strong winds resulted in record storm surge along the Baltic coastlines of Denmark and Germany, and generated strong orographic rainfall over eastern Scotland.

From an insurance perspective, the event is equally complex. The majority of the industry loss occurred in the UK and was due to flood losses, with limited wind-related losses. Similarly, flood was the dominant loss component in Ireland. In Germany, where flood and storm surge insurance is optional and therefore the insurance penetration is lower, wind damage is widely included as a standard component of property policies. As a result, flood and wind losses were roughly equal. In Denmark, however, flood and storm surge losses are covered by the “Naturskaderådet” government scheme and therefore only wind-related losses are covered by the insurance



## PERILS PUTS INITIAL INDUSTRY LOSS ESTIMATE FOR THE BABET-ALINE FLOODS AND STORMS AT EUR 509M

industry. Despite this complex coverage landscape, as the clear majority of the Aline-Babet industry loss is related to flood damage, PERILS has classified it as a flood event.

Luzi Hitz, Product Manager at PERILS, commented: "Storm Babet brought record rain falls across eastern Scotland and record storm surge levels along the Baltic coastlines of Denmark and Germany. These extreme conditions resulted primarily from the easterly wind direction and Babet's unusual storm track, extending from Portugal over the Bay of Biscay to the UK, with unseasonably warm air crossing unseasonably warm seas leading to increased moisture content and extreme rainfall over the British Isles. It is increasingly likely that in a warming climate, such unusual weather phenomena will become more common."

### About PERILS

PERILS is an independent Zurich-based organisation providing industry-wide natural catastrophe exposure and event loss data. The PERILS Industry Exposure & Loss Database is available to all interested parties via annual subscription. The database contains industry property sums insured and event loss information on a CRESTA zone level and per property line of business. PERILS industry loss estimates provided via the PERILS Industry Loss Index Service can be used as triggers in insurance risk transactions such as industry loss warranty contracts (ILW) or insurance-linked securities (ILS). The service currently covers the following 18 countries: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, Switzerland, Turkey, and the United Kingdom. In addition, PERILS industry exposure data are available for Indonesia, the Philippines and Thailand. The use of PERILS exposure and loss data other than in conjunction with a valid PERILS License and according to its terms, by a Licensee or an Authorized User as defined in the License, is illegal and expressly forbidden.

More information can be found on [www.perils.org](http://www.perils.org)

### PR Contact

Nigel Allen

+44 7988 478824

[nigel.allen@perils.org](mailto:nigel.allen@perils.org)