

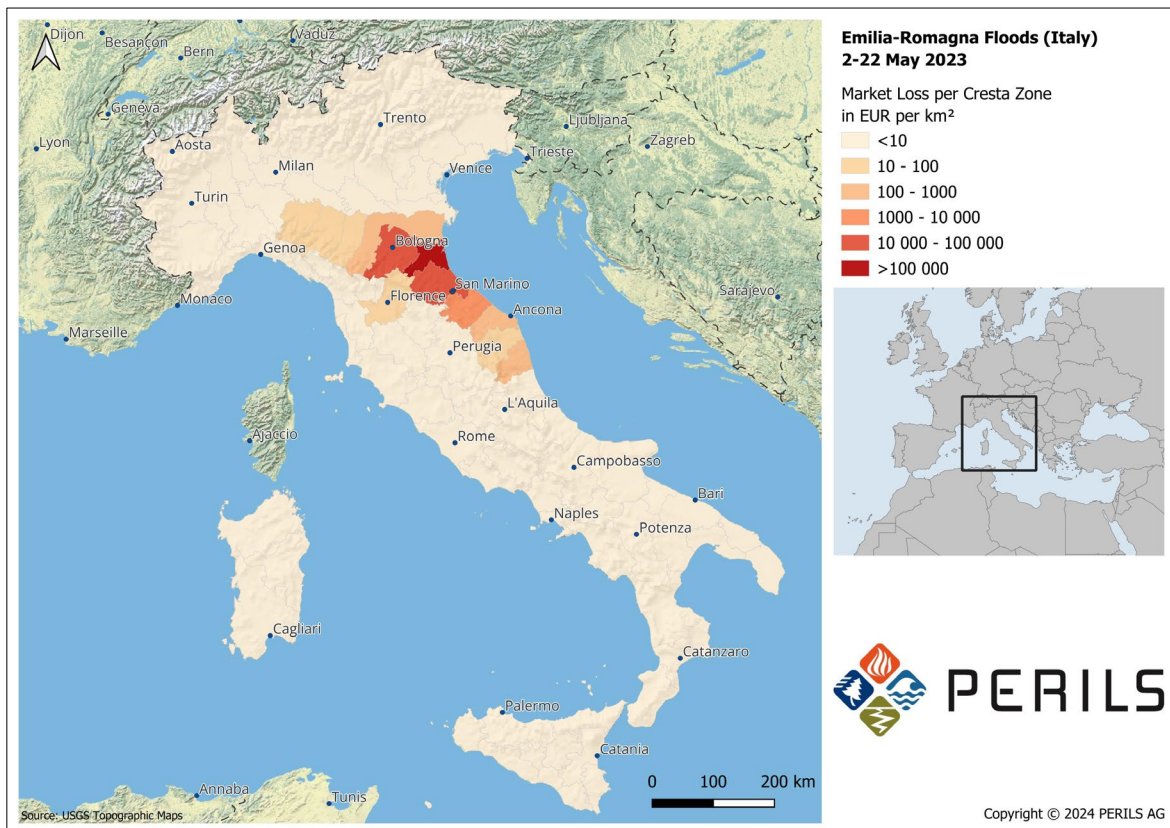


## EUR 495M - PERILS DISCLOSES FINAL INDUSTRY LOSS ESTIMATE FOR THE EMILIA-ROMAGNA FLOODS OF MAY 2023

Zurich, 22 May 2024 – PERILS, the independent Zurich-based organisation providing industry-wide catastrophe insurance data, has today disclosed its fourth and final industry loss estimate for the floods in the Emilia-Romagna region of Italy during the period of 2 to 22 May 2023.

The final estimate of the insurance market loss is EUR 495 million. This figure compares to PERILS' previous loss estimates of EUR 509 million which was released six months after the event, EUR 488 million three months after the event, and EUR 377 million six weeks after the event. These loss estimates cover the property line of business and are based on loss data collected from affected insurance companies which are extrapolated to 100% market level.

The information in this fourth and final loss report provides a breakdown of property losses by two-digit postal codes (low-resolution CRESTA Zones), with the loss amounts and number of claims further divided by residential and commercial lines. Loss figures are complemented by damage degrees, showing the loss as a percentage of sums insured, as well as rainfall data sourced from the European Centre for Medium-Range Weather Forecasts (ECMWF). In combination with the PERILS industry exposure database for flood in Italy, which is available in identical resolution, the new industry loss footprint provides valuable information on the level of flood vulnerability for insured properties in Italy.



**Industry Loss Footprint of Emilia-Romagna Floods of May 2023:** During 2 to 22 May 2023, persistent heavy rain caused extensive flooding across the Emilia-Romagna region of northern Italy. In its fourth and final event report, PERILS estimates the resulting losses to the insurance industry at EUR 495 million.



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Exceptionally heavy and persistent rainfall affected northern and central Italy during the period of 2 to 22 May 2023. Two peak phases, from 2 to 4 May and from 16 to 18 May, generated excessive rainfall amounts – In some cases in excess of 300mm in 48 hours – which led to major flooding and multiple landslides, in particular in the provinces of Ravenna, Forli-Cesena and Bologna, all locations within the Emilia-Romagna region. 17 people lost their lives and damage to infrastructure, privately-owned property and agriculture was extreme, with the overall economic cost estimated at EUR 9 billion. This makes the Emilia-Romagna Floods the costliest weather catastrophe on record for Italy.

Only a small part of these costs – EUR 495 million as reported today in the final PERILS loss report – is covered by insurance. This is due to low take-up rates of flood insurance by private households and SMEs in particular, and the fact that a large part of the economic losses – around 50% – stems from damage to public infrastructure which is typically not insured.

Luzi Hitz, Product Manager at PERILS, commented: “Italy was hit by a series of catastrophic weather events in 2023. From an overall economic perspective, the Emilia-Romagna Floods in May were the most severe. However, from an insurance perspective the losses were relatively moderate at EUR 495 million, particularly when compared to the record insured losses from the severe convective storm events in northern Italy in July which according to the latest CRESTA CLIX release stand at EUR 4.8 billion. The difference in the loss magnitude is partly due to the fact that insurance penetration levels are low for flood, but higher for other atmospheric perils such as hail, rain, or wind.”

He continued: “This situation might soon change. New legislation issued in December 2023 requires business owners in Italy to purchase insurance coverage for flood and earthquake until the end of 2024. The new law is aimed at reducing the current insurance protection gap for such catastrophes in Italy.”

### 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.

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# PRESS RELEASE

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