

RISING WATERS - The Growing Need for Proactive Flood Risk Management in the UK



5 million properties are at risk of flooding across the UK. Notable losses in recent years include:



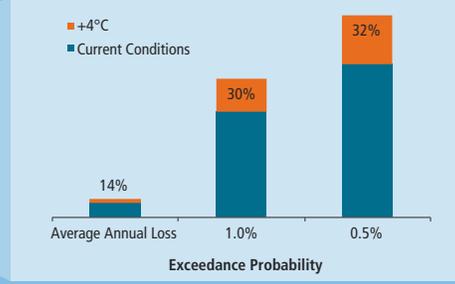
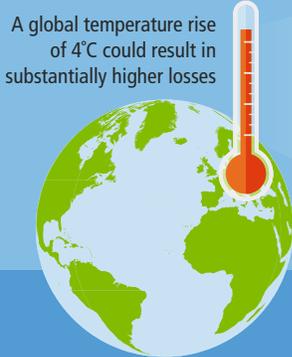
AIR-modelled average annual insured loss from inland flooding **GBP 550M**
two-thirds of which is residential.

Uncertain Future, Rising Losses

Property owners and insurers face increasing probability of loss:

- Properties continue to be built on the floodplains
- Increasing value of property and contents
- Ageing flood defences

The impact of climate change remains uncertain, but studies suggest more frequent extreme rainfall events.



"Increased flood risk is the greatest threat to the UK from climate change."
-UK Committee on Climate Change

Proactive Risk Management

Insurers and reinsurers need robust modelling tools:



AIR has nearly a decade of UK inland flood modelling experience. The AIR Inland Flood Model for Great Britain helps inform a fully probabilistic view of potential losses to help companies:

- Identify vulnerable properties
- Manage exposure accumulations
- Inform pricing and risk selection
- Plan reinsurance

AIR is proud to have been selected as the primary modeller for ABI in preparation for **Flood RE**

a not-for-profit insurance pool established to ensure the continued availability and affordability of flood insurance in the UK.



Sources: AIR, ABI, Munich Re, UK Committee on Climate Change