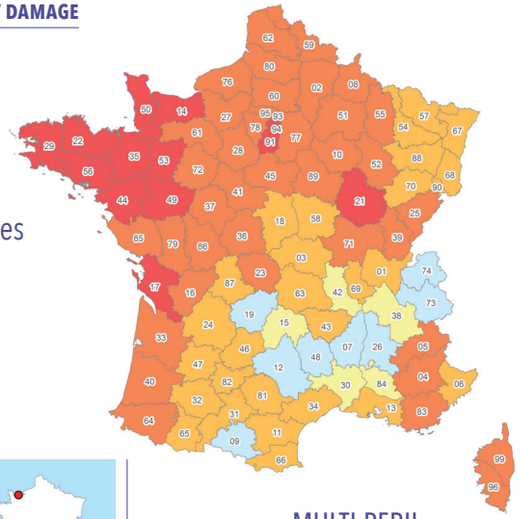
IMPACT OF CLIMATE CHANGE ON INSURED PROPERTY DAMAGE

CCR – 2018 STUDY – IPCC RCP 8.5 SCENARIO

Prevention policies must account above all for:

- the concentration of property exposures in new risk-prone areas,
- the high frequency of recurrence of certain events.

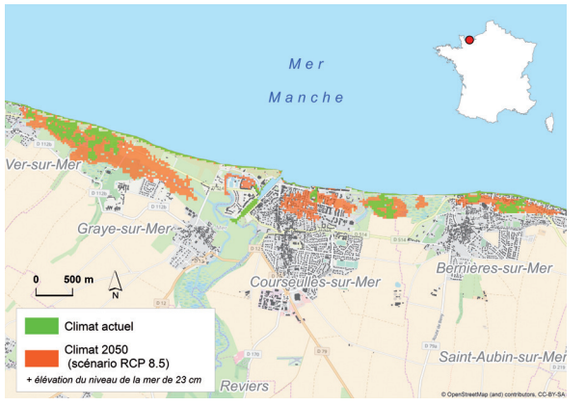


MULTI-PERIL

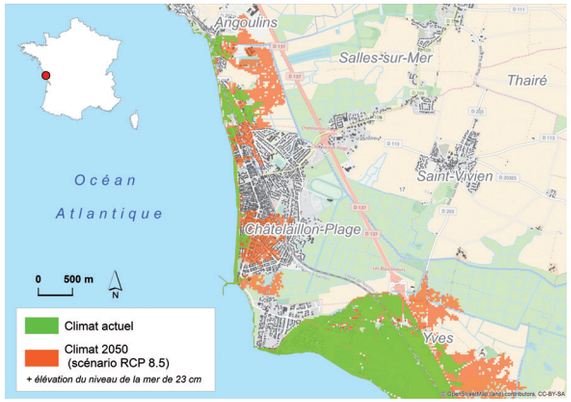
RATE OF INCREASE IN DAMAGES

- -20% to 0%
- 0% to 20%
- 20% to 40%
- 40% to 60%
- > than 60%

CALVADOS DEPARTMENT



CHARENTE MARITIME DEPARTMENT



SUBMERGED AREA WITH A 100-YEAR RETURN PERIOD

Changes in exposure by territory

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Graphic design and printing: story-building.fr

IMPACT OF CLIMATE CHANGE ON INSURED PROPERTY DAMAGE

2018 STUDY – IPCC RCP 8.5 SCENARIO

METEO FRANCE

CCR

Because of the key role it plays by managing the Compensation Scheme in France, CCR conducts studies on the vulnerability of the French territories on a present-day and prospective basis with a focus on climate change.

This 2018 study is based on the IPCC RCP 8.5 scenario that takes into account the assumption that average global temperature will increase by 4° C by 2100.

The Météo France and CCR models required over 5 million hours of calculation to cover the French mainland for the 2050 scenario.

AND IF CLIMATE CHANGE WERE TO OCCUR TODAY...

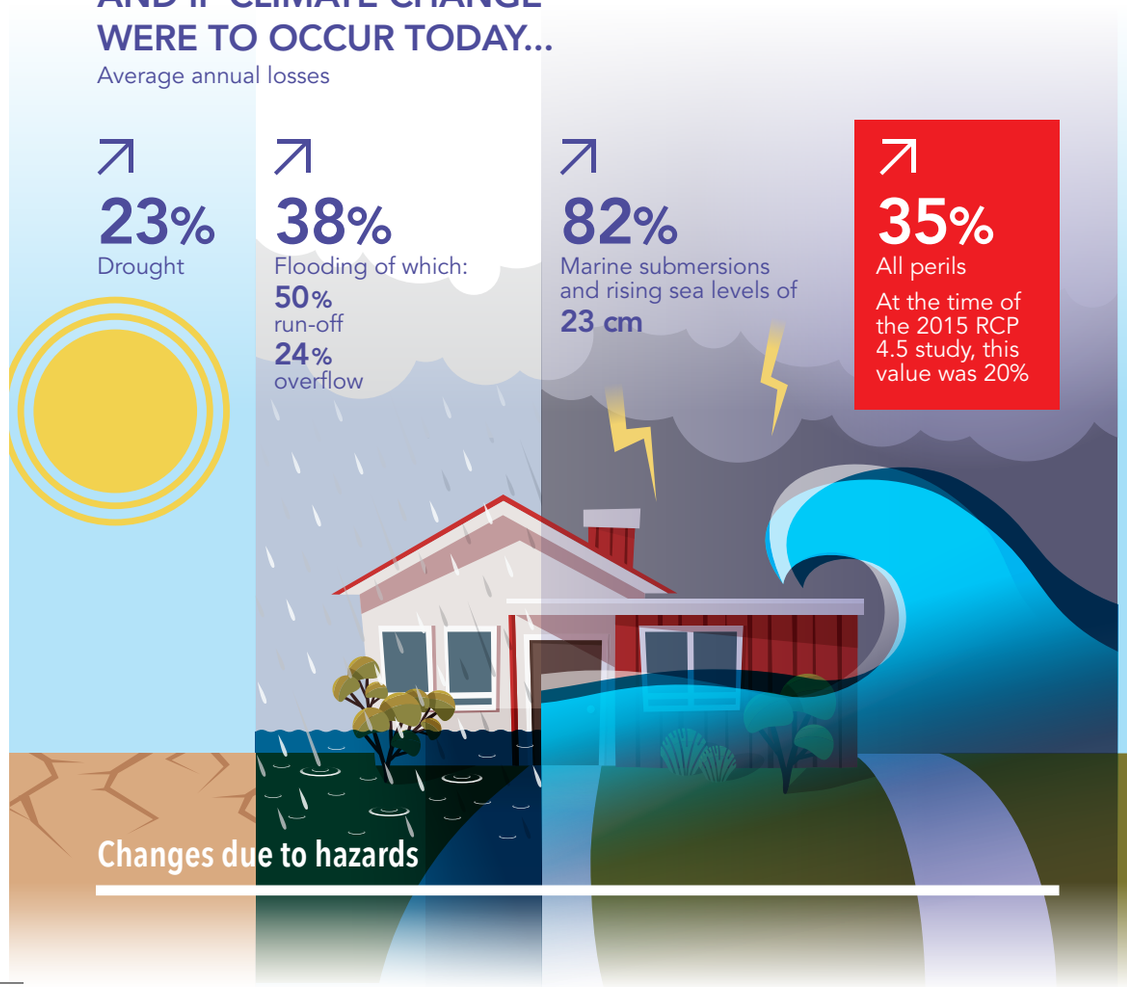
Average annual losses

23%
Drought

38%
Flooding of which:
50%
run-off
24%
overflow

82%
Marine submersions and rising sea levels of
23 cm

35%
All perils
At the time of the 2015 RCP 4.5 study, this value was 20%



Changes due to hazards

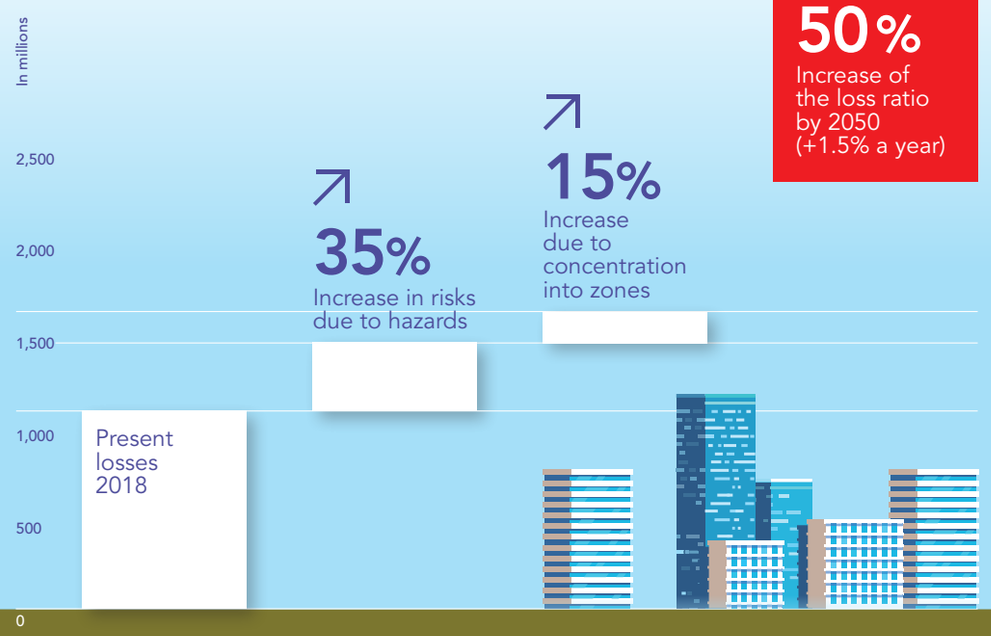
IMPACT OF CLIMATE CHANGE ON INSURED PROPERTY DAMAGE
CCR – 2018 STUDY – IPCC RCP 8.5 SCENARIO

This study underscores the critical need for prevention and mitigation policies that can meet the challenges of:

- containing the foreseeable rise in property damage,
- maintaining the foundations of the Natural Disaster Compensation Scheme,
- limiting greenhouse gas emissions so that they remain within the limits of the IPCC RCP 4.5 scenario compatible with the Paris agreement.

WHAT IS THE SCENARIO FOR 2050?

The increase in insured values is not taken into account as it will be offset by the increase in premiums



50%
Increase of the loss ratio by 2050 (+1.5% a year)

Climate change and concentration in risk-prone areas