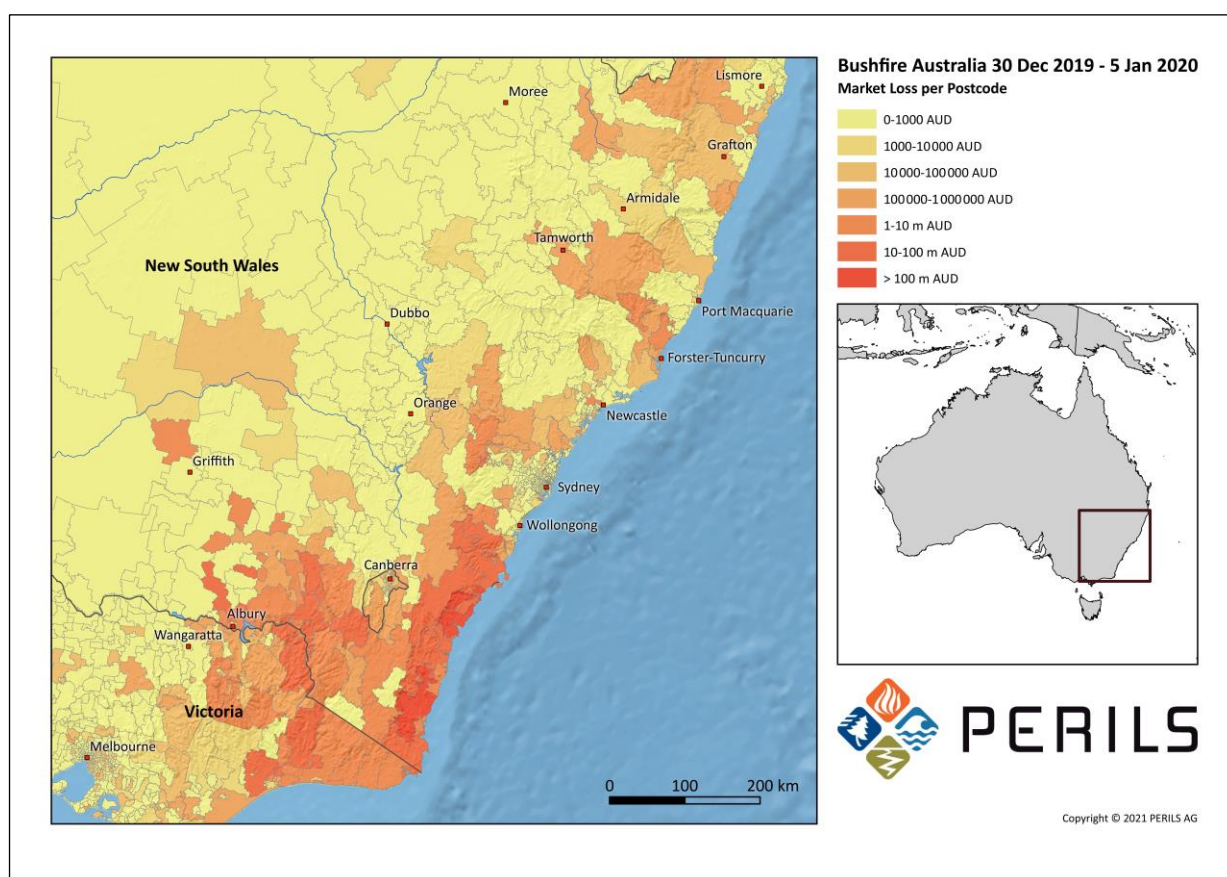


AUD 1,866M - PERILS RELEASES FINAL INDUSTRY LOSS FOOTPRINT FOR THE AUSTRALIAN BUSHFIRES OF 2019/2020

Zurich, 6 January 2021 – PERILS, the independent Zurich-based organisation providing industry-wide catastrophe insurance data, has today disclosed its fourth and final industry loss estimate for the Australian bushfires of 2019/2020. The final estimate of the insurance market loss is AUD 1,866m. This compares to the third loss estimate of AUD 1,861 million which was issued by PERILS on 6 July 2020, six months after the event. In line with the PERILS event definition, the PERILS loss number covers the Property and Motor Hull lines of business.

The industry loss data cover the peak period for the bushfires which occurred during the turn of the year 2019/2020. The figure is based on detailed loss data collected from the majority of the Australian insurance market. The industry loss footprint applies the dominant event definition clause used in the Australian re/insurance market and covers the peak losses which occurred within a period of 168 consecutive hours (seven days) on Australian territory. The peak seven-day loss period differs among insurers but generally lies between 20 December 2019 and 6 January 2020. For most insurers, it is between 30 December 2019 and 5 January 2020.



Industry loss footprint of the Australian bushfires 2019-20, peak seven-day loss period between 30 December 2019 to 5 January 2020.

The fourth and final industry loss report includes a detailed breakdown of property and motor losses by postcode, with the data further divided by residential and commercial lines. Loss amounts are provided for buildings, contents and business interruption, and include fire intensity metrics and mean damage ratios. The fire intensity

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metrics per postcode, which are based on satellite data, can be used for correlation analysis of observed damage degrees and to derive vulnerability functions to model bushfire risk in Australia.

This report is released 12 months after the worst Australian bushfire season on record, known as the 'Black Summer'. The bushfires affected the entire continent and resulted in 33 fatalities and an estimated 24 million hectares of burnt land between September 2019 and March 2020. Insurance losses during the New Year peak period were most severe in the states of New South Wales, which accounted for 71% of the industry loss, Victoria (17%) and South Australia (12%). In light of the devastating bushfire season, the Federal Government's Royal Commission into National Natural Disaster Arrangements released its final report in October 2020 which tabled a comprehensive list of improvements for future response and recovery coordination.

Darryl Pidcock, Head of PERILS Asia-Pacific, commented: "One year on from the Black Summer bushfires, this release of the final loss report provides a timely reminder of the devastation such an event can cause to local communities. This was one of several major Cat events to impact Australia in 2020, with the insurance industry playing a critical role in enabling affected communities to rebuild during the year. The detailed data resolution in this updated industry loss footprint can enhance the insurance industry's understanding of the impact of future bushfire events as there is always more to learn about these devastating losses."

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 17 countries: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, Switzerland, Turkey, and the United Kingdom. The use of PERILS exposure and loss data other than in conjunction with a valid PERILS License and according to its terms is illegal and expressly forbidden.

More information can be found on www.perils.org

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