

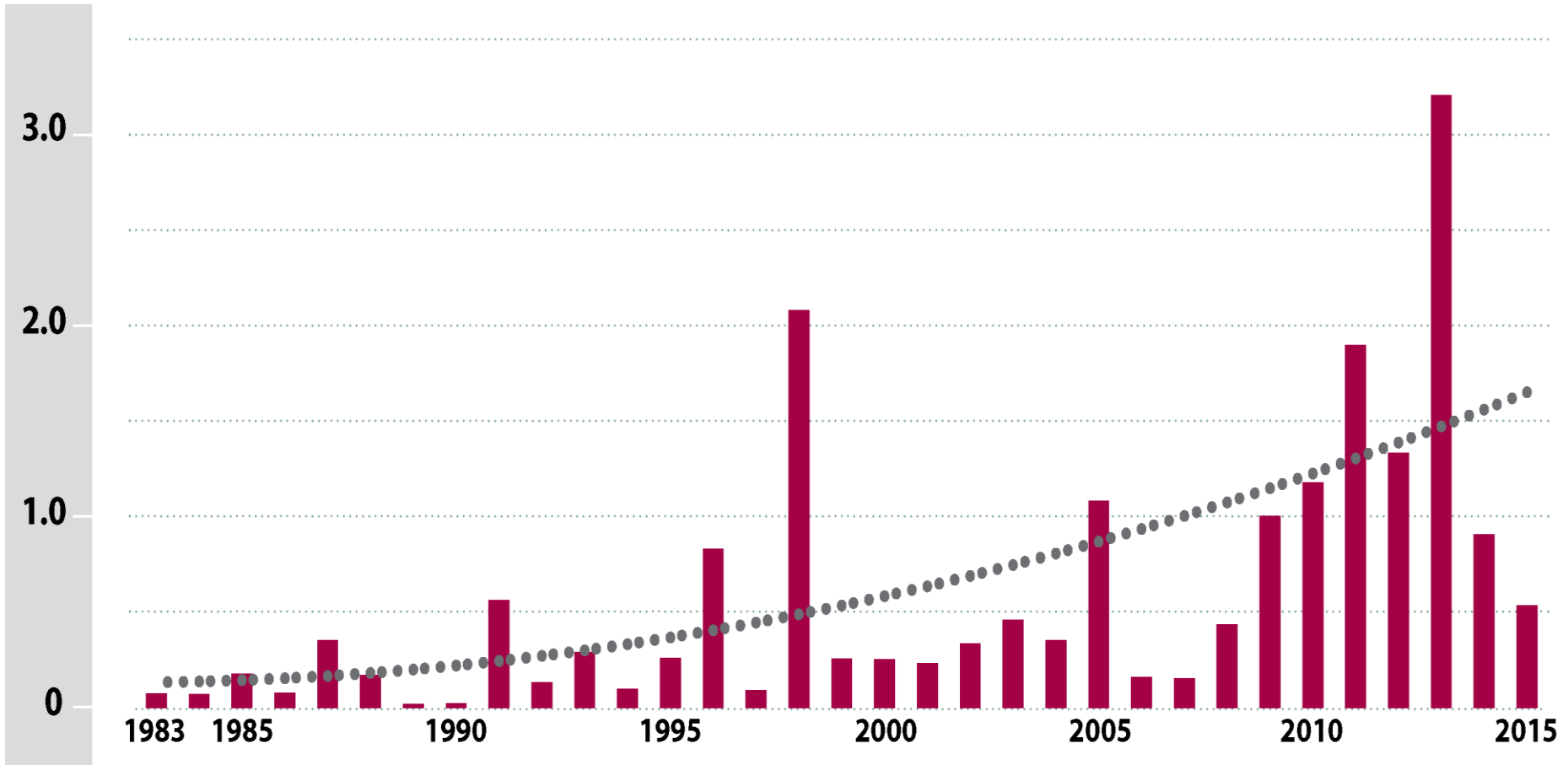
Infrastructure and Disaster Resilience in the Age of Climate Change

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Catastrophic losses in Canada in \$000,000,000, 1983 to 2015



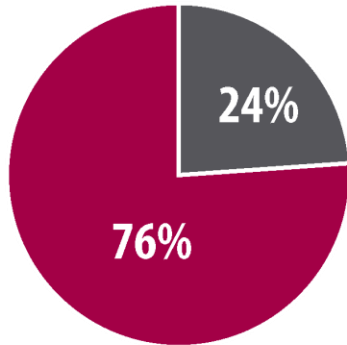
■ Loss + Loss Adjustment Expenses in 2015 dollars
 ● Estimated Trend Line

Sources: IBC, PCS Canada, CatIQ, Swiss Re, Munich Re, Deloitte

Floods Account for Most Disaster Spending

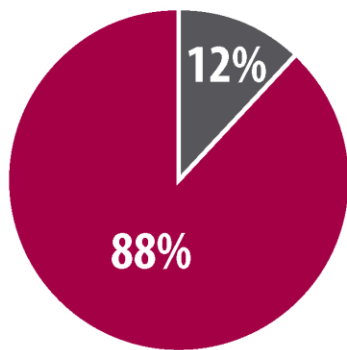
FEDERAL DFAA SPENDING

1970-2014



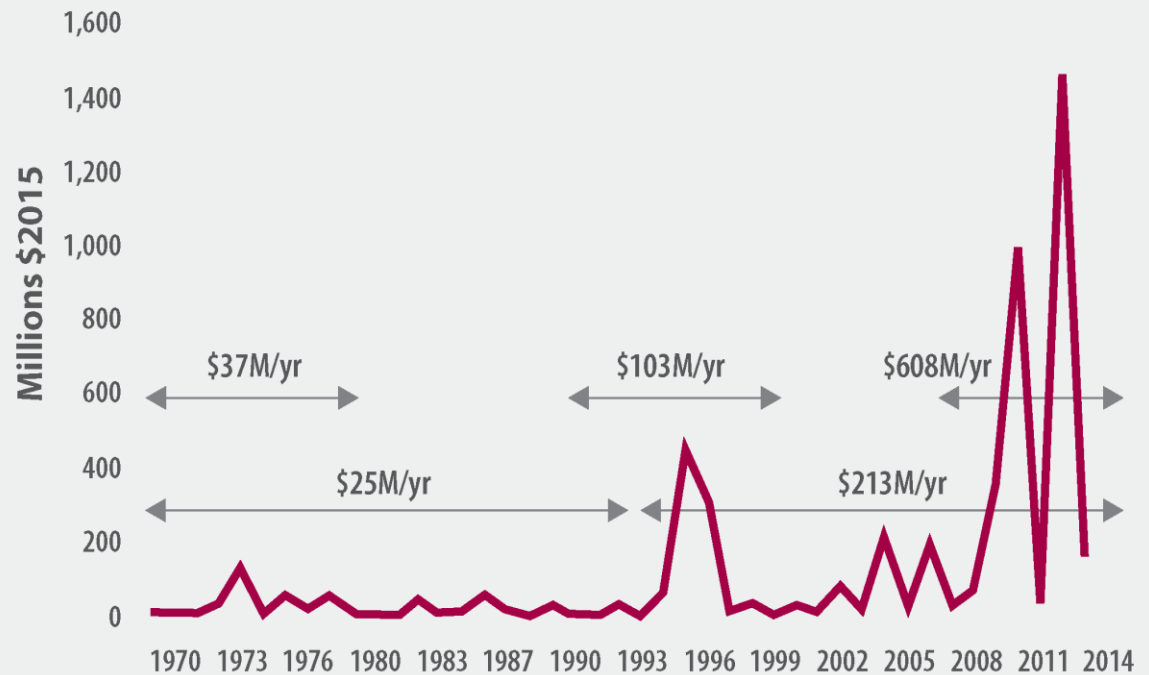
Other Flood-related

2000-2014



Other Flood-related

ANNUAL FEDERAL DFAA SPENDING ON FLOOD



Lessons from Fort McMurray



The Solution

A public-private partnership includes:

- Insurance industry to assume most financial risk and offer coverage to all
- Government support to make coverage available and affordable to low-income Canadians in high-risk areas
- Consumers to improve their own resilience

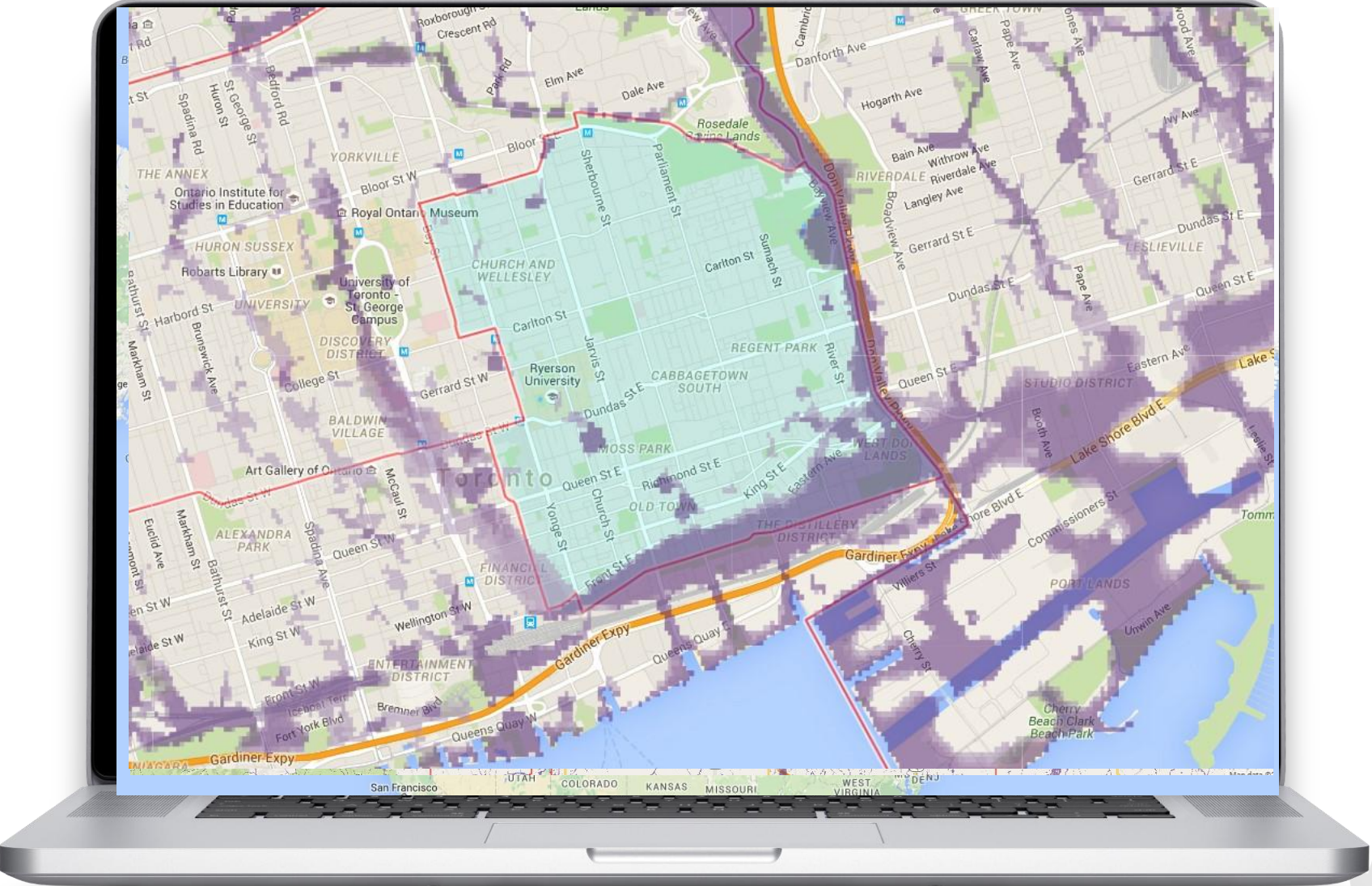
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Maps and Flood Model



1 MILLION

HOMES AT HIGH RISK

10% HIGH RISK / HIGH PREMIUMS



90% MARKET-BASED APPROACH