

SANDFORD FLEMING FORUM

Future Proofing: How Resilience Planning
Supports the Future Functionality and
Value of Fixed Assets and Infrastructure



RiskLogik



Southern Harbour

crci

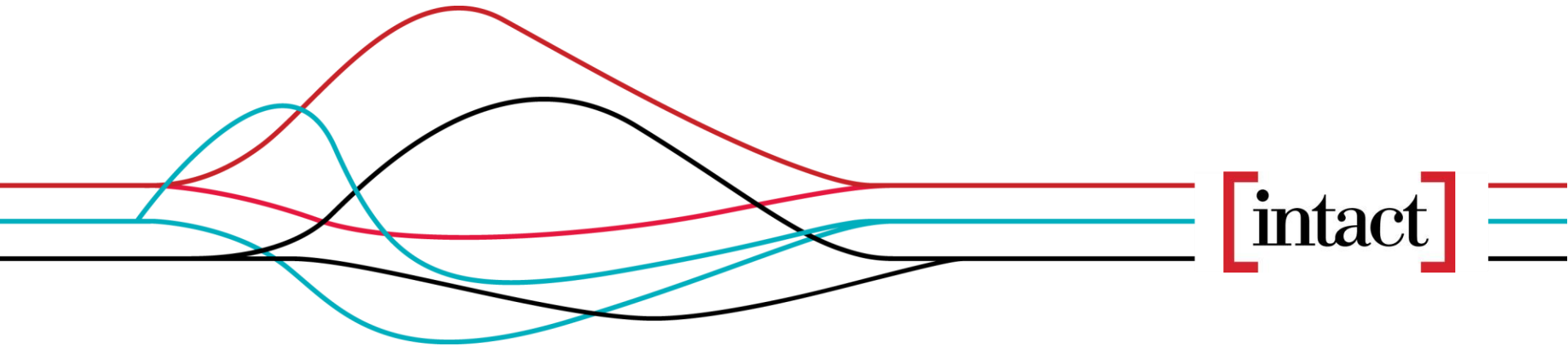


UNIVERSITY OF TORONTO
FACULTY OF APPLIED SCIENCE & ENGINEERING

P&C Insurance: Climate Change Reality

Sandford Fleming Forum, The Centre for Resilience of Critical Infrastructure

Mike Kosturik
Regional Vice President, Intact Insurance



Intact Financial Corporation

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INSURANCE

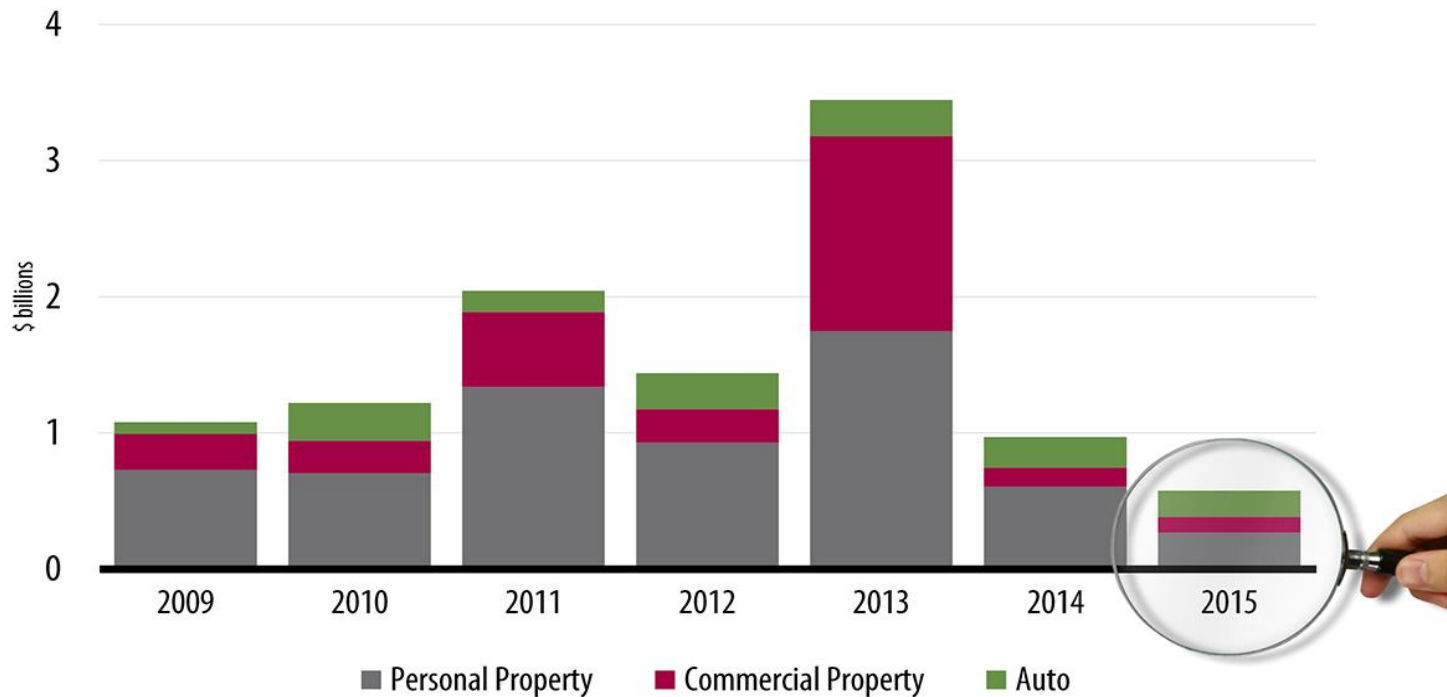

BrokerLink™
Auto/Home/Business Insurance

belairdirect.

We are here to help people, businesses and society prosper in good times and be resilient in bad times.

Severe Weather Impacts

Canadian CAT Losses *Canadian Insured Losses from Catastrophic Events*

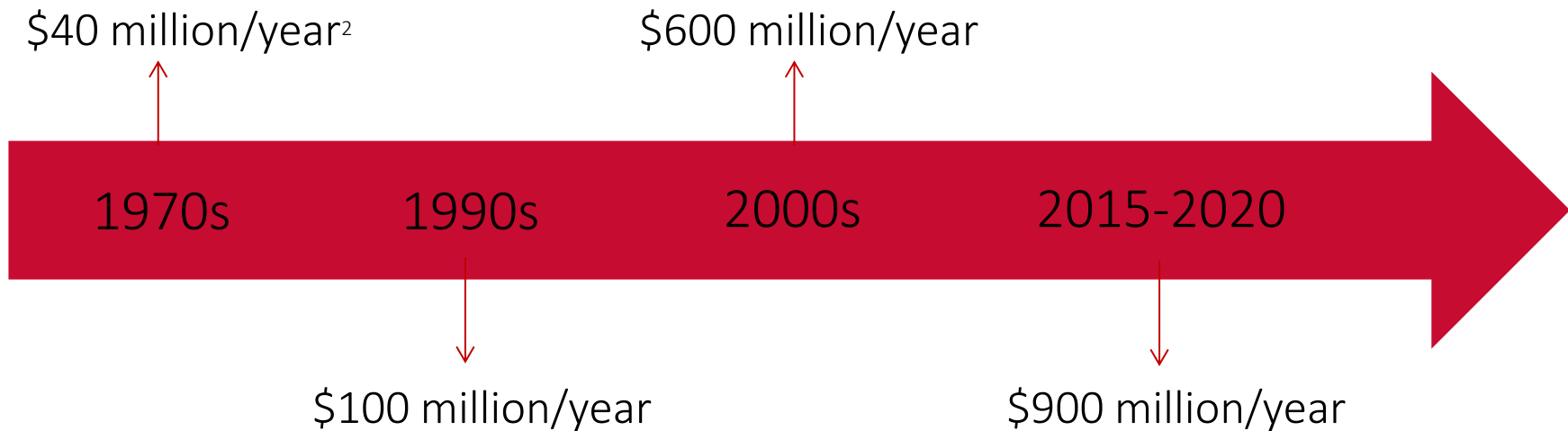


Source: IBC, PCS, CatIQ; values in 2015 \$CAN

For every \$1 in insurance claims, there is \$3 in non-insured economic damage.

Escalating Challenge

Disaster Financial Assistance Arrangement spending is expected to reach \$900 million for flooding and extreme weather annually until 2020. Current allocation: \$100 million¹.



A Case for Adaptation

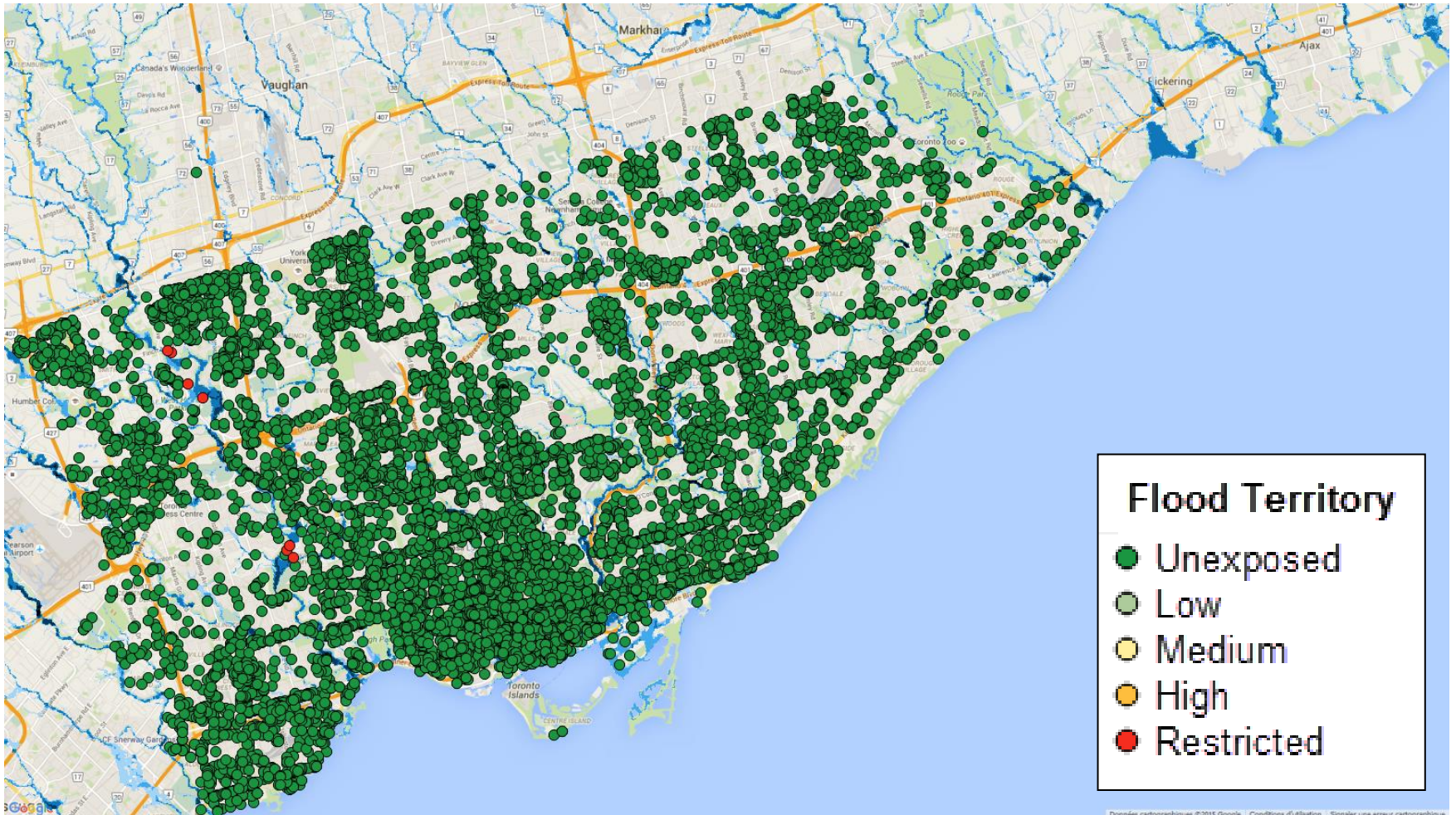
Red River Floodway, Winnipeg

\$627 million infrastructure investment to avoid \$12+ Billion in flood damage³. Over \$40 Billion avoided since Floodway built in 1968⁴.



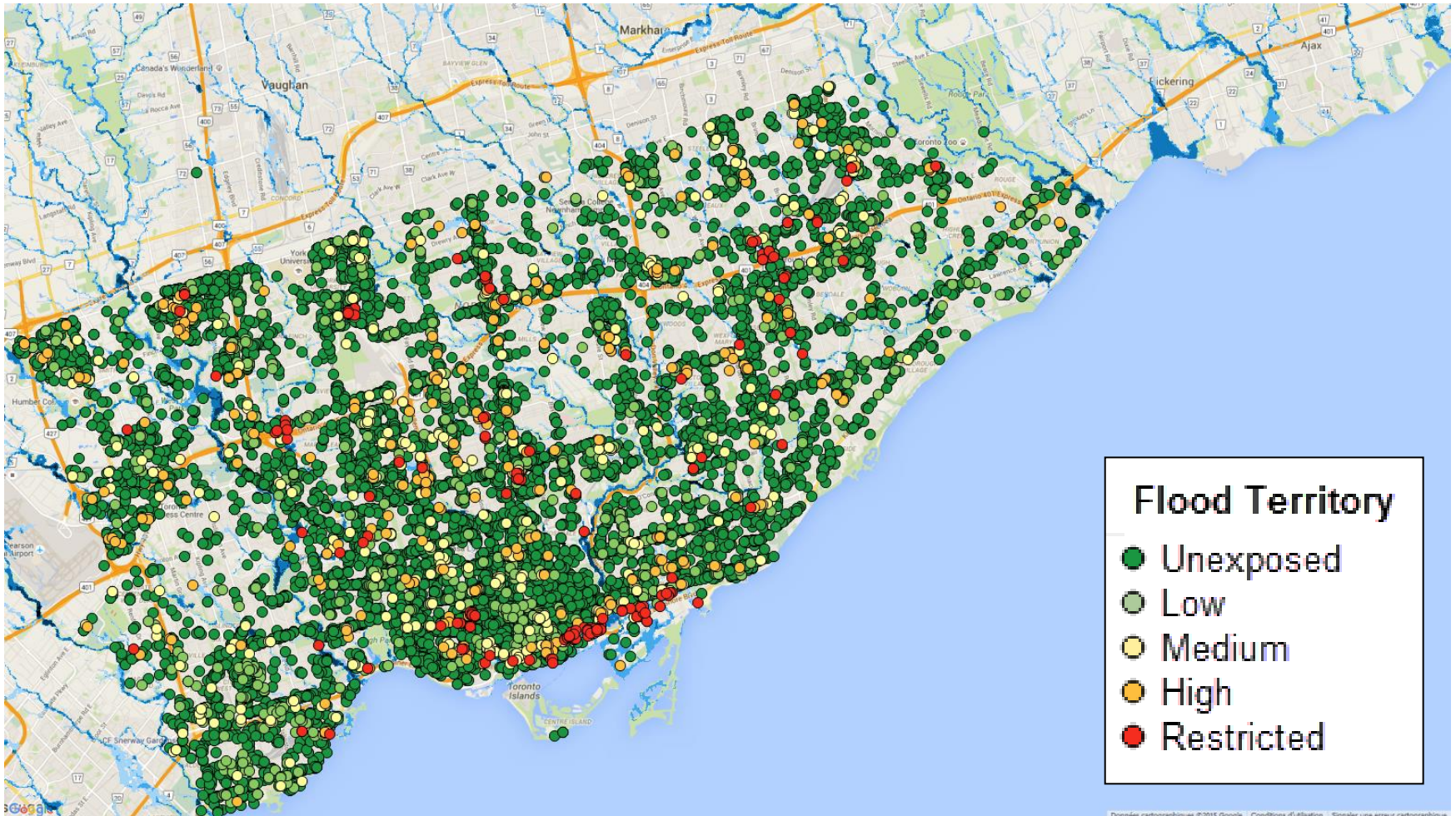
Impacts: Toronto Municipality

Previous Commercial Property Flood Territory Map



Impacts: Toronto Municipality

Updated Flood Territory Map



*Note: This map is the **new release**, showing River flood 100-year exposure

Opportunities for Insurance

1. Offer Education
2. Innovate Products
3. Change Behaviour

Insurance *is* Evolving

PRESENTED BY **intact** INSURANCE

INSURANCE ▾ CAUSES OF EVOLUTION ▾ WHAT WE ARE DOING ▾ WHAT YOU CAN DO ▾

PREVENTING WATER DAMAGE

WHY INSURANCE IS EVOLVING 2:16 MINS
WHY INSURANCE IS EVOLVING

2:09 MINS
PREVENTING WATER DAMAGE

1:28 MINS
BACKWATER VALVE

INSURANCE FACT
Did you know? The average monthly bill for wireless services is higher than the average premium to protect your home and contents.
[LEARN MORE](#)

HOME PREVENTION 101

Your personalized preventive checklist App
Available on the App Store

[LEARN MORE](#)

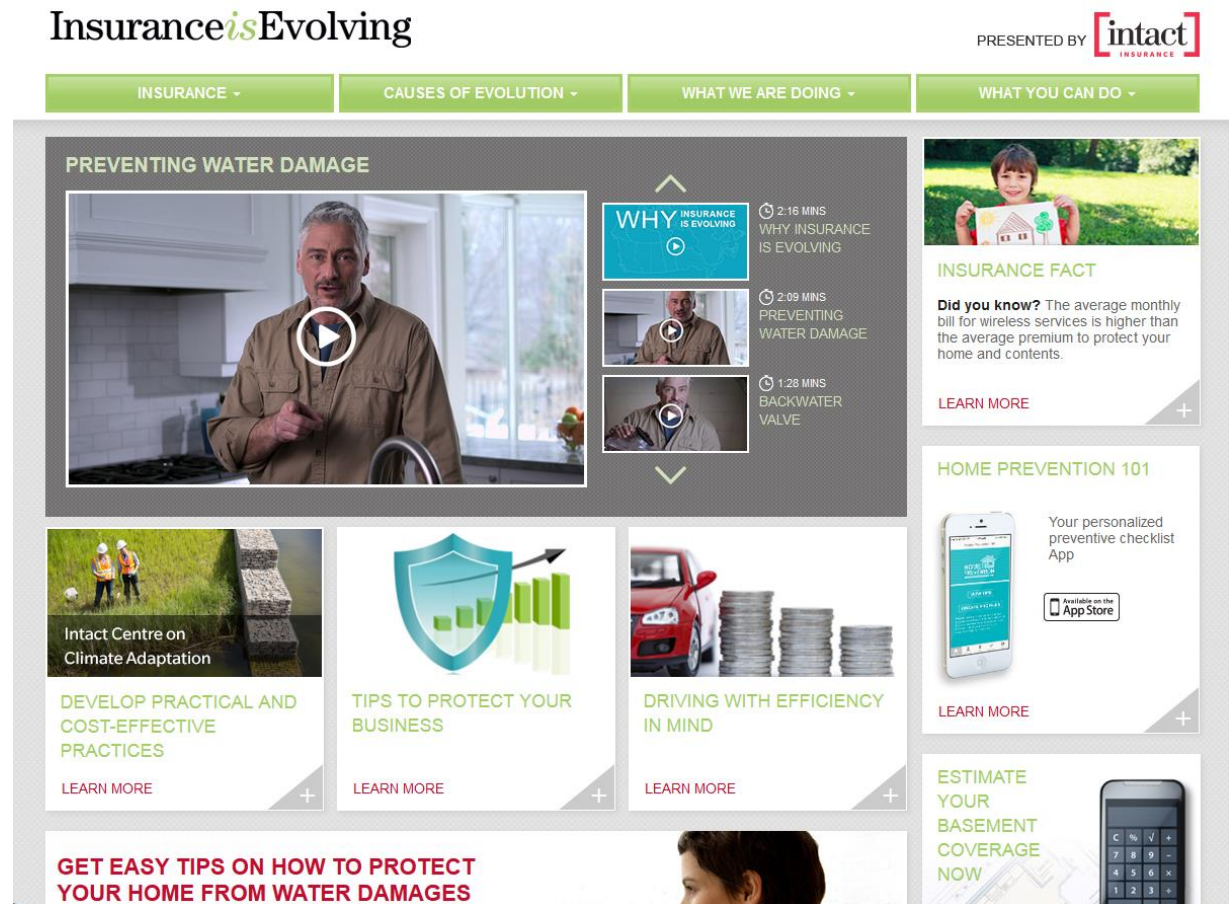
Intact Centre on Climate Adaptation
DEVELOP PRACTICAL AND COST-EFFECTIVE PRACTICES
[LEARN MORE](#)

TIPS TO PROTECT YOUR BUSINESS
[LEARN MORE](#)

DRIVING WITH EFFICIENCY IN MIND
[LEARN MORE](#)

GET EASY TIPS ON HOW TO PROTECT YOUR HOME FROM WATER DAMAGES

ESTIMATE YOUR BASEMENT COVERAGE NOW



Innovate Products

Enhanced Water Damage Package: 2016

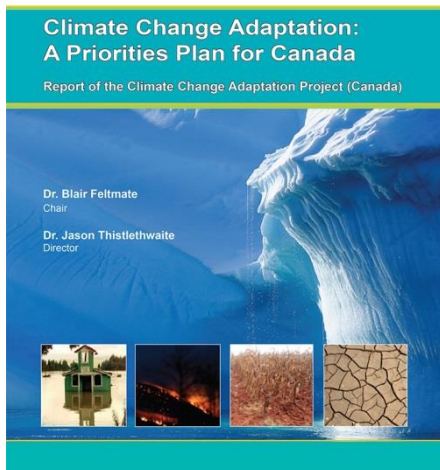
- Sewer back up protection
- **\$1,000 towards loss mitigation measures**
- Water & sewer line coverage
- Overland water coverage provided to eligible customers
- Clarified language and removed exclusions
- Water damage from frozen pipe bursts now covered during heating season
- Product developed in reaction to water being the leading cause of personal property claims in Canada



Intact Financial - Long Term Commitment

2009

80+ thought leaders & scientists participated in Climate Change Adaptation Project (CCAP) study.



2014

20 projects developed nationally to test results of CCAP study.



2015

Applied research centre established to develop practical solutions for Governments & Canadians.



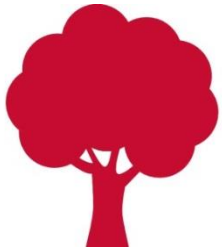
Intact Centre on Climate Adaptation

Objective: Mobilize cost effective and practical solutions to help Canadians adapt to extreme weather events brought about by climate change.



Home Adaptation Assessment Program (HAAP)

Helps homeowners reduce their risk of basement flooding by providing a customized 40 point site assessment & prioritized action plan consistent with globally recognized practices.



Natural Infrastructure Adaptation Program (NIAP)

Builds a compelling business case to retain and/or restore natural infrastructure to improve the resilience of homes, businesses and municipal infrastructure to climate change/extreme weather.



Corporate-Specific Adaptation Program (CSAP)

Engages business sectors to identify climate change and extreme weather risks, along with establishing practical and cost effective means to mitigate.

Home Adaptation Assessment Program

Calgary/Waterloo/Kitchener Pilots (400 homes)⁵

- 63% of participating home owners acted upon major basement flood risk reduction recommendations
- 77% of assessed home owners passed knowledge to 5 other home owners
- 43% inspected for water pooling during major storms
- 23% regraded around foundation
- Average cost of assessment = \$275
- Average cost of flooded basement = \$20,537 (IBC, 2014)
- HAAP Auditor training provided by ICCA; Various forms of implementation by municipalities



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