

## DEFINITY RELEASES ESTIMATE OF FINANCIAL IMPACT FROM CATASTROPHE LOSSES FOR THE THIRD QUARTER OF 2023

**WATERLOO, ON, October 5, 2023** – [Definity Financial Corporation](#) (TSX: DFY) today announced that catastrophe losses in the third quarter of 2023 would negatively impact operating income by approximately \$122 million net of reinsurance recoveries and inclusive of reinstatement premiums (or approximately \$0.77 per common share, net of taxes). This is largely in line with Definity's [September 5, 2023 announcement](#) regarding estimated catastrophe losses in July and August 2023.

The table below provides a breakdown of the estimated catastrophe losses by line of business during the third quarter of 2023:

(in millions of Canadian dollars – unaudited)	Amount
Personal auto	\$8
Personal property	\$104
Commercial insurance	\$10
	\$122

Wildfires in British Columbia represented the largest of the eleven events reaching Definity's catastrophe loss threshold during the quarter.<sup>1</sup> Other notable events included severe wind and rainstorms leading to flooding in Ontario, Québec, and Nova Scotia, tornados in Ontario and Québec, and a number of hail events across Canada. As a result of these events, we have fully utilized our catastrophe aggregate reinsurance treaty limit for 2023.

This assessment is based on information received to date from customers, as well as analysis of exposures.

"We were able to deploy our dedicated catastrophe response teams in the field quickly and mobilize supporting claims and vendor resources from around the country to help our customers," said Rowan Saunders, Definity's President and Chief Executive Officer. "Broker and customer feedback has been positive and our dedicated teams strive to consistently deliver exceptional service to ensure the timely rebuilding of impacted communities."

### About Definity Financial Corporation

Definity Financial Corporation ("Definity", which includes its subsidiaries where the context so requires) is one of the leading property and casualty insurers in Canada, with over \$3.8 billion in gross written premiums for the 12 months ended June 30, 2023 and approximately \$2.7 billion in equity attributable to common shareholders as at June 30, 2023.

### Forward-Looking Statements

This news release contains forward-looking information within the meaning of applicable securities laws, including, without limitation, statements related to estimated catastrophe losses, including on a per common share basis. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely", "potential" or the negative or other variations of these words or other similar or comparable words or phrases, are intended to identify forward-looking statements. This information reflects Definity's current expectations regarding future events, estimated catastrophe losses by line of business, the terms and operation of Definity's reinsurance arrangements, and the anticipated effect of applicable current and future federal and provincial tax legislation. Forward-looking information is based on a number of assumptions and is

subject to a number of risks and uncertainties, many of which are beyond Definity's control, including the fact that the referenced wildfires may still be active. Such risks and uncertainties are included in the "Cautionary Note Regarding Forward-looking Information" section of the Company's Q2-2023 Management's Discussion and Analysis dated August 3, 2023 and the "Risk Management and Corporate Governance" section of Definity's Management's Discussion and Analysis for the year ended December 31, 2022, each of which is available on our web site at [www.definityfinancial.com](http://www.definityfinancial.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Due to these risks and uncertainties, actual results could differ materially from those projected herein. Unless otherwise indicated, all forward-looking statements in this press release are made as of October 5, 2023 and are subject to change after that date. Definity does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required under applicable securities laws.

## **Non-GAAP Measures**

This news release contains a measure of the negative impact on operating income, net of reinsurance, that does not have any standardized meaning prescribed by generally accepted accounting principles ("GAAP"). This non-GAAP measure may be used by management and financial analysts to assess our performance, but may not be comparable to any similar measures presented by other companies. Accordingly, this measure should not be considered in isolation or as a substitute for analysis of our financial information reported under GAAP.

<sup>1</sup>We consider losses to be catastrophe losses if they are the result of either i) an event causing gross losses in excess of \$2 million, and generally greater than 100 claims, or ii) a single claim with a gross loss in excess of \$3 million.

## **For Further Information, Please Contact:**

### **Investor inquiries:**

Dennis Westfall  
Head, Investor Relations  
(C) 416-435-5568  
[dennis.westfall@definity.com](mailto:dennis.westfall@definity.com)

### **Media inquiries:**

Sarah Attwells  
AVP, Corporate Affairs  
(C) 226-753-1130  
[sarah.attwells@definity.com](mailto:sarah.attwells@definity.com)