

Householders

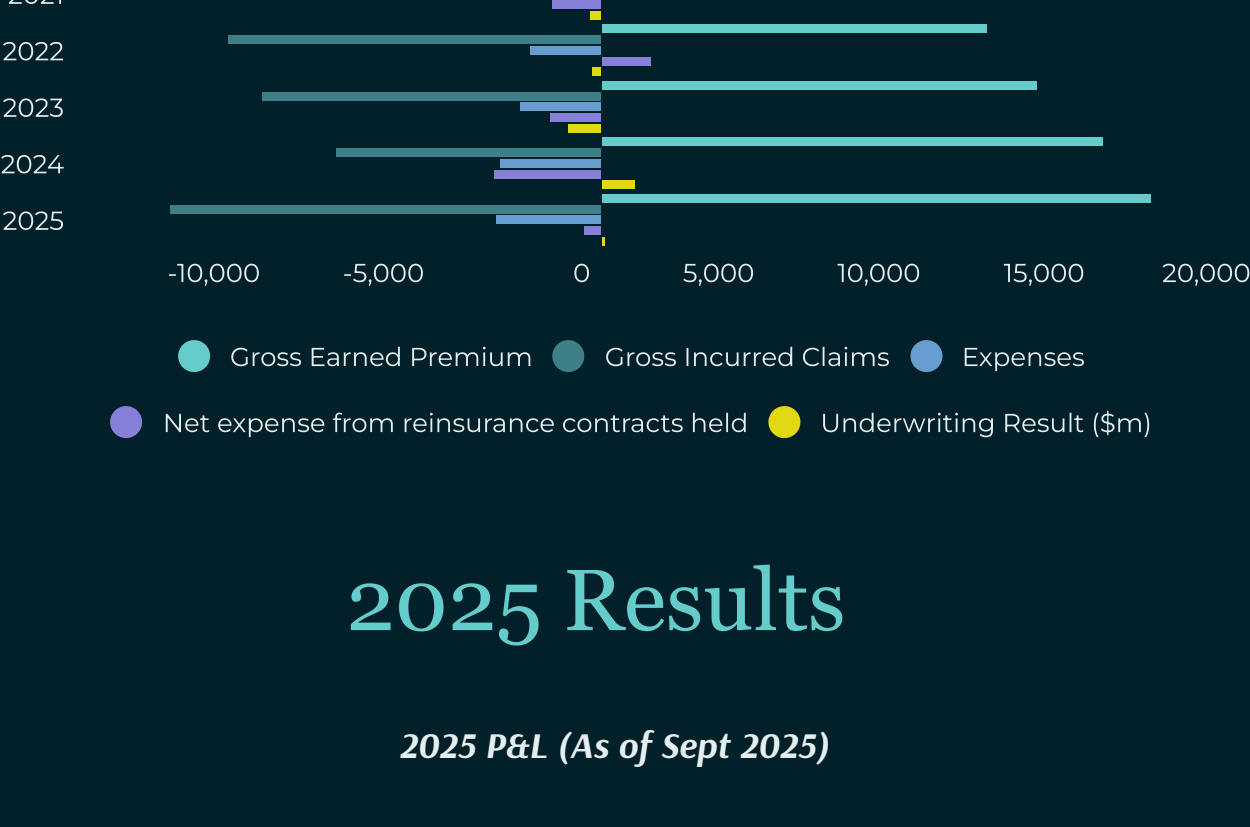
Market data and insights

Householders Insurance Market Update:

The Australian householders insurance market continues to see strong upward pressure on premiums, driven by a combination of rising natural disaster activity, higher property values, and escalating repair and construction costs. Recent bushfires, floods and cyclones, along with global catastrophe trends, have increased the baseline cost of cover nationwide, even in areas not directly affected, as insurers reassess risk and bolster capital reserves. Reinsurance costs have risen sharply as well, with insurers passing these expenses on to policyholders despite government interventions such as the cyclone reinsurance pool. At the same time, insurers face higher operating costs from commissions, taxes and levies, though some relief has emerged through reforms like the removal of the NSW Emergency Services Levy. More advanced risk modelling, powered by AI and big data, is also contributing to more granular pricing, which can result in significant increases for higher-risk properties. Layered on top of these pressures is the broader hard-market environment, marked by constrained capacity and higher insurer capital costs, further elevating premiums and tightening underwriting conditions.

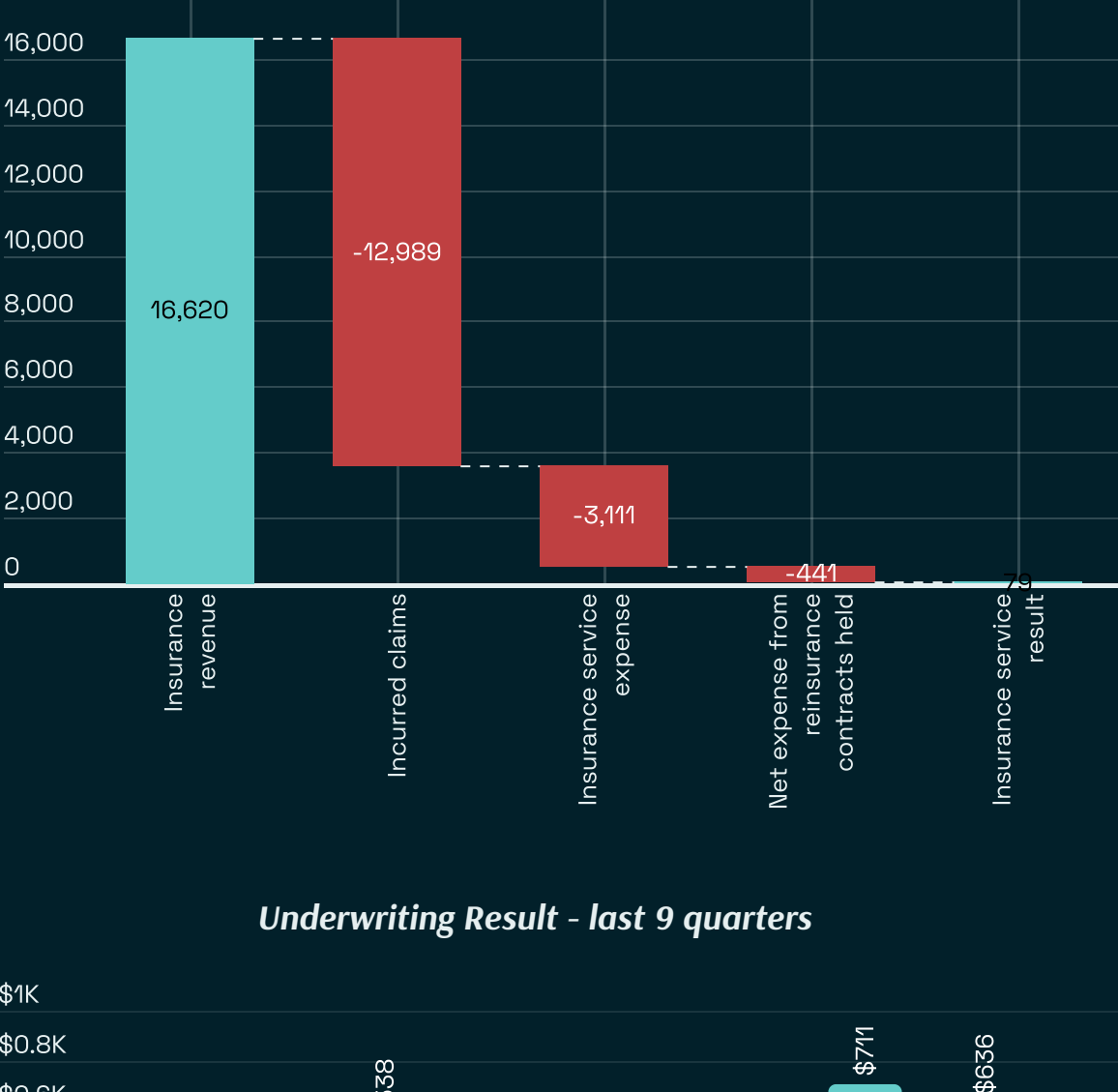
How does the market perform in Australia?

10 Year Profit and Loss (\$m)

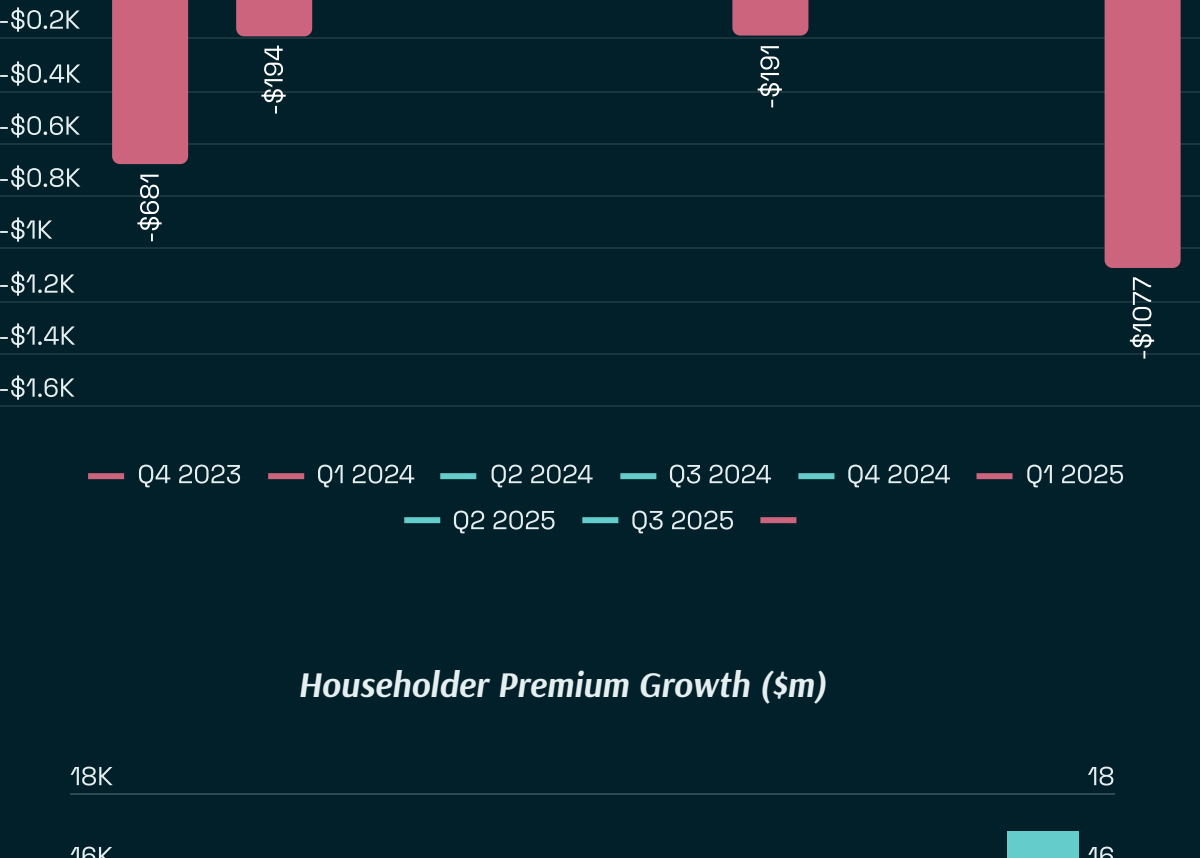


2025 Results

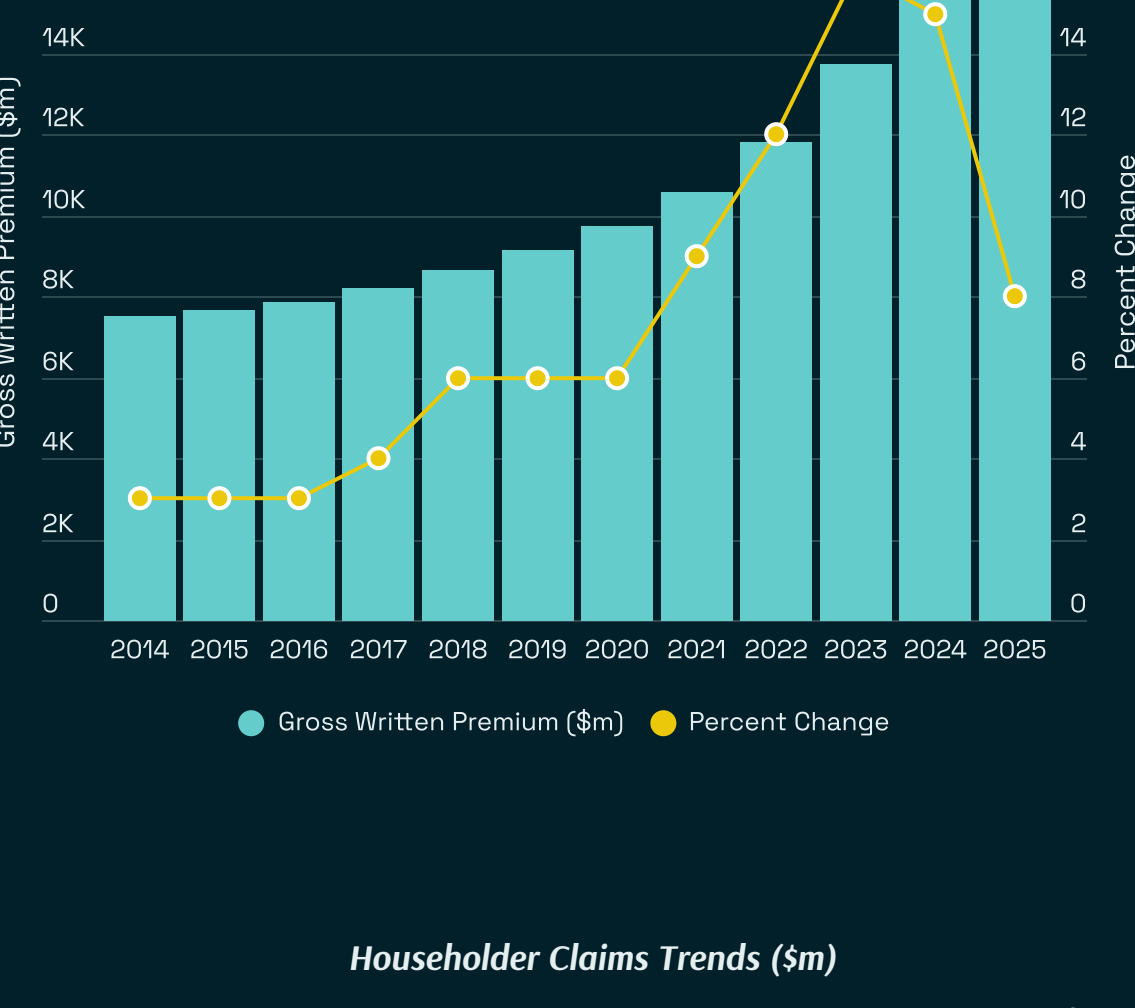
2025 P&L (As of Sept 2025)



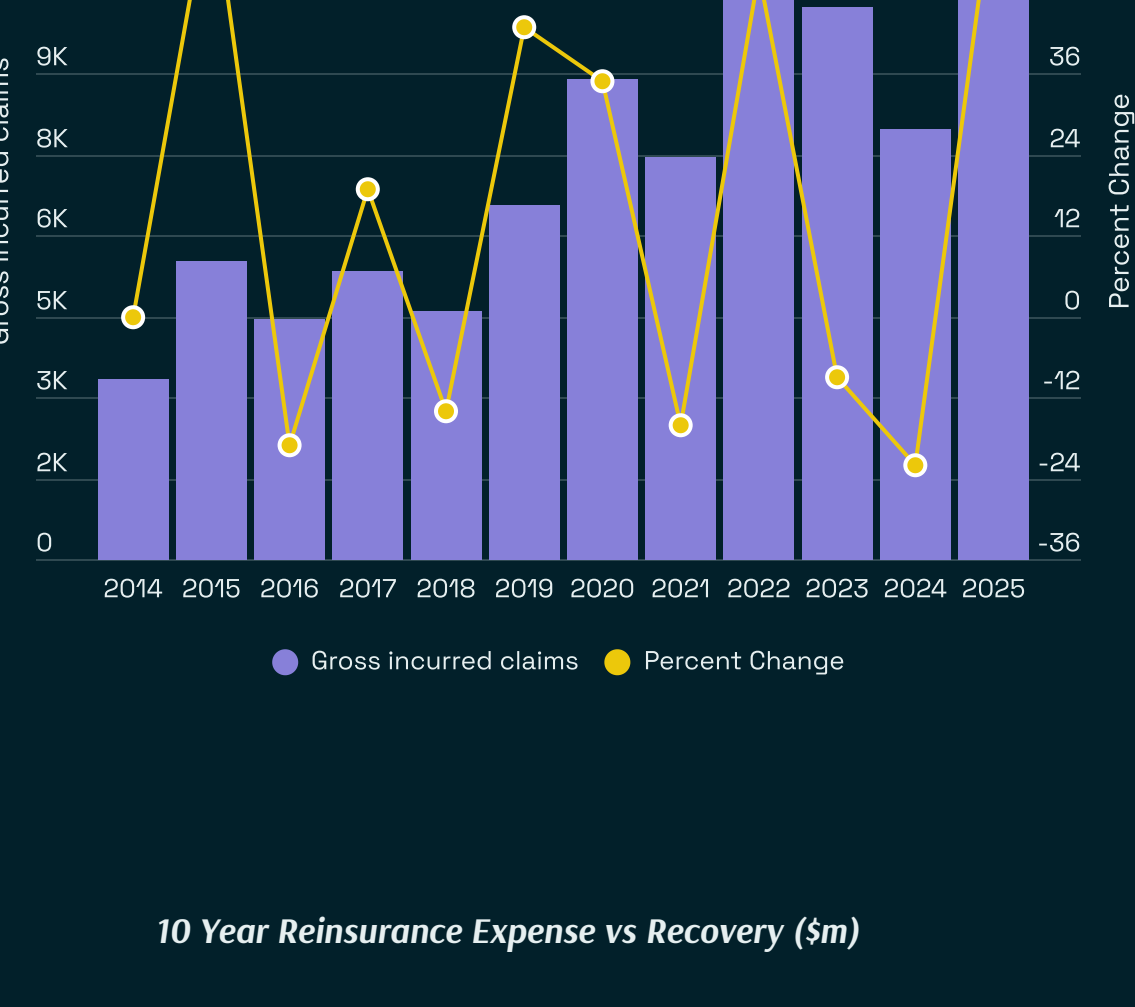
Underwriting Result - last 9 quarters



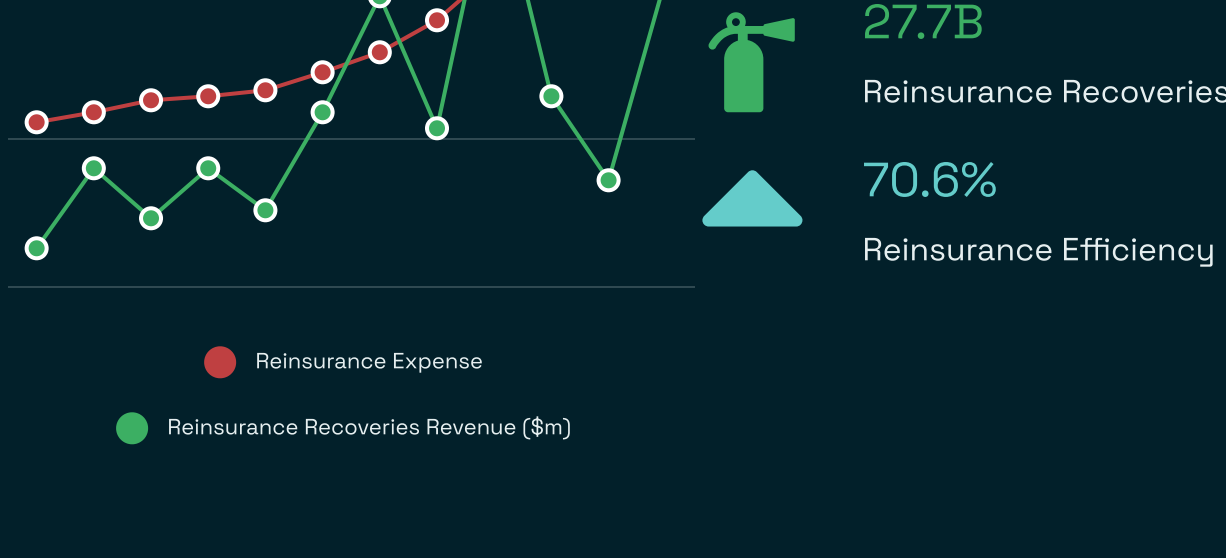
Householder Premium Growth (\$m)



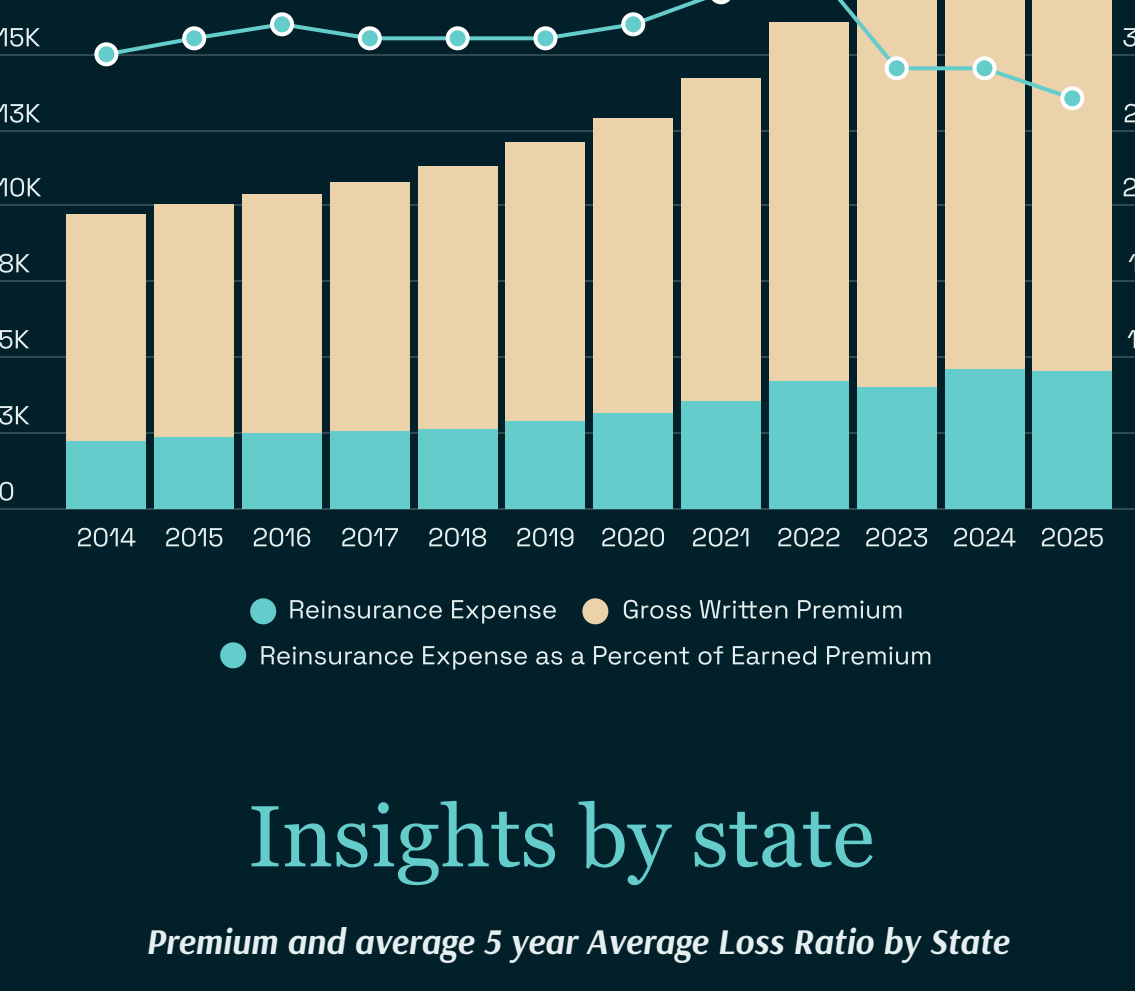
Householder Claims Trends (\$m)



10 Year Reinsurance Expense vs Recovery (\$m)

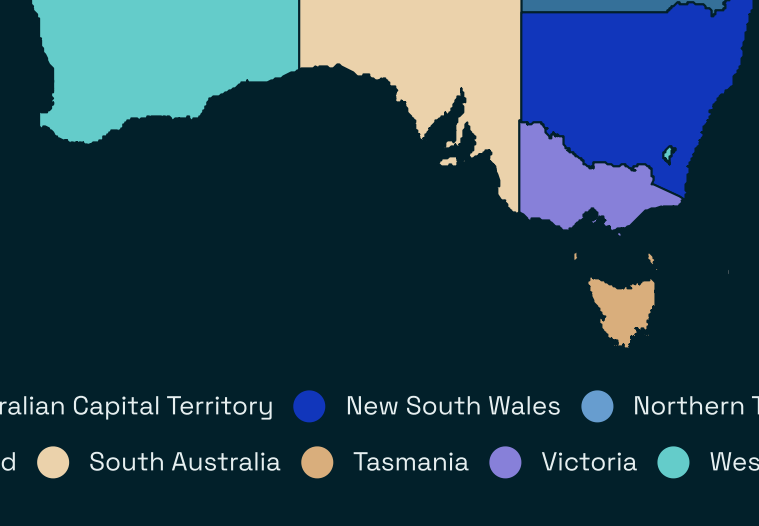


Insurer Reinsurance Expenses as a part of Gross Written Premium (\$m)

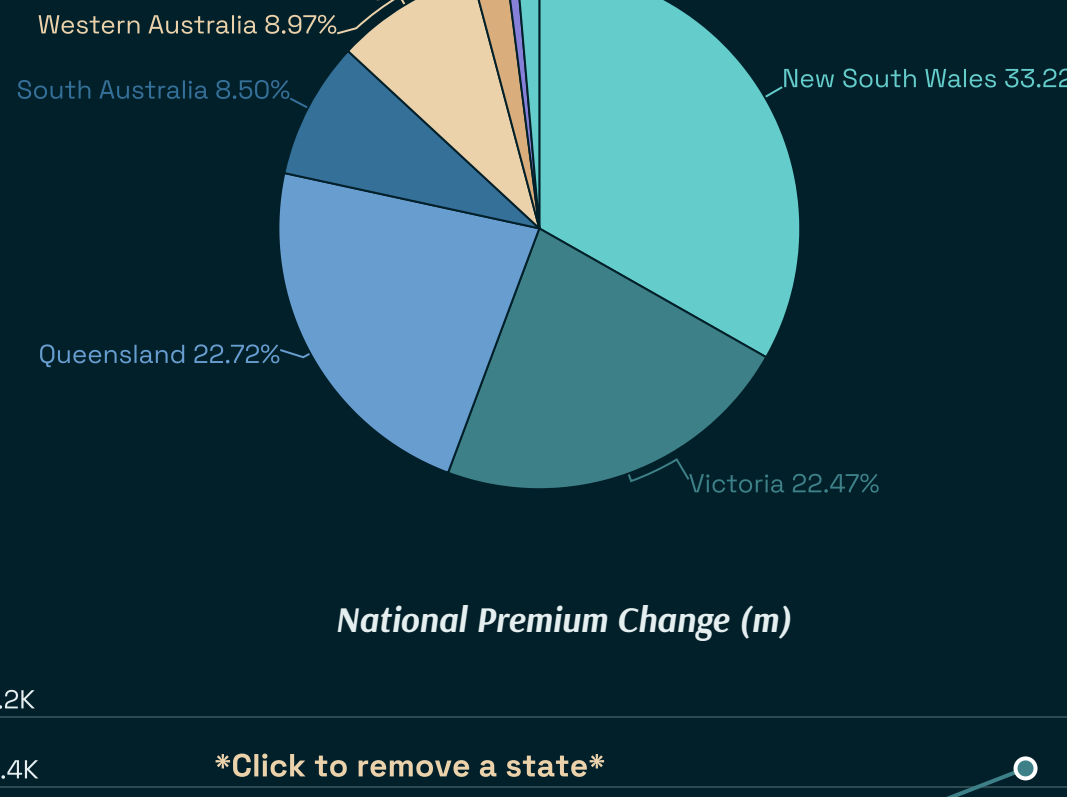


Insights by state

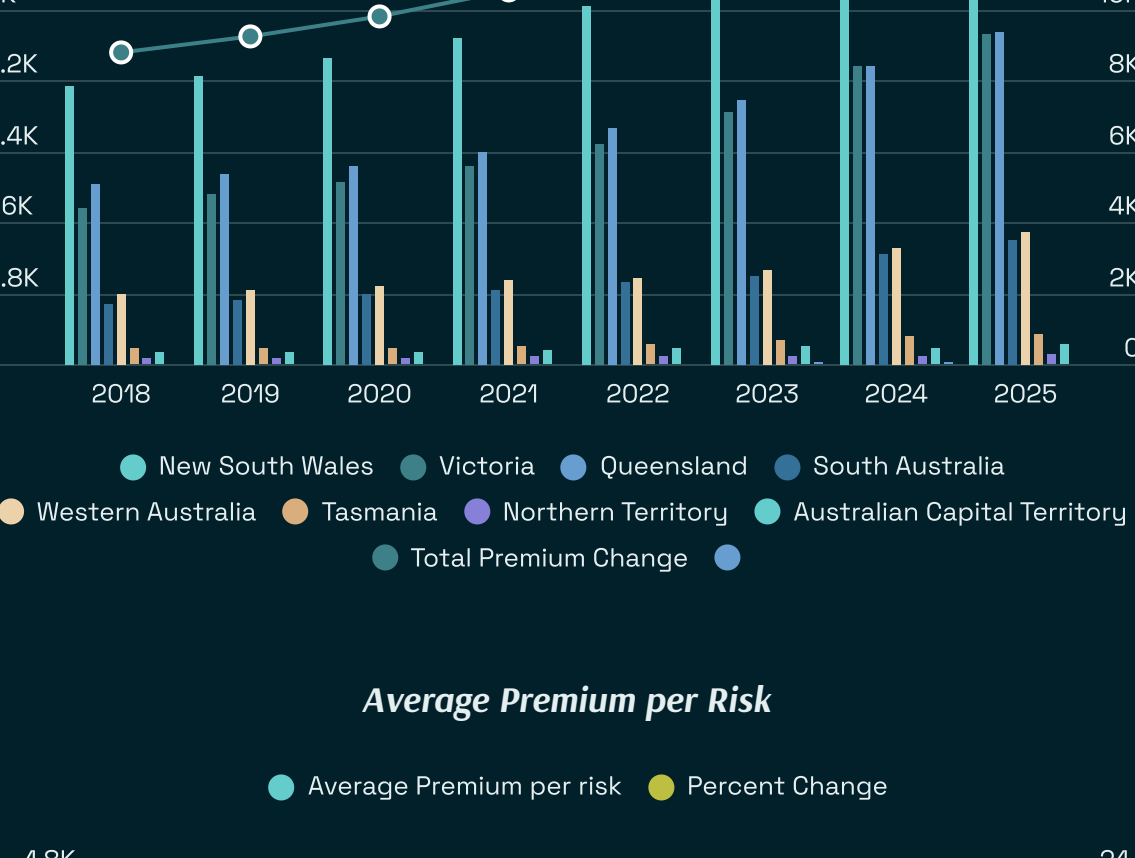
Premium and average 5 year Average Loss Ratio by State



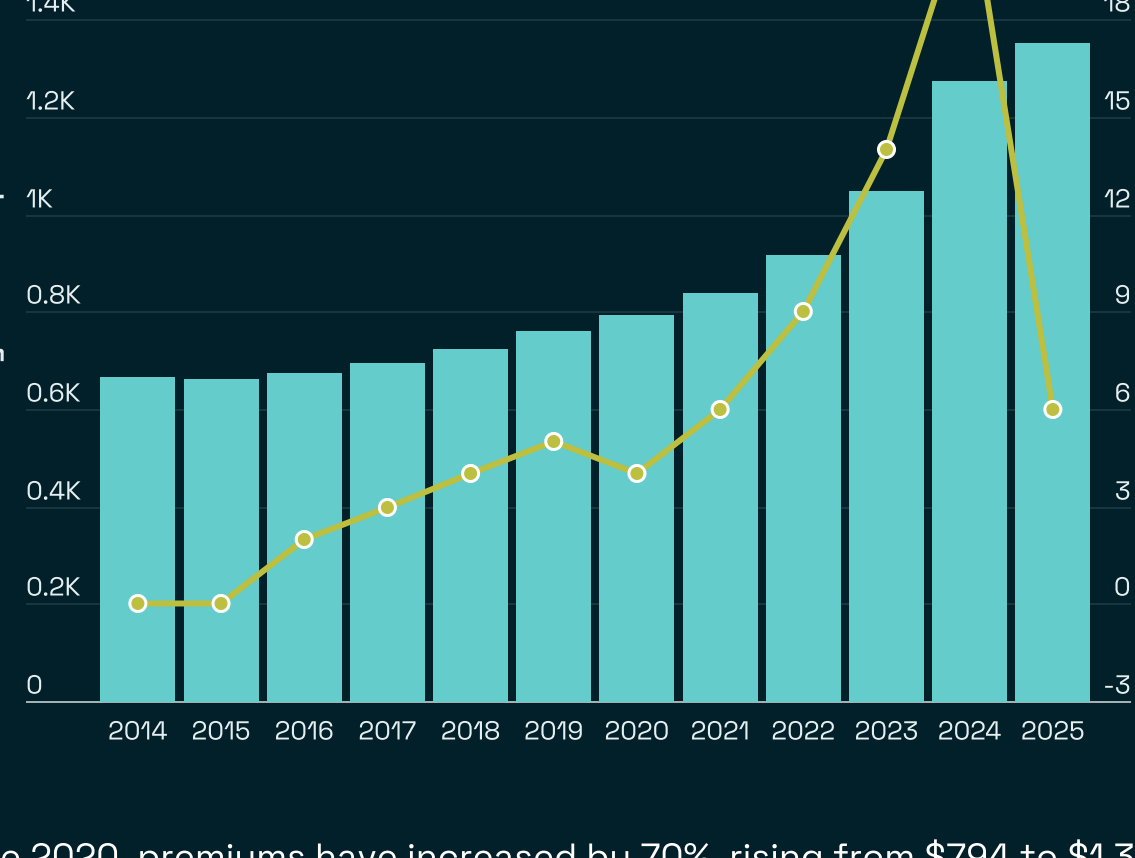
Premium Size by State (\$m)



National Premium Change (m)



Average Premium per Risk



Since 2020, premiums have increased by 70%, rising from \$794 to \$1,352. In 2025, rate rises have returned to single digits after two consecutive years of significant increases. Claims data shows that 2022 and 2023 were heavy claims years, while 2024 was comparatively mild. However, 2025 is approaching 13Bn in losses, the largest claim year since 2014, which is expected to place renewed pressure on premiums.