Risk Frontiers'



QuakeNZ Earthquake Loss Model

Intelligently Designed, Location and Portfolio Level Intelligence

QuakeNZ is Risk Frontiers' earthquake loss model for New Zealand. Covering residential, commercial and industrial exposures, QuakeNZ incorporates the latest seismological and engineering research. Major improvements include:

- Updated earthquake recurrence intervals consistent with the GNS intermediate term hazard forecast for central New Zealand (which includes Wellington)
- Coverage of residential, commercial and industrial property and business interruption lines of business
- Improved vulnerability functions and demand surge calculations
- Incorporation of a new exposure dataset and market portfolio composition

Building Average Annual Loss Light Wood Frame Residential 2,500 Wellington - With Liquefaction Average Annual Loss (Median Building in the age band) Wellington - Without Liquefaction 2,000 1,500 Christchurch - With Liquefaction • Christchurch - Without Liquefaction 1,000 500 0 Pre 1960 1960 - 1980 Post 1980 Age Band

Figure 1: Calculated contributions of ground-shaking and liquefaction damage for a location in Christchurch and Wellington

Full Spectral Response

To determine damage to buildings, QuakeNZ 4.0 calculates the full seismic demand spectrum of each simulated earthquake (462,000 events) at each building location. This enables more accurate modeling of progressive changes in building stiffness during shaking, enhancing the estimation of building damage.

Liquefaction probability is also calculated at each location for each event and is mapped at 16 m resolution to represent its highly localized sensitivity to soil type, distance to water, and slope

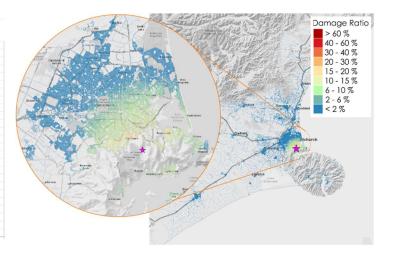


Figure 2: High resolution damage calculations that take in to account depth, distance to source, and soil type on a variable resolution grid.



Model Overview

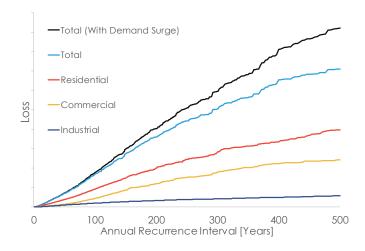
Variable resolution, down to 500 m
16 m
Location Address Level
50,000 years of stochastic earthquakes
Location, full acceleration demand spectrum, soil type, liquefaction potential, building construction type, building age, building height
Residential / Commercial / Industrial
Commercial / Industrial
All Properties on mainland New Zealand

An up-to-date view of the hazard

Risk Frontiers has developed an earthquake source model for NZ from a complete catalogue of events including the Canterbury sequence. For central New Zealand, the model uses time-dependent earthquake probabilities consistent with GNS Science's revised earthquake forecast. This was developed after the 2016 Mw 7.8 Kaikoura earthquake, when GNS convened a panel of world leading scientists from Japan, Taiwan, and the United States to estimate the probabilities of large earthquakes occurring in central New Zealand. Risk Frontiers updated our active fault model in central New Zealand to reflect the resulting intermediate term increased likelihood of large events.

QuakeNZ also implements the Bradley ground motion prediction model, which is based on an extensive global data set, is calibrated to optimally fit New Zealand data, and provides an excellent fit to the Canterbury earthquake data.

One Click Portfolio Roll-up



Location Level Intelligence

Location	Oak St, Upper Hutt, Wellinghton
Latitude	-41.11
Longitude	175.07
Property Replacement Value	NZD 350,000
Annual Probability of Loss	1.7% (AAL: 1,320 NZD)
Liquefaction Potential	Very low
Soil Type	Firm to hard rock
Selected Vulnerability Parameters	
Building Year Built	1978
Building Construction Type	Reinforced Masonry
Number of Storeys	2



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