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News Release

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GUY CARPENTER RELEASES THE 2021 WESTERN NORTH PACIFIC BASIN TROPICAL CYCLONE BRIEFING

LONDON, JUNE 4, 2021 – Guy Carpenter & Company, LLC, a leading global risk and reinsurance specialist and a business of Marsh McLennan (NYSE: MMC), today published the annual briefing on the 2021 Western North Pacific Basic Tropical Cyclone season.

According to the briefing, the number of tropical cyclones forecast to form between April 1 and September 30 is above normal. Near- to above-normal activity is consistent with the El Niño—Southern Oscillation (ENSO) neutral conditions which follow a weak to moderate La Niña year.

However, on a region-by-region basis, the number of forecast tropical cyclone landfalls across East Asia varies significantly, with below-normal figures forecast for Japan and Korea, above normal for East China, South China, Taiwan and Vietnam, and near normal for the Philippines (see Table 1).

Other key findings include:

- The number of tropical cyclone formations predicted for the six-month period from April 1 to September 30 is approximately 19.5. This is an increase of approximately 44 percent compared to the 1980-2020 six-month average of 13.5.
- Of the predicted formations, fewer than 9.9 are expected to make landfall, which is marginally below the 1980-2020 average of approximately 10.8.

Commenting on the findings, Jeremy Waite, Asia Pacific Catastrophe Advisory Group Lead, Guy Carpenter, said: "The predictions suggest that the region will experience a very active tropical cyclone season. However, the number of storms forecast to make landfall is expected to be slightly below the long-term average, although the exact location of these landfalls remains uncertain. By generating these forecasts, we are providing our clients with critical information that will enable them to plan for potentially significant insured and economic losses."

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Table 1. Historical and predicted averages of tropical cyclone landfalls from April to September.

Location	1980- 2020 Average	GCACIC Regional Climate Model Forecast, 2021	Forecast Accuracy
Japan and Korea	6.1	2.4	Low*
Eastern Mainland China and Taiwan	4.4	4.9	High
South Mainland China and Vietnam	3.8	4.8	High
Philippines	4.7	4.5	High

^{*}This region shows a systematic low bias compared to the Regional Specialized Meteorological Center (RSMC) Tokyo historical data.

Note that tropical cyclones pass through multiple regions. As a result, in this table a single event can be counted several times as it makes landfall in different territories. When compiling the landfall figure of 9.9, each cyclone is counted as a single event.

Karl Jones, Head of Global Strategic Advisory Team in Asia Pacific, Guy Carpenter, added: "Tropical cyclone risk is a key area of focus for our clients, and we have seen significant impact from such events across Asia in recent years. Guy Carpenter is committed to enhancing our tools and insight across the region, particularly in quantifying the impacts and uncertainty from climate change."

The briefing is produced by Guy Carpenter in partnership with the Guy Carpenter Asia-Pacific Climate Impact Centre (GCACIC) at the School of Energy and Environment in the City University of Hong Kong. The forecasts for tropical cyclone formations and landfalls are generated using an East Asia climate model.

TAGS/KEYWORDS

Guy Carpenter, Marsh McLennan, MMC, Catastrophe, Advisory, Tropical Cyclone, Landfall, Modeling, Reinsurance, Jeremy Waite, Karl Jones

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Guy Carpenter & Company, LLC is a leading global risk and reinsurance specialist with more than 3,200 professionals in over 60 offices around the world. Guy Carpenter delivers a powerful combination of broking expertise, trusted strategic advisory services and industry-leading analytics to help clients adapt to emerging opportunities and achieve profitable growth. Guy Carpenter is a business of Marsh McLennan (NYSE: MMC), the world's leading professional services firm in the areas of risk, strategy and people. The Company's 76,000 colleagues advise clients in 130 countries. With annual revenue over \$17 billion, Marsh McLennan helps clients navigate an increasingly dynamic and complex environment through four market-leading businesses including Marsh, Mercer, and Oliver Wyman. For more information, visit www.guycarp.com and follow Guy Carpenter on LinkedIn and Twitter @GuyCarpenter.