NAIC Climate Survey Questions
for Reporting Year 2023

The responses of Crum & Forster Holdings Corp. ["Company"] to the narrative and closed ended questions of the NAIC Climate Survey follow, grouped into the TCFD's four topics: governance, strategy, risk management and metrics and targets.

The statements listed next to numbers and letters are directly taken from the TCFD Framework and should be fully addressed in the insurer's response. As discussed in detail above, insurers should consider including the bulleted items in their response to the TCFD statement above it. For additional guidance on sector specific content to consider including, refer to the Implementation Recommendation Report.

MANDATORY QUESTIONS

Governance

1. Disclose the insurer's governance around climate-related risks and opportunities. In disclosing the insurer's governance around climate-related risks and opportunities insurers should consider including the following:
   - Identify and include any publicly stated goals on climate-related risks and opportunities.
     - The Company does not publicly state a goal on climate-related risks or opportunities.
   - Describe where climate-related disclosure is handled within the insurer's structure, e.g., at a group level, entity level, or a combination. If handled at the group level, describe what activities are undertaken at the company level.
     - The Company's ultimate parent, Fairfax Financial Holdings Limited ("FFH"), established a global risk committee in which senior officers of FFH, the Company, and the Company's related companies participate. The purpose of the global risk committee is to provide clear and consistent monitoring, measuring, modeling, and aggregating of all material risks at the FFH enterprise level and at the individual company level. At the company level, the Company complies with applicable laws, regulations, and guidance relating to climate-related disclosure. The Company's executive leadership, Corporate Risk Committee, and Board of Directors assesses climate-related risk within the Company's existing enterprise risk management ("ERM") framework. A report on FFH's environmental, social, and governance performance is available HERE.

   A. Describe the board and/or committee responsible for the oversight of climate-related risks and opportunities. In describing the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks, insurers should consider including the following:

- Describe the position on the board and/or committee responsible for the oversight of managing the climate-related financial risks.
    - The Company's Corporate Risk Committee oversees the management of climate related financial risks, among other risks, in coordination with FFH's global risk committee. The Corporate Risk Committee monitors climate-related financial risks potentially impacting the Company's insurance group and shares relevant information across the Company's insurance group. The company's Corporate Risk Committee reports to the Company's Board of Directors and is comprised of the Company's Chief Actuary, Chief Risk Officer, Chief Financial Officer, Chief Executive Officer, and General Counsel.

B. Describe management's role in assessing and managing climate-related risks and opportunities.
    - The Company's management assesses and manages climate-related risks primarily by focusing upon aggregate exposure in property insurance underwritten by the Company's insurance subsidiaries. The Company utilizes adjustments in property catastrophe models designed to account for climate conditions in the near future. The Company consulted the RMS near-term event catalogue to evaluate wind exposure within the Company's United States operating footprint. The Company consults the AIR Warm Sea Surface Temperature event catalogue to evaluate additional exposures within the Company's United States operating footprint.

STRATEGY

2. Disclose the actual and potential impacts of climate-related risks and opportunities on the insurer's businesses, strategy, and financial planning where such information is material.

    In disclosing the actual and potential impacts of climate-related risks and opportunities on the insurer's businesses, strategy and financial planning, insurers should consider including the following:

    - Describe the steps the insurer has taken to engage key constituencies on the topic of climate risk and resiliency. *
        - The Company participates in and is a member of industry trade associations whose interests include engaging with federal and state governments on the topics of climate-related risk and resiliency when raised as a regulatory issue. The Company and FFH also engage with rating agencies, whose criteria include the topics of climate-related risk and resiliency.
    - Describe the insurer's plan to assess, reduce, or mitigate its greenhouse gas emissions in its operations or organizations. *
        - The Company assesses, reduces, and/or mitigates its greenhouse gas emissions in its operations or organizations by: (a) embracing the digitization of

the insurance industry and implementing a hybrid work model, thereby reducing greenhouse gas emissions attributable to its operations; (b) subleasing, returning, non-renewing, or selling unused or underutilized portions of its existing onsite locations, thereby reducing its physical resource demands; (c) incorporating principles of conservation and climate resiliency in its physical office operations and design, thereby reducing greenhouse gas emissions and resource demands on a going -forward basis where practicable; (d) facilitating the use of remote technology for meetings in lieu of physical travel; (e) facilitating the use of recyclable or compostable single-use food containers, as well as the use of reusable supplies, at its onsite locations, thereby reducing resources demands at its physical locations; and (f) encouraging the use of energy conservation technology at its onsite locations, thereby reducing greenhouse gas emissions and resource demands attributable to its operations.

A. Describe the climate-related risks and opportunities the insurer has identified over the short, medium, and long term. In describing the climate-related risks and opportunities the insurer has identified over the short, medium, and longer term, insurers should consider including the following:
   - Define short, medium, and long-term, if different than 1-5 years as short term, 5-10 years as medium term, and 10-30 years as long term.

Time Horizon	*Risks*	*Opportunities*
Short-term	Unpredictability of frequency, severity, and nature of severe weather events (physical), especially severe convective storm Changes in regulatory requirements for current products (transition) Over-reliance upon historical weather data when evaluating or pricing property exposure, particularly for the perils of wind, flood, wildfire, and severe convective storm (physical)	Increased demand for insurance, as fundamentally changing weather events drives public awareness (physical) Increased opportunities for insuring green technology and renewable energy sources (transition)
Medium-term	Increase in exposures due to a variety of climate change factors such as sea level rise, inland flooding, droughts, and wildfire zones (physical)	New market sectors emerging as a shift to a low carbon economy occurs (transition)

Time Horizon	*Risks*	*Opportunities*
	Climate change litigation costs (transition) Shift in the risk profile of an insured risk, which may arise from adopting or relying upon batteries, solar, wind, or other emerging technologies that store or produce electricity onsite, or which may arise from the geographical distribution of traditionally concentrated insured risks facilitated by technology (physical)	
Long-term	The devaluation of assets held in sectors susceptible to transition risk (transition)	Using our expertise to help our customers adapt to the changing markets by developing strategies and technology (transition)

B. Describe the impact of climate-related risks and opportunities on the insurer's business, strategy, and financial planning. In describing the impact of climate-related risks and opportunities on the insurer's business, strategy, and financial planning, insurers should consider including the following:

- Discuss if and how the insurer provides products or services to support the transition to a low carbon economy or helps customers adapt to climate-related risk.
    - The Company's Trade Credit division underwrites renewable energy trade credit risks. The Company's Surplus and Specialty division underwrites certain insurance risks of biofuel production facilities, windfarms, solar arrays and installations, and other alternative energy facilities, as well as contractors in the commercial solar, wind, biomass energy conversion, and landfill gas-to-energy fields.
- Discuss if and how the insurer makes investments to support the transition to a low carbon economy.
    - As described above, the Company invests in the transition to a low carbon economy by: (a) embracing the digitization of the insurance industry and implementing a hybrid work model; (b) subleasing, returning, non-renewing, or selling unused or underutilized portions of its existing onsite locations; (c) incorporating the principles of conservation and climate resiliency in its physical plant operations and design; (d) encouraging meetings and trainings using

remote technology; (e) facilitating the use of recyclable or compostable single-use food container supplies, as well as the use of reusable supplies, at its onsite locations; and (f) encouraging the use of energy conservation technology at its onsite locations. FFH directs and manages the Company's investment portfolio, with climate-related financial risks being a factor considered when making investment management decisions.

C. Describe the resilience of the insurer's strategy, taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario.
   - The Company adheres to a rigorous, long-term approach to manage and monitor its exposure to weather-related catastrophes, some of which may have increased in frequency or severity due to climate-related risk. The primary goal of the Company's risk management framework is to ensure the outcomes of activities involving climate-related risk remained consistent with the Company's risk appetite and risk tolerance levels, while maintaining an appropriate balance between risk and reward. Although the Company's catastrophe risk models cannot accurately account for material risks arising from specific degrees Celsius of warming global temperatures with a high level of confidence, the Company attempts to calibrate its catastrophe risk-models to account for current and prospective climate conditions.

RISK MANAGEMENT

3. Disclose how the insurer identifies, assesses, and manages climate-related risks.

   In disclosing how the insurer identifies, assesses, and manages climate-related risks, insurers should consider including the following:
   - Describe how the insurer considers the impact of climate related risks on its underwriting portfolio, and how the company is managing its underwriting exposure with respect to physical, transition and liability risk. *
     - The Company relies upon the availability and quality of reinsurance, near-term catastrophe risk models, and underwriting guidelines to manage the impact and underwriting exposure of climate-related risks upon the Company's underwriting portfolio. The Company accounts for aggregated risk due to climate-change on a group-wide basis using its ERM framework and coordinates its activities with FFH's global risk committee. In addition, the Company relies upon the relativity short-terms of insurance policies most exposed to climate-related risks, such as property insurance. The Company evaluates, and intends to continue evaluating, liability risks arising from climate-related risk.
   - Describe any steps the insurer has taken to encourage policyholders to manage their potential physical and transition climate related risks, if applicable. *
     - The Company makes available to its insureds risk engineering recommendations and educational materials emphasizing safety, property preservation, and risk reduction, as well as the risks presented by weather conditions such as hurricane, tornado, hail, wind, storm surge, flood, extreme

heat and cold, drought, and wildfire. The Company also relies upon risk-based pricing and avoidance to create market conditions incentivizing insureds to manage any of their physical and transition climate-related risks.

- Describe how the insurer has considered the impact of climate-related risks on its investment portfolio, including what investment classes have been considered. *
  - FFH directs investments in Company's investment portfolio, with climate-related financial risks being one of the factors considered when making an investment management decision. FFH invests on a long-term basis in accordance with applicable insurance regulatory guidelines to ensure the preservation of invested capital for policyholder protection. Investments are made using a long-term value-investing approach, thereby investing in securities of companies and other entities at prices below their underlying long-term values to protect capital from loss and earn income over time and provide operating income as needed.

A. Describe the insurers' processes for identifying and assessing climate-related risks. In describing the insurers' processes for identifying and assessing climate-related risks, insurers should consider including the following:
   - Discuss whether the process includes an assessment of financial implications and how frequently the process is completed. *
     - The Company's process for identifying and assessing climate-related risks relies upon the Company's existing ERM framework and those of its Corporate Risk Committee in coordination with FFH's global risk committee and ERM framework. The Company captures and assesses data from the following sources: (a) catastrophe risk models; (b) pricing signals from the reinsurance and primary risk marketplaces; (c) regulatory signals; and (d) feedback from loss control inspections. The Company conducted stress tests that assessed the financial implications of catastrophes.

B. Describe the insurer's processes for managing climate-related risks.
   - The Company's ERM framework and Corporate Risk Committee take a group-wide approach to manage risk, including climate-related risk, in coordination with FFH's global risk committee and ERM framework. The Company uses modeling and judgement to assign a probability of a climate-related risk negatively affecting the underwriting performance of a business unit, with such climate-related risks being weighed against non-climate-related material risks relevant to the business unit, such as credit risk, market risk, and premium and reserve risk. The Company then seeks to balance the overall risks of the retained risk in the insurance portfolio to maintain profitability of the Company.

C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the insurer's overall risk management. In describing how processes for identifying, assessing, and managing climate-related risks are integrated into the insurer's overall risk management, insurers should consider including the following:

- Discuss whether climate-related risks are addressed through the insurer's general enterprise-risk management process or a separate process and how frequently the process is completed.
    - The Company addresses climate-related risks through its existing ERM process and Corporate Risk Committee, in coordination with FFH's global risk committee and ERM framework. The Company's Corporate Risk Committee meets at least quarterly and often monthly.
- Discuss the climate scenarios utilized by the insurer to analyze its underwriting risks, including which risk factors the scenarios consider, what types of scenarios are used, and what timeframes are considered.
    - The Company conducts probabilities analysis on a quarterly basis to stress test exposure to wind and severe connective storm.
- Discuss the climate scenarios utilized by the insurer to analyze risks on its investments, including which risk factors are utilized, what types of scenarios are used, and what timeframes are considered.
    - FFH directs and manages the Company's investment portfolio, with climate-related financial risks being one of the factors considered when making an investment management decision. FFH invests on a long-term basis in accordance with applicable insurance regulatory guidelines to ensure the preservation of invested capital for policyholder protection. Investments are made using long-term value-investing approach thereby investing in securities of companies and other entities at prices below their underlying long-term values to protect capital from loss and earn income over time and provide operating income as needed.

METRICS AND TARGETS

4. Disclose the metrics and targets used to assess and manage relevant collateralized risks and opportunities where such information is material. In disclosing the metrics and targets used to assess and manage relevant collateralized risks and opportunities where such information is material, insurers should consider including the following:
    - Discuss how the insurer uses catastrophe modeling to manage the climate-related risks to your business. Please specify for which climate-related risks the insurer uses catastrophe models to assess, if any.
        - The Company licenses models to evaluate hurricane and severe convective storm. The Company's reinsurance broker models wildfire exposure as part of the reinsurance placement process.

    A. Disclose the metrics used by the insurer to assess climate-related risks and opportunities in line with its strategy and risk management process. In disclosing the metrics used by the insurer to assess climate-related risks and opportunities in line with its strategy and risk management process, insurers should consider including the following:
        - In describing the metrics used by the insurer to assess and monitor climate risks, consider the amount of exposure to business lines, sectors, and

geographies vulnerable to climate-related physical risks [answer in absolute amounts and percentages if possible], alignment with climate scenarios, [1 in 100 years probable maximum loss, Climate VaR, carbon intensity], and the amount of financed or underwritten carbon emissions.

  - The Company uses the maximum possible loss modeling techniques and aggregation of limits exposed to assess and monitor potential catastrophic events, which includes climate-related physical risks.

B. Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

- Scope 1: Estimated at 251.99 tonnes, CO_2e. (Please note: fugitive emissions have been excluded from Scope 1 calculations.)
- Scope 2: Estimated at 2,789.65 tonnes, CO_2e.
- Scope 3: The Company could not estimate its Scope 3 GHG emissions data in a materially accurate or complete manner as of this date.

C. Describe the targets used by the insurer to manage climate-related risks and opportunities and performance against targets.

- The Company does not have targets for managing climate-related risks and opportunities.

OPTIONAL QUESTIONS

NAIC Climate Risk Disclosure Survey 2024 | Voluntary Closed-Ended Questions

Closed-ended questions directly correspond to the narrative above, allowing for explanation and qualification of the yes/no answers. Closed-ended questions are voluntary for reporting year 2023 and individual states may elect not to request them.

Governance

- Does the insurer have publicly stated goals on climate-related risks and opportunities? (Y/N) No
- Does your board have a member, members, a committee, or committees responsible for the oversight of managing the climate-related financial risk? (Y/N) Yes
- Does management have a role in assessing climate-related risks and opportunities? (Y/N) Yes
- Does management have a role in managing climate-related risks and opportunities? (Y/N) Yes

Strategy

- Has the insurer taken steps to engage key constituencies on the topic of climate risk and resiliency? (Y/N) * No
- Does the insurer provide products or services to support the transition to a low carbon economy or help customers adapt to climate risk? (Y/N) Yes
- Does the insurer make investments to support the transition to a low carbon economy? (Y/N) Yes
- Does the insurer have a plan to assess, reduce or mitigate its greenhouse gas emissions in its operations or organizations? (Y/N) * No

Risk Management

- Does the insurer have a process for identifying climate-related risks? (Y/N) Yes
    - If yes, are climate-related risks addressed through the insurer's general enterprise-risk management process? Yes
- Does the insurer have a process for assessing climate-related risks? (Y/N) Yes
    - If yes, does the process include an assessment of financial implications? Yes
- Does the insurer have a process for managing climate-related risks? (Y/N) Yes
- Has the insurer considered the impact of climate-related risks on its underwriting portfolio? (Y/N/Not Applicable)* Yes
- Has the insurer taken steps to encourage policyholders to manage their potential climate-related risks? (Y/N)* Yes

- Has the insurer considered the impact of climate-related risks on its investment portfolio? (Y/N) Yes
- Has the insurer utilized climate scenarios to analyze their underwriting risk? (Y/N) Yes
- Has the insurer utilized climate scenarios to analyze their investment risk? (Y/N) Yes

Metrics and Targets

- Does the insurer use catastrophe modeling to manage your climate-related risks? (Y/N) Yes
- Does the insurer use metrics to assess and monitor climate-related risks? (Y/N) Yes
- Does the insurer have targets to manage climate-related risks and opportunities? (Y/N) No
- Does the insurer have targets to manage climate-related performance? (Y/N) No

* Asterisks represent questions derived from the original Climate Risk Disclosure Survey.