

## REDESIGNED STATE CLIMATE RISK DISCLOSURE SURVEY

### INTENT AND PURPOSE

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The Climate Risk Disclosure Survey is a voluntary risk management tool for state insurance regulators to request from insurers on an annual basis a non-confidential disclosure of the insurers' assessment and management of their climate-related risks.

The purpose of the Climate Risk Disclosure Survey is to:

- Enhance transparency about how insurers manage climate-related risks and opportunities.
- Identify good practices and vulnerabilities.
- Provide a baseline supervisory tool to assess how climate-related risks may affect the insurance industry.
- Promote insurer strategic management and encourage shared learning for continual improvement.
- Enable better-informed collaboration and engagement on climate-related issues among regulators and interested parties.
- Align with international climate risk disclosure frameworks to reduce redundancy in reporting requirements.

### BACKGROUND

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The NAIC adopted the original [Climate Risk Disclosure Survey](#) in 2010 and it has since been administered by the California Department of Insurance. In 2021, fifteen states participated in the climate risk disclosure survey initiative, up from six states in prior years. Because any insurer writing business in a participating state is required to submit their survey response annually, adding nine states in 2021, increased the market coverage from approximately 70% in 2020 to nearly 80% of the market in 2021 based on direct premium written.

In 2021, the Financial Stability Oversight Council (FSOC) produced a [series of recommendations](#) for financial regulators to enhance supervision, data analysis, staff resources, and regulatory cooperation related to climate risk. This included a recommendation to consider enhancing public reporting requirements for climate-related risks in a manner that builds on the four core elements of the [Task Force on Climate-Related Financial Disclosure \(TCFD\)](#), to the extent consistent with the U.S. regulatory framework and the needs of U.S. regulators and market participants.

This revised survey responds to FSOC's recommendations and incorporates international best practices in adopting a TCFD aligned framework for US insurers to report on climate risks when requested by their state regulator.

The TCFD framework is structured around four thematic areas that are core elements

for how insurers operate—governance, strategy, risk management, and metrics and targets. The four thematic areas are supported by key climate-related financial disclosures—referred to as recommended disclosures—that build out the framework with information that will help regulators and others understand how reporting organizations assess and approach climate-related issues.

## **INTRODUCTORY GUIDANCE**

### **Timeline and expectation for reporting**

We expect that every company who will be asked to complete the survey in 2022 will have already completed the existing NAIC survey or filed a TCFD report; nearly all companies having participated for several prior years. The table below outlines the timing and other expectations for reporting in 2022 and 2023 as the new survey is phased in. If a company has not previously responded to the NAIC survey, it should be given until 2023 to first respond.

<b><u>Reporting Year</u></b>	<b><u>Expectation Regarding Content</u></b>	<b><u>Deadline for Completion</u></b>
<b><u>2022</u></b>	<ul style="list-style-type: none"> <li>• If the insurer has already completed a TCFD for this reporting year, they can submit it as is.</li> <li>• If the insurer has not already completed a TCFD for this reporting year, they should make their best effort to complete the survey below or include such information in their TCFD filing, as is requested below.</li> <li>• Closed-ended questions are voluntary for 2022, and states may opt out of requesting responses to closed-ended questions.</li> </ul>	To allow additional time for insurers to move to the new reporting structure, submission deadlines should be moved from Aug. 31 to Nov. 30. Extensions may be granted by the state that initiated the request to the company or the lead state for the group filing.
<b><u>2023</u></b>	Insurers are expected to address the content of the entire TCFD aligned survey below, to the best of their ability.	In accordance with prior years, submissions are due from insurers by Aug. 31 <sup>st</sup> . Extensions may be granted by the state that initiated the request to the company.

### **Threshold and voluntary state participation**

The reporting threshold remains consistent with the threshold implemented each year since 2013. All insurers with countrywide premium written of at least \$100 million, licensed to write in any of the participating states/territories, are required to complete and submit their survey

on an annual basis. As of 2021, the following states/territories participate: California, Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, Minnesota, New Mexico, New York, Oregon, Pennsylvania, Rhode Island, Vermont, Washington.

### ***Confidentiality and best effort basis***

While the existing NAIC survey and TCFD contain sufficient overlap in the analysis required to answer, we recognize that many insurers will be moving to a new reporting framework in the TCFD. Insurers should make their best effort to answer each question honestly and completely, keeping in mind that the information contained in the filing will be made public. During the transition to the TCFD aligned survey, state insurance regulators should work closely with insurers to provide as much flexibility as possible in terms of responding to the survey and deadlines. Confidential information should not be included in this public disclosure unless it is intended to be made public. If additional detail is requested by a state insurance regulator, that request will be handled directly between the regulator and insurer.

### ***Materiality***

There is no requirement to provide information that is immaterial to an assessment of financial soundness (insurers may choose to disclose such information voluntarily, with no implication that such information is in fact material). Insurers should justify their materiality assessment. For the definition of materiality, refer to the [Financial Condition Examiners Handbook](#) and/or the [U.S. Securities and Exchange Commission Accounting Bulletin: No. 99](#), if applicable.

Consistent with TCFD guidance, the Strategy and Metrics and Targets Sections involve an assessment of materiality, except for the question on Scope 1 and Scope 2 greenhouse gas emissions within the Metrics and Targets Section. Disclosures related to Governance and Risk Management Sections do not involve an assessment of materiality.

### ***Assessing financial impact of climate-related risks and opportunities***

The financial impacts of climate-related issues on an insurer are driven by the specific climate-related risks and opportunities to which the insurer is exposed and its strategic and risk management decisions on seizing those opportunities and managing those risks (i.e., accept, avoid, pursue, reduce, or share/transfer). Once an insurer assesses its climate-related issues and determines its response to those issues, it can then consider actual and potential financial impacts on revenues, expenditures, assets and liabilities, and capital and financing.<sup>1</sup>

Consistent with the TCFD Guidelines, determining whether an individual organization is or may be affected financially by climate-related issues usually depends on:

- the organization's **exposure** to, and anticipated effects of, specific climate-related risks and opportunities;

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<sup>1</sup> [https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing\\_Guidance.pdf](https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing_Guidance.pdf), pg.9

- the organization’s planned **responses** to manage (i.e., accept, avoid, pursue, reduce, or share/transfer) its risks or seize opportunities; and
- the **implications** of the organization’s planned responses on its income statement, cash flow statement, and balance sheet.<sup>2</sup>

Importantly, an organization should assess its climate-related risks and opportunities within the context of its businesses, operations, and physical locations in order to determine potential financial implications. In making such an assessment, an organization should consider (1) current and anticipated policy constraints and incentives in relevant jurisdictions, technology changes and availability, and market changes and (2) whether an organization’s physical locations or suppliers are particularly vulnerable to physical impacts from climate change.<sup>3</sup>

See pages 10-12 of the TCFD’s [Implementation Recommendation Report](#) for more guidance on assessing exposure, response and implications.

### ADDITIONAL SPECIFIC GUIDANCE

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One of the several benefits of aligning with the TCFD is that it allows insurers to benefit from years of guidance and supporting material developed and being regularly updated by the TCFD and other organizations.

For those insurers new to TCFD reporting, the [Implementation Recommendation Report](#) provides a useful guide. It contains guidance for all sectors on each of the four thematic areas of governance, strategy, risk management and metrics and targets. For example, in relation to the risk management disclosure to describe the insurers’ processes for identifying and assessing climate-related risks, it provides the following guidance:

Organizations should describe their risk management processes for identifying and assessing climate-related risks. An important aspect of this description is how organizations determine the relative significance of climate-related risks in relation to other risks.

Organizations should describe whether they consider existing and emerging regulatory requirements related to climate change (e.g., limits on emissions) as well as other relevant factors considered.

Organizations should also consider disclosing the following:

- processes for assessing the potential size and scope of identified climate-related risks and

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<sup>2</sup> [https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing\\_Guidance.pdf](https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing_Guidance.pdf), pg.10

<sup>3</sup> [https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing\\_Guidance.pdf](https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing_Guidance.pdf), pg. 11

- definitions of risk terminology used or references to existing risk classification frameworks used.<sup>4</sup>

The same document also provides supplemental insurance-sector specific guidance. For example, for the same disclosure question, it provides:

- Insurance companies should describe the processes for identifying and assessing climate-related risks on re-/insurance portfolios by geography, business division, or product segments, including the following risks:
- physical risks from changing frequencies and intensities of weather-related perils;
  - transition risks resulting from a reduction in insurable interest due to a decline in value, changing energy costs, or implementation of carbon regulation; and
  - liability risks that could intensify due to a possible increase in litigation.<sup>5</sup>

Notably, this general and supplemental guidance is not required to be included in a TCFD report. Rather, it is designed to support an insurer in developing climate-related financial disclosures consistent with the TCFD framework, including by providing context and suggestions for implementing the recommended disclosures.

The disclosures identified in bullet points in this survey are intended to be supplemental, insurance-sector specific guidance. They have been developed by the NAIC to respond to the TCFD and FSOC recommendations that regulators enhance public reporting requirements for climate-related risks in a manner that builds on the TCFD's four core elements. They are designed to further support insurers' in developing their disclosures by providing context and suggestions for the information a regulator may expect.

Additional guidance published by the TCFD includes:

**[The Use of Scenario Analysis in Disclosure of Climate-Related Risks and Opportunities](#)** (2017) provides information on types of climate-related scenarios, the application of scenario analysis, and the key challenges in implementing scenario analysis to support an organization's disclosure of the resilience of its strategy, taking into consideration different climate-related scenarios.

**[Guidance on Risk Management Integration and Disclosure](#)** (2020) describes considerations for organizations interested in integrating climate-related risks into their existing risk management processes and disclosing information on their risk management processes in alignment with the Task Force's recommendations.

<sup>4</sup> [https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing\\_Guidance.pdf](https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing_Guidance.pdf), pgs. 32-33.

<sup>5</sup> [https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing\\_Guidance.pdf](https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing_Guidance.pdf), pg. 33.

**Guidance on Metrics, Targets, and Transition Plans** (2021) describes recent developments around climate-related metrics and users' increasing focus on information describing organizations' plans for transitioning to a low-carbon economy. The guidance also describes a set of cross-industry, climate related metric categories (described in Appendix 2: Cross-Industry, Climate-Related Metric Categories) that the Task Force believes are applicable to all organizations.

The FSB frequently produces content to assist companies in creating TCFD reports, the knowledge hub with related content is accessible at <https://www.tcfdhub.org/>.

## **SURVEY QUESTIONS**

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To provide clear direction for achieving a robust, insurance-sector specific TCFD report, narrative and closed ended questions 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](#).

**Closed ended questions directly correspond to the narrative, allowing for explanation and qualification of the yes/no answers.**

**Closed ended questions are voluntary for reporting year 2022.**

### **Governance – narrative**

*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.
- 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.

*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.
- B. *Describe management's role in assessing and managing climate-related risks and opportunities.*

\*\*\*Constellation Insurance is the parent company of both The Ohio National Life Insurance Company and Ohio National Life Assurance Corporation.

The Audit and Governance Committee (sub-committee of the Board of Directors) is responsible for oversight of climate-related financial risks. The Chief Risk Officer is ultimately responsible for oversight of managing the risk. Since the climate change risk impacts various areas within the organization, there are several areas of the company that are responsible for managing the risk. The primary responsibility belongs to Corporate Services department. Other areas, such as Investments and IT (Business Continuity), are involved but to a lesser extent. The areas follow the developed risk management framework and report on the climate related risks using the dashboard, where specific risks are identified and key risk or performance indicators are used to monitor these risks. Risk management and oversight discussions occur during quarterly Enterprise Risk Oversight Committee (ERO) meetings. Constellation Insurance does not have any publicly stated goals related to climate change risks and opportunities.

Constellation Insurance comments on the approach for climate change risk management in ORSA at a company's level and it includes all entities.

#### **Governance – closed ended questions answered in addition to the narrative**

- 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 – narrative**

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.\*<sup>i</sup>



- Describe the insurer's plan to assess, reduce, or mitigate its greenhouse gas emissions in its operations or organizations.\*
  - 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 1-5years as short term, 5-10years as medium term, and 10-30years as long term.

Overall, climate-related risks are not deemed material for Constellation Insurance company due to the nature of the business that we conduct. As short-term risks, we have identified regulatory and reputation risks, and also financial risk impacting investment portfolio as a result of reducing the value of investments, such as commercial real estate loans, from adverse climate events on the properties.

As far as medium- and long-term risks, reputation and physical risks exist from unpredictable adverse climate/weather events. There is also a potential increase in claims resulting from catastrophic events, such as hurricanes, tornadoes, and other severe weather events.

We have a strategy to minimize climate-related footprints as a result of our business activities.

## Energy Savings

- Constellation Insurance's printer fleet is Energy Star qualified and operates with PaperCut, a print management software, to help associates identify the times when printing would be a waste of company resources.
- Constellation Insurance operates each of its buildings through a building automation system that ensures better control of its energy consumption by controlling the operating schedules of the mechanical equipment. This system provides the metrics necessary to monitor peaks and valleys in the energy usage. The Company in turn can adjust the equipment run schedules thereby smoothing the energy usage curve. By adjusting the startup and shut down times of all equipment, the Company reduces its overall power demand and utility cost at each of these locations.
- In an effort to reduce electric demand and outdoor lighting output saturation in the surrounding area, Constellation Insurance replaced the outside campus lighting at the Home Office with new energy efficient LED light fixtures and we continue to maintain all parking garage areas with energy efficient LED lighting, controlled by occupancy sensors and building automation controls.
- Constellation Insurance will continue its efforts in moving the Home Office as well as 10260 Alliance Rd. toward Energy Star rating.



- Constellation Insurance achieved another one of its many goals in moving toward a greener footprint, across its portfolio of buildings. This was the reaffirmation of our Energy Star rating for our two office buildings.

## Efficiency

- Constellation Insurance removed and replaced two toner-based production printers with a single water based ink production printer. In doing so, the Company was able to reduce power consumption by 50% and reduce consumable waste by over 25%.
- Constellation Insurance removed and replaced two central plant cooling towers with modern, more efficient cooling towers that are controlled by the building automation system.
- Constellation Insurance removed and replaced two central plant boilers with a more modern application that is also controlled by the building automation system.

## Electronic Communication

- Constellation Insurance has employees participate in electronic training/education sessions.
- Constellation Insurance provides a vehicle for policyholders and its agents to receive electronic account statements and other required mailings.
- Constellation Insurance is using electronic communications to its employees, agents, and policyholders.
- Constellation Insurance uses video conferencing equipment within its Home Office and satellite locations to reduce the need for significant travel for home office and field personnel, as well as certain service providers.

## Environmental

- Constellation Insurance has a bottle, can and trash recycling program in corporate locations, as well as a paper shredding and recycling program.
- Constellation Insurance maintains multiple car charging stations in an effort to promote the use of electric cars by our employees. Additionally, we continue to promote the use of bicycles as a means of transportation for our employees and our tenants.

*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:*

Adopted by the Climate Risk Disclosure Workstream March 11, 2022  
Adopted by the Climate and Resiliency (EX) Task Force March 21, 2022  
Adopted by the Executive (EX) Committee April 6, 2022

- 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.

- Discuss if and how the insurer makes investments to support the transition to a low carbon economy.
- 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 investment portfolio of Constellation Insurance primarily includes fixed income assets, with a percentage of Green Bonds. We have a framework for assessing potential investments before purchasing them, and that includes credit analysts' review of the risk profile, the company's financial and regulatory filings, ESG factors and possible risks, such as carbon-reliant sectors, stranded assets risk that leads to potential impairments or downgrades, pollution & waste management, product safety, human capital & social opportunities, corporate governance & ethics.

Constellation Insurance does not use scenarios to specifically separate and quantify climate change risk yet, but we always look at various types of risk when making commercial mortgage loans and our underwriting is how we compensate for these risks. We require borrowers to carry requisite insurance on all our properties (make sure we are out of the higher risk flood zones, etc.) We are cognizant if we lend in coastal cities and coastal areas (just like properties in tornado risk areas or high fire areas). Amortization plays an important role in assessing risk as well (the shorter the amortization the more we like a loan). We don't intentionally lend in areas of high risk. All properties carry risks. We attempt to have a balanced portfolio geographically as well. Florida has hurricane risk, California has earthquake and fire risk, flooding risk occurs in many areas of the country as do tornadoes.

#### **Strategy - closed ended questions answered in addition to the narrative**

- Has the insurer taken steps to engage key constituencies on the topic of climate risk and resiliency? (Y/N) \* **Yes**
- 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)\* **Yes**

#### **Risk Management – narrative**

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.\*
- Describe any steps the insurer has taken to encourage policyholders to manage their

potential physical and transition climate related risks, if applicable.\*

- Describe how the insurer has considered the impact of climate-related risks on its investment portfolio, including what investment classes have been considered.\*
  - 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.\*
  - B. *Describe the insurer's processes for managing climate-related risks.*
  - 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.
- 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.
- 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.

In general, climate change risk is more pertinent to underwriting portfolios of Property & Casualty companies. At Constellation Insurance we do not consider the impact of climate change risk on our underwriting portfolios (policies that we issue), but we do consider it for investment portfolios, for example, we have been investing in Green bonds as an investment class. We have not made a numerical assessment of financial implications of climate-change related risks.

Climate-related risks are addressed through Constellation Insurance Enterprise Risk management process. Climate risk has been included into Risk Management framework and is addressed in the Corporate Services ESG dashboard that goes into details about climate risk reduction strategies and achievements. Risk dashboards are discussed during quarterly Enterprise Risk Oversight Committee meetings and presented to the BOD. Constellation Insurance does not use climate scenarios yet to isolate the impact of the climate change risk but we started considering climate risk as a sub-factor in the scenarios, especially mortality and investment risk (liquidity and credit).

#### **Risk Management – closed ended questions answered in addition to the narrative**

- 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? (Y/N) **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? (Y/N) **No**
- 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)\* **N/A**
- Has the insurer taken steps to encourage policyholders to manage their potential climate-related risks? (Y/N)\* **No**
- 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) **No**
- Has the insurer utilized climate scenarios to analyze their investment risk? (Y/N) **No**

#### **Metrics and Targets – narrative**

*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.

*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)
- B. Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.*
- C. Describe the targets used by the insurer to manage climate-related risks and opportunities and performance against targets.*

As mentioned earlier, the impact of climate change risk is not deemed material to Constellation Insurance Company, but we do analyze stress scenarios that could have been caused and resulted by natural catastrophic events which include severe weather. We also have metrics for the impact of our business on the environment, such as “Trash and Recycling programs”, “Energy usage”. We are in the process of collecting and tracking key performance indicators to establish future targets to measure against.

#### **Metrics and Targets – closed ended questions answered in addition to the narrative**

- Does the insurer use catastrophe modeling to manage your climate-related risks? (Y/N) **No**
- 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) **???**
- Does the insurer have targets to manage climate-related performance? (Y/N)

**???**

-  [Draft Proposed Climate Risk Disclosure Survey.docx](#)

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<sup>i</sup> \* Asterisks represent questions derived from the original Climate Risk Disclosure Survey.