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REDESIGNED STATE CLIMATE RISK DISCLOSURE SURVEY

INTENT AND PURPOSE

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

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.

Reporting Year	**Expectation Regarding Content**	**Deadline for Completion**
2022	• If the insurer has already completed a TCFD for this reporting year, they can submit it as is. • 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. • Closed-ended questions are voluntary for 2022, and states may opt out of requesting responses to closed-ended questions.	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.
2023	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. 31st. 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 Commissioner 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.[1]

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;

[1] 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.[2]

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.[3]

See pages 10-12 of the TCFD's Implementation Recommendation Report for more guidance on assessing exposure, response and implications.

ADDITIONAL SPECIFIC GUIDANCE

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

[2] https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing_Guidance.pdf, pg.10
[3] 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.[4]

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.[5]

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.

[4] https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing_Guidance.pdf, pgs. 32-33.
[5] 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

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.
Please, find our answers in red below

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.
  Climate-related initiatives and programs approved by senior management and the Board of directors include iA Financial Group's carbon neutral commitment and target to reduce GHG emissions by 20% per employee by 2025, based on 2019 levels.
- 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 Investor Relations and Sustainable Development Department, led by the Vice-president, Investor Relation, Public Affairs and Sustainable Development,

has responsibility for sustainable development, including climate change factors. In 2020, a Sustainability Advisor position was created and assigned responsibility for the consideration of climate change in the organizational strategy. This position reports to the Head of Investor Relations and Sustainable Development, who reports to the CFO. A key priority for the Investor Relations and Sustainable Development Department, together with the Risk Management Department, will be climate change, including identifying, assessing and managing climate-related risks and opportunities, as well as enhancing climate-related disclosure in alignment with the TCFD recommendations. iA Financial Group has developed an internal structure to ensure the integration of climate-related risks and opportunities into strategy, decision-making, and business processes and to ensure accountability for our response to climate change. An overview of this structure is provided in Table 2 of the Appendix 1 in the document available in the following link Sustainability Report 2021 (ia.ca).

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.

Our Risk Management, Governance and Ethics Committee of the Board is responsible for oversight of sustainable development, including climate change factors. Climate change is currently a standing agenda item at every Committee meeting. The Risk Management, Governance and Ethics Committee receives quarterly reporting on climate change from the Head of Investor Relations and Sustainable Development. Further, the Investment Committee will receive quarterly reporting on climate change. As appropriate, we will revisit the frequency of reporting to the Board and the inclusion of climate change as a standing agenda item at Committee meetings as our approach to climate change evolves. The Risk Management, Governance and Ethics Committee and the Investment Committee both report to the Board and make recommendations for approval by the Board, as needed. To maintain a high level of awareness of climate-related matters, Board members will participate in training sessions and activities on topics related to climate change. iA Financial Group maintains a Board Skills Matrix which includes Board competencies that are deemed to be essential to our operations. This includes expertise and knowledge related to social responsibility and sustainable development in order to ensure the Board can provide effective oversight of ESG factors, including climate change. Five of iA Financial Group’s directors have competency in the area of social responsibility and sustainable development.

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

Our Risk Management, Governance and Ethics Committee of the Board is supported in its responsibility for oversight of climate change by senior management, including our Chief Executive Officer (CEO), Chief Risk Officer (CRO), Chief Investment Officer (CIO), and Chief Financial Officer (CFO). Together, these individuals have senior management responsibility for climate change factors at iA Financial Group, including assessing and managing climate-related risks and opportunities on an annual basis at a minimum. Climate-related initiatives and programs approved by senior management include iA Financial Group's carbon neutral commitment and target to reduce GHG emissions by 20% per employee by 2025, based on 2019 levels.

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)
- Does your board have a member, members, a committee, or committees responsible for the oversight of managing the climate-related financial risk? (Y/N)
- Does management have a role in assessing climate-related risks and opportunities? (Y/N)
- *Does management have a role in managing climate-related risks and opportunities? (Y/N)*

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.

  iA Financial Group's approach to climate change is guided by five key pillars: 1. Reduce GHG emissions in our operations and our investment portfolio 2. Strive to fully integrate climate-related considerations into our investment process 3. Strengthen climate-related disclosure in alignment with the TCFD recommendations and facilitate related disclosure from all portfolio companies 4. Build resilience to the physical impacts of climate change across our insurance business 5. Contribute to advancing understanding of the impacts of climate change on the insurance industry. These pillars are focused on the climate related risks and opportunities that we believe have the greatest potential to impact our long-term value and that are of most importance to key stakeholders, including investors. In 2021, iA Financial Group conducted a Climate Change Materiality Assessment to assess and prioritize the risks and opportunities identified by the TCFD to inform the development of the five key pillars of our approach. This involved assessing the potential impact of climate-related risks and opportunities on the company's value, and their likelihood of occurrence over the short, medium, and long term. The short term was defined as 0 to 3 years; the medium term was defined as 3-10 years; and the long term was defined as 10+ years. The impact and likelihood criteria used were aligned to iA Financial Group's internal enterprise risk assessment methodology. For further discussion on our climate-related risk management processes, refer to the Risk Management section. Table 4 (See pp 105-112 of our Sustainability report) outlines the climate-related risks and opportunities the organization has identified over the short, medium, and long term, as well as the business lines impacted and our strategies to mitigate risks and capture new opportunities.

We are committed to improving our understanding of the impacts of climate change on our corporate strategy. To this end, we intend to further integrate climate-related risks and opportunities into our strategic planning and budgeting processes. Over time, this will involve quantifying the potential financial impacts of these issues on our business lines and consolidated company performance. We will continue to monitor the evolving landscape for insurers in terms of industry-focused data and methodologies to quantify financial impacts of climate change and conduct robust scenario analysis. In 2023, we intend to undertake initial qualitative scenario analysis to help inform our overall strategic response to addressing climate-related risks and opportunities over the short, medium and long term.

- 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.

See Table 4 (pp 105-112) of our Sustainability report.

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.

  The short term was defined as 0 to 3 years; the medium term was defined as 3-10 years; and the long term was defined as 10+ years.

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.

  (**Insurance**) We actively monitor the changing landscape for insurance products in light of climate change. As our clients' life and health insurance needs change over time, we will actively seek opportunities to provide new and innovative insurance products to address these changing circumstances.

(**Asset Management**) iA Clarington, our mutual fund subsidiary, offers a suite of socially-responsible mutual funds and portfolio solutions under the IA Clarington Inhance SRI brand. The IA Clarington Inhance SRI funds and portfolios are sub-advised by Vancity Investment Management Ltd. (VCIM), a leader in socially-responsible investing. The VCIM team uses an integrated approach, combining financial analysis with ESG analysis to screen for quality companies.

- Discuss if and how the insurer makes investments to support the transition to a low carbon economy.

  In 2021, iA Financial Group, through its general fund, invested hundreds of millions of dollars in investments that meet its risk/return and portfolio diversification requirements while offering favourable environmental and social objectives. More specifically, 61% of the private equity portfolio supports growth sectors, such as renewable energies (e.g., solar, hydro, wind, and geothermal) representing 36% of our investments ($3.2 billion), health (22%) and sustainable mobility (3%). More information is available in page 23 of the following link Sustainability Report 2021 (ia.ca).

C. *Describe the resilience of the insurer's strategy, taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario.*

   In 2023, we intend to undertake initial qualitative scenario analysis to help inform our overall strategic response to addressing climate-related risks and opportunities over the short, medium and long term.

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) *
- 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)
- Does the insurer make investments to support the transition to a low carbon economy? (Y/N)
- Does the insurer have a plan to assess, reduce or mitigate its greenhouse gas emissions in its operations or organizations? (Y/N)*

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.

The integrated risk management framework covers all potential risks the company may face, including risks related to climate change. iA Financial Group determined that all insurance products could be impacted by risks associated with climate change, but with varying likelihoods. The company has established guidelines pertaining to underwriting and claims adjudication risk that specify the company's retention limits. These retention limits vary according to the type of protection and the characteristics of the insureds and are revised regularly according to the company's capacity to manage and absorb the financial impact associated with unfavourable experience regarding each risk. Once the retention limits have been reached, the company turns to reinsurance to cover the excess risk. Regarding its general insurance company, catastrophe models are used to calculate the maximum probable loss from natural disaster so that the company subscribes enough coverage to be adequately protected from this risk.

For risks in automobile and home insurance, we consider, in the pricing, the territory in which an insured resides because the environmental risks are different according to the territories and this is one of the information measured in the history of losses by territories. By collecting this data, we are able to use the information to establish an appropriate premium for policyholders.

For life and health insurance, we currently don't include climate change risk on the underwriting portfolio assessment. This, because there is no official study available (impact of the climate change to the mortality or morbidity) that could provide guidance on how to properly calibrate it.

- Describe any steps the insurer has taken to encourage policyholders to manage their potential physical and transition climate related risks, if applicable.
  NA
- Describe how the insurer has considered the impact of climate-related risks on its investment portfolio, including what investment classes have been considered.

  Climate change will continue to present risks and opportunities for investment portfolios with transition risks being a key consideration. iA Financial Group measures its exposure to transition risks through its investment portfolio in terms of its overall exposure to high-emitting sectors. As of December 31, 2021, the company's exposure to high-emitting sectors was relatively low (e.g., the oil and gas sector represents about 3% of the total portfolio), decreasing our exposure to risks associated with climaterelated regulation of our portfolio companies.

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.

Currently, we don't have any process that assessed the financial implications of climate change risk. Over the coming year, we intend to undertake specific planification to assess the financial implication of climate-related risks. We could use our Financial Condition Testing (FCT) and the Own Risk and Solvency Assessment (ORSA) as tools to assess the implications of climate change risks. Those tools produced on the annually basis (or more frequently if required) are part of our risk management framework.

- Describe the insurer's processes for managing climate-related risks.

Climate-related risks are currently considered as cross-cutting drivers of risk and integrated into our overall risk management process. Material risks are assigned to risk owners, who are given tools to monitor changes in exposure to key risks and to ensure that exposure is within risk limits and tolerance. We have an independent risk management function to oversee the integrated risk management framework and ensure it is being implemented effectively. The independent risk management function is overseen by our Executive Vice-President and Chief Risk Officer.

The goal of the integrated risk management framework is to identify, assess, measure, communicate, manage and monitor the risks the Company is exposed to in the course of its operations. The framework also defines the Company's risk appetite and tolerance, in other words, the amount of risk the Company wants and is willing to accept in order to execute its business strategy and to create long-term sustainable value. Lastly, compliance with the framework helps ensure that relevant information regarding risks is communicated and shared on a regular and timely basis with the board of directors and its committees, senior management and the various people involved in risk management.
The integrated risk management framework therefore provides the Board of Directors the reasonable assurance that all required elements are in place within the Company to ensure effective risk management. Compliance with and application of the framework allow for a sound risk management culture to be maintained and promoted within the Company.
The framework is governed by a global corporate policy designed to classify, define and control the risks the Company is exposed. The policy outlines the risk management governance and organizational structure, including the roles and responsibilities of the various people involved in the risk management process. Il also describes the key steps in the process, particularly in terms of identifying, assessing, measuring, managing and monitoring the risks.

iA Financial Group uses the TCFD's climate-related risks as the foundation of its climate change risk assessments. We assess climate-related risks at the business line level (i.e., insurance and asset management) and as a consolidated entity. The Strategy section above describes the process we undertook in 2021 to conduct an entity-wide Climate Change Materiality Assessment, which was an important step in enhancing our processes for identifying and assessing climate-related risks. The Climate Change Materiality Assessment allowed us to better consider the unique characteristics of climate-related risks, including their longer time horizon and uncertain nature, among other characteristics. The impact and likelihood criteria used in the Climate Change Materiality Assessment were aligned to iA Financial Group's internal enterprise risk assessment methodology to ensure that climate-related risks are assessed consistently and proportionately relative to other risks.

As part of the risk assessment, we consider:
— Existing climate-related regulations (e.g., Canadian Securities Administrators Staff Notices, federal climate-related regulation in Canada and the United States, provincial climate-related regulation in Quebec, Autorité des marchés financiers [AMF] and Office of the Superintendent of Financial Institutions [OSFI] developments)
— Climate-related guidance and industry initiatives (e.g., Climate Action 100+, Net-Zero Asset Owner Alliance, Net Zero Asset Manager Initiative, PRI)
— Climate change frameworks and standards (e.g., Sustainability Accounting Standards Board (SASB) Standards, SASB Climate Risk Technical Bulletin, TCFD recommendations)
— Peers' disclosure on climate change.

We also monitor emerging climate-related regulatory requirements, including the Proposed National Instrument 51-107 Disclosure of Climate-related Matters published by the Canadian Securities Administrators / Autorités canadiennes en valeurs mobilières. This allows us to assess our corporate exposure to climate-related risks and opportunities, as well as our exposure via our specific lines of business.

B. *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 climate related risk is addressed as part of our integrated risk management framework describes in the section B above.

iA Financial Group assesses the impact of financial and insurance risks once a year, or more frequently if required, through exercises like Financial Condition Testing (FCT) and the Own Risk and Solvency Assessment (ORSA) and confirms the company's financial strength for dealing with adverse events. FCT and ORSA are tools used to assess the impact of risks including emerging risks that could have an impact on iA. Over the coming year, we intend to undertake specific works to add climate-related risks to our risk's quantification program. Those tools product on the annually basis (or more frequently if required) are part of our risk management framework.

- 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.

  Currently, we don't utilize any scenario. In 2023, we intend to undertake initial qualitative scenario analysis to help inform our overall strategic response to addressing climate-related risks and opportunities over the short, medium and long term.

- 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.

  Currently, we don't utilize any scenario. In 2023, we intend to undertake initial qualitative scenario analysis to help inform our overall strategic response to addressing climate-related risks and opportunities over the short, medium and long term.

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

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

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.

Currently, we don't use catastrophe modeling to manage the climate related risk. In 2023, we intend to undertake initial qualitative scenario analysis to help inform our overall strategic response to addressing climate-related risks and opportunities over the short, medium and long term.

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)

  No data available

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

See Appendix 2 , page 125 of 130 of the following link Sustainability Report 2021 (ia.ca)

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

iA Financial Group has an existing commitment to be a carbon-neutral corporation and a target to reduce our GHG emissions by 20% per employee by 2025. Our GHG emissions are calculated in accordance with the GHG Protocol – Corporate

Standard. We calculate iA Financial Group's Scope 1 and 2 emissions, as well as some of our Scope 3 emissions, including those from business travel (air, rail, vehicle) and employee commuting.
Table 5 below outlines our 2022 climate-related metrics and targets for our most relevant climate-related risks and opportunities based on our Climate Change Materiality Assessment. See Appendix 1, page 115 of 130 of the document available in the following link Sustainability Report 2021 (ia.ca))

In future years, iA Financial Group will re-visit his climate-related metrics and targets to ensure they continue to reflect our unique business lines and circumstances, as well as our ambition to be an industry leader in climate change in Canada and globally.

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)
- Does the insurer use metrics to assess and monitor climate-related risks? (Y/N)
- 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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[i] * Asterisks represent questions derived from the original Climate Risk Disclosure Survey.