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.

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.
    - *A.* Minimize our climate impact and manage our climate-related risks and opportunities
    - *B.* Enable our customers and partners to transition to a low-carbon economy through the development of new capabilities
    - *C.* Support community programs and initiatives to help build more climate-resilient and equitable communities
- 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.*

Response:

As a wholly owned subsidiary of American Express Company (a bank holding company), AMEX Assurance Company follows the American Express Company policies on Climate Risk.

Climate change risk is integrated into multi-disciplinary company-wide risk management processes.
American Express (AXP) has processes in place to assess customer behavior changes, regulatory, reputational and environmental risks that are material to its operations. The

Enterprise-wide Risk Management program provides the framework for how AXP manages risk on an enterprise-wide basis. The Enterprise-wide Risk Management program contains subsections on operational and reputational risks. AXP defines operational risk as the risk of not achieving business objectives due to inadequate or failed processes or information systems, human error or the external environment including losses due to failures to comply with laws and regulations. Operational risk is inherent in all business activities and can impact an organization through direct or indirect financial loss, brand damage, customer dissatisfaction, or legal and regulatory penalties. American Express defines reputational risk as the risk that negative publicity regarding the Company's products, services, business practices, management, clients and partners, whether true or not, could cause a decline in the customer base, costly litigation, or revenue reductions. Reputational risk is taken into account in the company's reputational risk management program.

Risk management and key risks identified by management are overseen by the Company's Board of Directors and two of its committees: the Audit, Risk and Compliance Committee and the Compensation and Benefits Committee. Both committees consist solely of independent directors and provide regular updates to the Board of Directors. The Audit, Risk and Compliance Committee approves key risk management policies, and monitors the Company's risk culture, personnel, capabilities, and outcomes. The Committee approves the Enterprise-wide Risk Management Policy along with its subpolicies governing individual credit risk, institutional credit risk, market risk, liquidity risk, operational risk, asset/liability risk and capital management, as well as the launch of new products and services. The Committee receives regular reports about key risks affecting the Company, including their potential likelihood and impact, as well as risk escalation and compliance with the policy-based risk limits.

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

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.*[i]
- 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.

As a wholly owned subsidiary of American Express Company (a bank holding company), AMEX Assurance Company follows the American Express Company policies on Climate Risk.

Our risk management framework seeks to identify and mitigate risk and appropriately balance risk and return. We have established policies and procedures intended to identify, monitor and manage the types of risk to which we are subject, including credit risk, market risk, asset liability risk, liquidity risk, operational risk, compliance risk, model risk, strategic and business risk and reputational risk.

The Office of Corporate Social Responsibility (CSR) - part of the Corporate Affairs & Communications Department (CA&C) - oversees and collects information on climate change mitigation activities throughout the company and works with the Global Real Estate and the American Express Technologies groups to identify and manage climate-related risks and opportunities. They monitor trends and regulations that may affect our business. They have established climate related short, medium and long term targets and strategies and track progress against those targets and strategies. The Senior Vice President in charge of CSR reports directly to the Chief Corporate Affairs Officer (CCAO) in charge of CA&C. Responsibility for climate-related issues lies with the Board of Directors' Nominating, Governance and Public Responsibility Committee. The Committee receives updates on programs and progress at least once a year from the CCAO and her team. The CCAO reports directly to the company's Chairman and Chief Executive Officer.

The processes used to identify, assess and respond to risks and opportunities are integrated within our business continuity and risk management policies. Climate-related risks and opportunities are monitored and discussed for severity assessment and mitigation decision making. We conducted a priority assessment to identify our significant Environmental Social Governance (ESG) issues to manage and report on, including risk and opportunities related to climate change.

Operational risks, including climate-related events and natural disasters, are identified and measured for severity through our Business Impact Analysis. Then, Disaster Recovery and Business Continuity Plans are developed and updated regularly to ensure steps are in place to immediately identify respond and recover/continue service before, during and after a service continuity event. This program involves local Business leaders, Communications, Security, Technology, and Facilities Management. Our facility and data center teams review these established procedures and controls, test them annually, and certify on key equipment and systems operations to ensure uninterrupted operation of the data centers during localized weather events. Our facility infrastructure is monitored 24/7, tested and results are measured and reported. Our US-based data center facilities are ISO certified to ensure that environmental

risks and/or opportunities are properly being identified and prioritized in support of our overall plan.

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. –
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As a wholly owned subsidiary of American Express Company (a bank holding company), AMEX Assurance Company follows the American Express Company policies on Climate Risk.

At this time, accounting for climate change is not viewed by the company as part of our overall, top-line business strategy. However, an increasing number of business units and staff groups are considering sustainability-related opportunities and integrating their findings into their ongoing operating strategies. For example, facilities and data centers have ongoing energy efficiency programs in place. Because of the nature of our goods and services (payments and travel services) risks associated with climate change are currently perceived as low for American Express. There are several reasons for this.
American Express is primarily in the service business, so the company does not rely heavily on natural resource inputs such as water or agricultural products that are particularly sensitive to climate change. That said, the company does have some climate change risk exposure in the supply chain, but at this time this risk exposure is not significant enough to elevate climate change considerations to the corporate strategy level. While American Express recognizes that climate change may have an impact on certain consumption habits, our payments business is diversified across all sectors of the economy and therefore does not have significant exposure to any particular segment that may be affected – positively or negatively – by climate change. Finally, although we recognize that the travel industry can be affected by climate change, no clear trends have emerged on how this relates to our travel services business in a strategic sense.

As mentioned above, climate change is perceived to have little current effect on American Express' business due to the nature of our services. While an increasing number of business units and staff groups are considering climate change risks and opportunities and integrating their findings into their ongoing operating strategies, it is unlikely that climate change will become integrated into the overall corporate business strategy in the short term (this year or next). However, American Express continuously monitors and evaluates the brand implications associated with appropriate environmental responsibility efforts vis-à-vis climate change and other areas of concern as well as business opportunities. At some point in the future climate change considerations may become more tightly integrated with the overall corporate strategy.

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

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

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Response:

As a wholly owned subsidiary of American Express Company (a bank holding company), AMEX Assurance Company follows the American Express Company policies on Climate Risk. American Express engages with most clients who approach the company to collaborate on GHG emissions reductions and climate change strategies. We engage through one to one meetings, written correspondence and responding to requests for information

As a global business, we know our operations have an impact on the environment. Our largest area of environmental impact is the emission of greenhouse gases (GHG) through our operations. Other significant environmental impact areas include paper use and solid waste generation. To manage the environmental impact of our operations, we have set internal reduction targets for some of our key impact areas.

We aim to align our efforts with global best practices among the numerous standards and frameworks that have emerged for measuring climate impact and action and promoting accountability for businesses.
In addition to our commitment to net-zero emissions by 2035 in alignment with the Science Based Targets initiative, we joined the Business Ambition for 1.5°C and Race to Zero, established by the UN to rally leadership for a zero-carbon recovery. We are also a member of RE100, a global initiative of large businesses committed to using 100% renewable electricity.
Further, we became a formal supporter of the Task Force on Climate-Related Financial Disclosures (TCFD), whose recommendations inform how we assess physical and transition risks and opportunities for our business

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

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.*

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At this time, accounting for climate change is not viewed by the company as part of our overall, top-line business strategy. However, an increasing number of business units and staff groups are considering sustainability-related opportunities and integrating their findings into their ongoing operating strategies. For example, facilities and data centers have ongoing energy efficiency programs in place. Because of the nature of our goods and services (payments and travel services) risks associated with climate change are currently perceived as low for American Express. There are several reasons for this.

American Express is primarily in the service business, so the company does not rely heavily on natural resource inputs such as water or agricultural products that are particularly sensitive to climate change. That said, the company does have some climate change risk exposure in the supply chain, but at this time this risk exposure is not significant enough to elevate climate change considerations to the corporate strategy level. While American Express recognizes that climate change may have an impact on certain consumption habits, our payments business is diversified across all sectors of the economy and therefore does not have significant exposure to any particular segment that may be affected – positively or negatively – by climate change. Finally, although we recognize that the travel industry can be affected by climate change, no clear trends have emerged on how this relates to our travel services business in a strategic sense.

As mentioned above, climate change is perceived to have little current effect on American Express' business due to the nature of our services. While an increasing number of business units and staff groups are considering climate change risks and opportunities and integrating their findings into their ongoing operating strategies, it is unlikely that climate change will become integrated into the overall corporate business strategy in the short term (this year or next). However, American Express continuously monitors and evaluates the brand implications associated with appropriate environmental responsibility efforts vis-à-vis climate change and other areas of concern as well as business opportunities. At some point in the future climate change considerations may become more tightly integrated with the overall corporate strategy.

- Describe any steps the insurer has taken to encourage policyholders to manage their potential physical and transition climate related risks, if applicable.*

  Response:

  As a wholly owned subsidiary of American Express Company (a bank holding company), AMEX Assurance Company follows the American Express Company policies on Climate Risk.

  In today's increasingly carbon constrained environment many potential

opportunities exist to support customers who are pursuing their own environmental goals by enhancing existing products and creating new products and services. For example, in response to growing demand from the business community for greenhouse gas management tools, we introduced Carbon Savings Assessment Manager (SAM) for Commercial Card customers in European markets in 2010. To support consumers interested in low impact/eco travel, American Express launched TravelGreen.org, an online clearinghouse of sustainable travel information for businesses and consumers in partnership with the U.S. Travel Association.

- 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.*

Response:

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At this time, accounting for climate change is not viewed by the company as part of our overall, top-line business strategy. However, an increasing number of business units and staff groups are considering sustainability-related opportunities and integrating their findings into their ongoing operating strategies. For example, facilities and data centers have ongoing energy efficiency programs in place. Because of the nature of our goods and services (payments and travel services) risks associated with climate change are currently perceived as low for American Express. There are several reasons for this.

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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.- **Same as above question?**

Response:

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Climate change risk is integrated into multi-disciplinary company-wide risk management processes.
American Express (AXP) has processes in place to assess customer behavior changes, regulatory, reputational and environmental risks that are material to its operations. The Enterprise-wide Risk Management program provides the framework for how AXP manages risk on an enterprise-wide basis. The Enterprise-wide Risk Management program contains subsections on operational and reputational risks. AXP defines operational risk as the risk of not achieving business objectives due to inadequate or failed processes or information systems, human error or the external environment including losses due to failures to comply with laws and regulations. Operational risk is inherent in all business activities and can impact an organization through direct or indirect financial loss, brand damage, customer dissatisfaction, or legal and regulatory penalties. American Express defines reputational risk as the risk that negative publicity regarding the Company's products, services, business practices, management, clients and partners, whether true or not, could cause a decline in the customer base, costly litigation, or revenue reductions. Reputational risk is taken into account in the company's reputational risk management program.

Risk management and key risks identified by management are overseen by the Company's Board of Directors and two of its committees: the Audit, Risk and Compliance Committee and the Compensation and Benefits Committee. Both committees consist solely of independent directors and provide regular updates to the Board of Directors. The Audit, Risk and Compliance Committee approves key risk management policies, and monitors the Company's risk culture, personnel, capabilities and outcomes. The Committee approves the Enterprise-wide Risk Management Policy along with its subpolicies governing individual credit risk, institutional credit risk, market risk, liquidity risk, operational risk, asset/liability risk and capital management, as well as the launch of new products and services. The Committee receives regular reports about key risks affecting the Company, including their

potential likelihood and impact, as well as risk escalation and compliance with the policy-based risk limits.

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

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

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:

B. 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)

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

Response:

As a wholly owned subsidiary of American Express Company (a bank holding company), AMEX Assurance Company follows the American Express Company policies on Climate Risk.
At this time, accounting for climate change is not viewed by the company as part of our overall, top-line business strategy. However, an increasing number of business units and staff groups are considering sustainability-related opportunities and integrating their findings into their ongoing operating strategies. For example, facilities and data centers have ongoing energy efficiency programs in place. Because of the nature of our goods and services (payments and travel services) risks associated with climate change are currently perceived as low for American Express. There are several reasons for this.

American Express is primarily in the service business, so the company does not rely heavily on natural resource inputs such as water or agricultural products that are particularly sensitive to climate change. That said, the company does have some climate change risk exposure in the supply chain, but at this time this risk exposure is not significant enough to elevate climate change considerations to the corporate strategy level. While American Express recognizes that climate change may have an impact on certain consumption habits, our payments business is diversified across all sectors of the economy and therefore does not have significant exposure to any particular segment that may be affected – positively or negatively – by climate change. Finally, although we recognize that the travel industry can be affected by climate change, no clear trends have emerged on how this relates to our travel services business in a strategic sense.
As mentioned above, climate change is perceived to have little current effect on American Express' business due to the nature of our services. While an increasing number of business units and staff groups are considering climate change risks and opportunities and integrating their findings into their ongoing operating strategies, it is unlikely that climate change will become integrated into the overall corporate business strategy in the short term (this year or next). However, American Express continuously monitors and evaluates the brand implications associated with appropriate environmental responsibility efforts vis-à-vis climate change and other areas of concern as well as business opportunities. At some point in the future climate change considerations may become more tightly integrated with the overall corporate strategy.

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) N
- Does the insurer use metrics to assess and monitor climate-related risks? (Y/N) N
- Does the insurer have targets to manage climate-related risks and opportunities? (Y/N) N

Does the insurer have targets to manage climate-related performance? (Y/N) N