

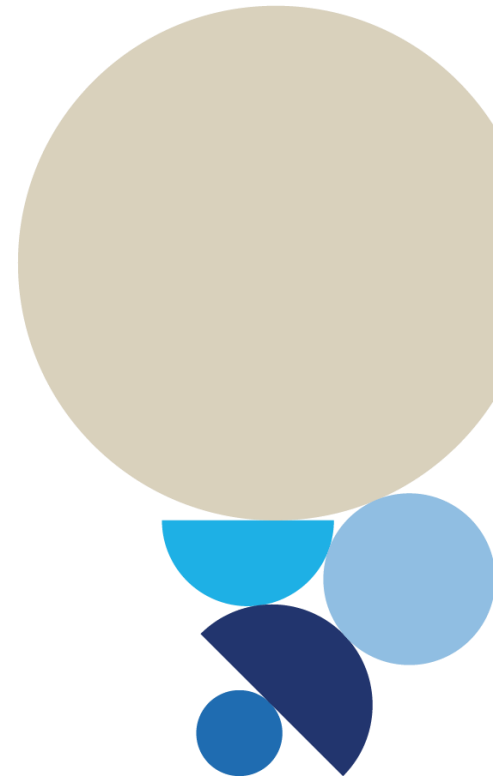
Climate Risk Report 2025

About Zurich Canada

Zurich Insurance Company Ltd is an insurer incorporated in Switzerland and is authorized to operate in Canada as a foreign branch under the *Insurance Companies Act* (Canada). In Canada, it operates as Zurich Insurance Company Ltd (Canadian Branch) (“Zurich Canada”). As such, Zurich Insurance Group Ltd’s policies, guidelines, and processes referenced herein apply to Zurich Canada.

Zurich Canada is subject to the Office of the Superintendent of Financial Institutions’ (“OSFI”) Guideline B-15 - Climate Risk Management and the Autorité des marchés financiers’ (“AMF”) Climate Risk Management Guideline. This Climate Risk Report provides disclosures expected by OSFI and the AMF for financial institutions’ management of climate-related risks, including information related to governance, risk management, strategy and metrics.

Financial data for federally regulated property and casualty financial institutions is available on OSFI’s website: <https://www.osfi-bsif.gc.ca/en/data-forms/open-government-osfi-financial-data#pc>.



Disclosure Element	Disclosure Expectation	Reference
Governance		
a)	<p>Describe the governance body(ies) (e.g., board of directors, committee, other) or individual(s) responsible for oversight of climate-related risks and opportunities, including their identity, responsibilities, skills and competencies, process around staying informed including the frequency of meetings, oversight of strategy, major transactions, risk management processes, target setting and monitoring progress towards those targets, and a description of whether and how climate-related considerations are factored into their remuneration.</p>	<p>Annual Report pp. 48 – 63, 89, 95-96, 138, 140 Climate Transition Plan p. 22</p>
b)	<p>Describe management’s role in monitoring, managing, and overseeing climate-related risks and opportunities, including the identity of the management-level position or committee as applicable, its governance processes, controls, and procedures, and how oversight is exercised over that position or committee.</p>	<p>Annual Report pp. 138,140 Climate Transition Plan p. 23</p>
Strategy		
a)	<p>Describe the climate-related risks and opportunities the FRFI has identified that could reasonably be expected to affect its cash flows, access to finance or cost of capital, including:</p> <ul style="list-style-type: none"> • The classification of each climate-related risk as either physical or transition risk; • The expected timeframe for the occurrence of effects associated with each risk and opportunity (short, medium, or long term); • The FRFI’s definitions of ‘short term,’ ‘medium term,’ and ‘long term’ in relation to strategic decision-making planning horizons. 	<p>Annual Report pp. 141 – 148</p>

Disclosure Element	Disclosure Expectation	Reference
Strategy (contd.)		
b) i	<p><u>Business model and value chain</u> Describe:</p> <ul style="list-style-type: none"> • the current and anticipated effects of climate-related risks and opportunities on the FRFI's business model and value chain; • where in the FRFI's business model and value chain the climate-related risks and opportunities are concentrated. <p><u>Strategy and Decision making</u> Disclose information about current and anticipated:</p> <ul style="list-style-type: none"> • changes to the FRFI's business model, including its resource allocation, to address climate-related risks and opportunities; • direct mitigation and adaptation efforts; • indirect mitigation and adaptation efforts. <p><u>Financial position, financial performance, and cash flows</u> Describe:</p> <ul style="list-style-type: none"> • how climate-related risks and opportunities have affected the FRFI's financial position, financial performance, and cash flows for the reporting period; • how the FRFI expects its financial position, financial performance, and cash flows to change over the short, medium, and long term, given its strategy to manage climate-related risks and opportunities. 	<p>Annual Report pp. 141-148, 176-185, 204</p> <p>Climate Transition Plan pp. 9-12</p>

Disclosure Element	Disclosure Expectation	Reference
Risk Management		
a)	<p>Disclose information about the FRFI's processes and related policies for identifying, assessing, prioritizing, and monitoring climate-related risks. In meeting this disclosure expectation, the FRFI should explain how it has applied Principle 3, and its supporting paragraphs, in Chapter 1 of this Guideline.</p>	<p>Annual Report pp.143-148</p>
b)	<p>Disclose information about the FRFI's processes for identifying, assessing, prioritizing, and monitoring climate-related opportunities including information about whether and how the FRFI uses climate-related scenario analysis to inform its identification of climate-related opportunities.</p>	<p>Annual Report pp.143-148 Climate Transition Plan p. 22</p>
c)	<p>Disclose information about the extent to which, and how the FRFI's processes for identifying, assessing, prioritizing, and monitoring climate-related risks and opportunities are integrated into and inform the FRFI's overall risk management process.</p>	<p>Annual Report pp. 61, 63 & 66, 138-140, 143 – 148, 255</p>

Disclosure Element	Disclosure Expectation	Reference
Metrics and Targets		
a)	<p>Disclose metrics used by the FRFI to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>Annual Report pp. 162-175 Climate Transition Plan p. 22</p>
b)	<ul style="list-style-type: none"> • Disclose separately the FRFI's Scope 1 and location-based Scope 2 absolute gross GHG emissions for the period. • Disclose the measurement approach, inputs, and assumptions the FRFI uses to measure its Scope 1 and Scope 2 GHG emissions, and the underlying reasons for these decisions. • Disclose the reporting standard used by the FRFI to calculate and disclose GHG emissions. If the reporting standard used by the FRFI is not the GHG Protocol Corporate Standard, disclose how the reporting standard used by the FRFI is comparable. 	<p>Annual Report pp. 162-175, 205-206</p>
c)	<ul style="list-style-type: none"> • Disclose any quantitative and qualitative climate-related targets the FRFI has set to monitor progress towards achieving its strategic goals, including: <ul style="list-style-type: none"> ○ The objective of the target; ○ The period over which the target applies; ○ The base period from which progress is measured; ○ Any revisions to the target and an explanation of those revisions; • Disclose information about the FRFI's approach to setting and reviewing each target and how it monitors progress against each target; • Disclose information about the FRFI's performance against each climate-related target and an analysis of trends or changes in the FRFI's performance. <p>For any GHG emissions target disclosed (and the corresponding metrics, if applicable), disclose it both gross of, and net of, carbon offsets, if applicable, and explain the type of offset (for example, carbon credit, nature-based, other.)</p>	<p>Annual Report pp. 138-140, 162-175, 205,206 Climate Transition Plan p. 22 Approach to sustainable operations</p>

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