



INSURANCE BOARD PRIORITIES

Building a Resilient, Relevant and Future-Ready Insurance Business

Climate change is reshaping risk – and opportunity.

Boards must ensure we protect value today and build the insurability of tomorrow.

KEY CONSIDERATIONS FOR THE BOARD



1. MATERIAL CLIMATE RISKS

Physical, transition, legal and liability risks are increasing in frequency, severity and cost.

Are we assessing forward-looking risks across all lines (Life, Health, P&C) and geographies?



2. FINANCIAL IMPACT

Climate risks affect underwriting profitability, reserving, capital, reinsurance and investments.

Are our capital and solvency resilient under severe but plausible climate scenarios?



3. INSURABILITY & PROTECTION GAP

Growing protection gaps threaten customers, communities and our license to operate.

How are we preserving affordable, accessible insurance and expanding resilience solutions?



4. ADAPTATION & RISK REDUCTION

The most sustainable growth comes from reducing risk, not just transferring it.

What actions are we taking—alone and in partnerships—to reduce risk at scale?



5. OPPORTUNITIES & INNOVATION

Climate change drives new customer needs, products, services and markets.

Are we innovating in products, data, tech and partnerships to capture long-term opportunities?



6. GOVERNANCE & DISCLOSURE

Strong oversight, transparency and accountability build trust and resilience.

Do we have the right governance, skills, metrics and disclosures (ISSB/OSFI/TCFD) in place?

STRATEGIC IMPERATIVES FOR INSURERS



RISK INTELLIGENCE & MODELING

- Use high-resolution data and advanced models
- Incorporate climate scenarios and cascading risks



UNDERWRITING EXCELLENCE

- Price risk accurately
- Reward resilience and risk mitigation
- Manage accumulations and concentrations



RESILIENCE & ADAPTATION

- Promote prevention and retrofits
- Support resilient homes, businesses and communities
- Consider natural infrastructure



INNOVATIVE PRODUCTS

- Expand flood, wildfire, severe weather and parametric solutions
- Build back better coverage
- Climate-health and wellbeing solutions



PARTNERSHIPS & ECOSYSTEMS

- Work with governments, municipalities, NGOs, reinsurers, and communities
- Invest in resilience infrastructure



INVESTMENT ALIGNMENT

- Align investments with transition and resilience
- Support low-carbon and adaptation solutions

KEY TAKEAWAYS FOR THE BOARD



Climate risk is business risk and financial risk. It affects our customers, our communities, and our long-term value.



Resilience is a growth strategy. Insurers that help reduce risk and close the protection gap will lead the future market.



Data, analytics and scenario testing are essential. Forward-looking insights must drive decisions across underwriting, pricing, capital and investments.



Partnerships create impact at scale. Collaboration with public and private sectors strengthens insurability and societal resilience.



Purpose builds trust. Supporting a just, inclusive and resilient transition protects our license to operate.

BOARD QUESTIONS TO KEEP ASKING

- ① What are our most material climate risks and opportunities across all lines and markets?
- ② How could severe climate scenarios impact our capital, solvency, liquidity and profitability?
- ③ Where are protection gaps widening and what is our strategy to address them?
- ④ How are we helping customers, communities and businesses become more resilient?
- ⑤ What innovative products, services and partnerships are we developing to capture future opportunities?
- ⑥ Are our investments aligned with our underwriting, climate commitments and long-term strategy?
- ⑦ Do we have the governance, skills, data and metrics we need to lead in a climate-disrupted world?



THE INSURANCE INDUSTRY DOESN'T JUST RESPOND TO CLIMATE CHANGE. WE HELP BUILD A MORE RESILIENT, PROSPEROUS AND INSURABLE CANADA.



Protect what matters



Prevent and reduce risk



Partner for resilience



Innovate for better outcomes



Create long-term value for all