

PRINCIPLES OF ICCC'S CLIMATE ACTION

FRAMEWORK

In the context of growing climate and social pressures, the fundamental mission of the **Impact Center for Climate Change** is to accelerate climate action and promoting structural and behavioral transformations, in line with a broader corporate purpose that aims not only to respond to emerging challenges, but also to generate a significant positive impact on society and the planet.

Our approach is guided by an institutional responsibility that exceeds the regulatory compliance. We are committed to acting proactively and integrating practices that foster sustainability into all dimensions of our performance, seeking to establish a business model that not only minimizes risks, but also strives to create solutions that benefit the communities in which we operate.

We are genuinely committed and transparent in all our initiatives. This commitment is reflected in the principles that define our action and guide our roadmap. Each one has been developed based on scientific evidence and an in-depth understanding of current and future climate challenges.

The following principles not only underpin our business strategy, but also promote an open and constructive dialog with all our stakeholders. We believe that by collaborating with diverse stakeholders, from customers to government and academia, we can enhance the effectiveness of our action and make a significant contribution to a more sustainable future.

It is with the vision of being a reference climate change knowledge center that we present our fundamental principles of climate action, focused on promoting a culture of innovation and responsibility, for the well-being of society and the preservation of our planet.

PRINCIPLES OF CLIMATE ACTION

Integrating NZ ambitions into management

Fostering the integration of NZ ambitions into operations, investments and underwriting (promoting the reduction of GHG emissions), as well as contributing to reversing the impact of emissions on nature, involving stakeholders (namely customers, suppliers and investee companies).

Align investments with ESG strategy

Provide knowledge to align investments with a long-term approach and integrate ESG factors into risk management to minimize exposure to misaligned issuers, recognizing sustainable investment as a continuous evolution process.

Promoting the energy transition

Promoting the energy transition and the green economy, participating in risk assessment and management and supporting the design of insurance solutions that enable green investment.

Reducing the protection gap

Find ways to reduce the protection gap by proactively identifying the critical vulnerabilities of people and companies in a context of growing risks, and to this end develop affordable products, evolve distribution, adjust underwriting, detail pricing models and develop new risk transfer models.

Integrate climate scenarios into underwriting

Incorporate granular information on risk behavior into tariffs, risk models and underwriting processes, making tariffs fairer and incorporating factors that promote customer behavior in line with responsible climate action. Also adjust products that induce responsible behavior, integrating behavioral economics concepts.

Integrating climate change into risk management

Ensuring risk management, in its various sources, that considers the risks related to climate change, whether physical, transitional or litigation, ensuring the resilience of the business to climate change and adapting its risk transfer processes to the increased demands.

Claims in major climatic events

Generate knowledge that improves the response to catastrophic climate events, facilitating the mobilization and organization of adequate resources to enable a rapid recovery and, consequently, minimizing the impacts on people, property and ecosystems and reducing vulnerabilities to future events.

Promoting knowledge and research

Promote knowledge and research to improve climate change management and reduce impacts on nature, interacting with universities, research centers, international consortia, civil society institutions, public entities and other relevant actors, as a guarantee of rigorous standards of applied scientific research in the creation of synergies with the knowledge of insurers and responses to the needs of the sector.

Promoting climate awareness and literacy

To position Fidelidade as a promoter of awareness and as a reference player for literacy on climate and climate risk in Portugal, capable of inducing stakeholders (namely customers, suppliers and investee companies) to behave in a way that mitigates risks, reduces vulnerabilities and increases resilience, as well as influencing public policies.

Collaborating for Climate Resilience

Acting in partnership with regulators, public authorities and policymakers, based on scientific knowledge, to promote legal and regulatory changes and adaptations that strengthen structural resilience and adapt the insurance sector to the challenges of extreme weather events.

ROADMAP

Under construction

Fidelidade - Companhia de Seguros, S.A.

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