

**Life and business must continue.
With climate change.**

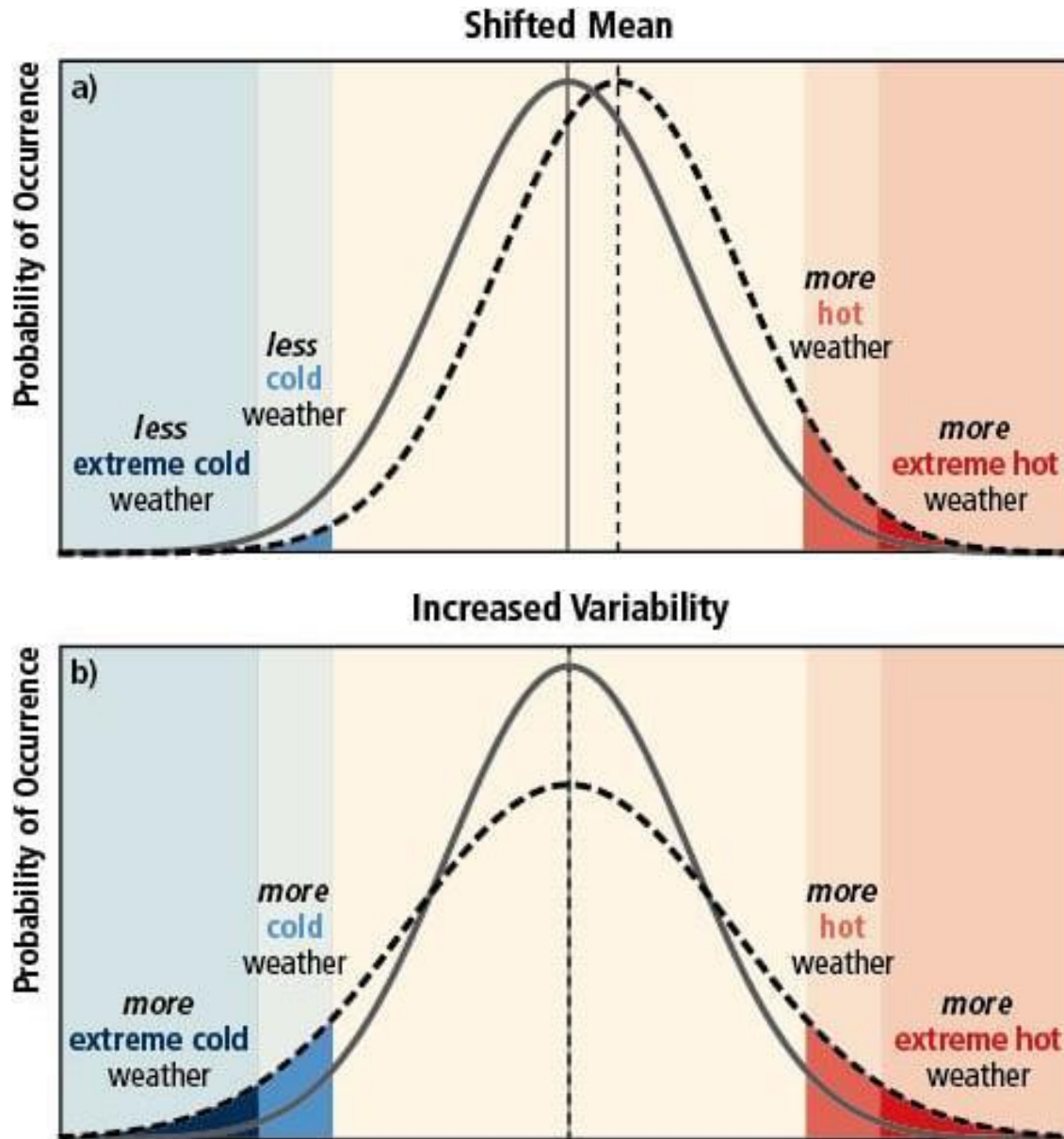
°CelsiusPro

Climate Change

Climate change has different impacts on business & livelihoods based on geography & industry.

But all are impacted, to some extent.

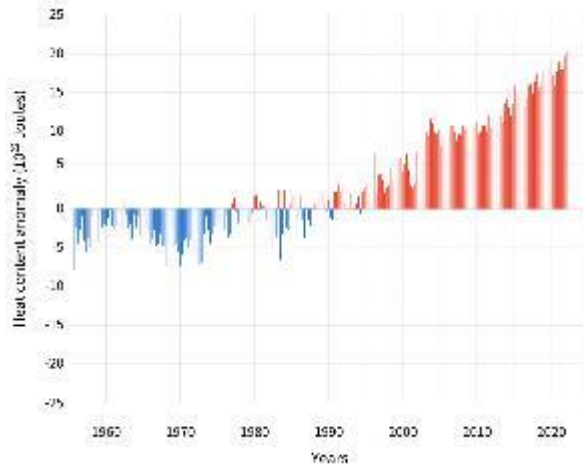
Climate Change Essentials



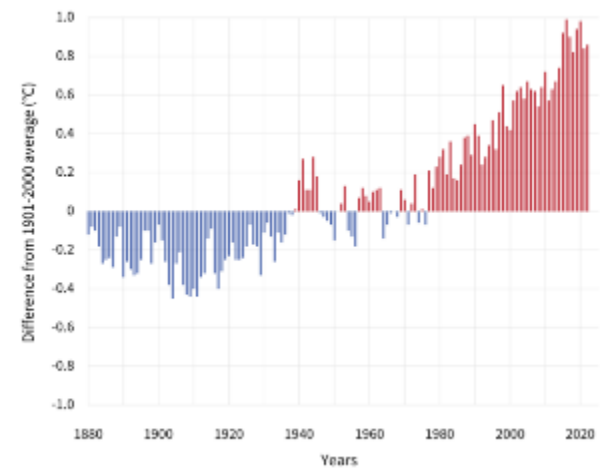
Global Trends

NOAA Data (Climate.gov)

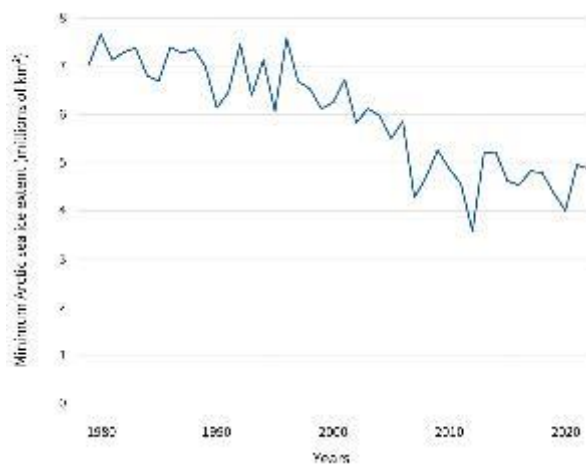
OCEAN HEAT COMPARED TO AVERAGE



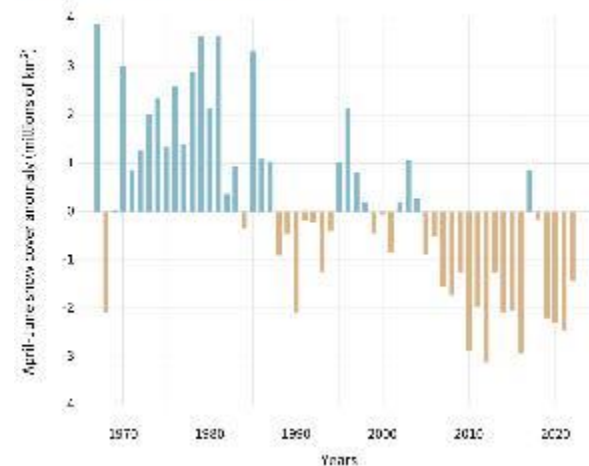
GLOBAL AVERAGE SURFACE TEMPERATURE



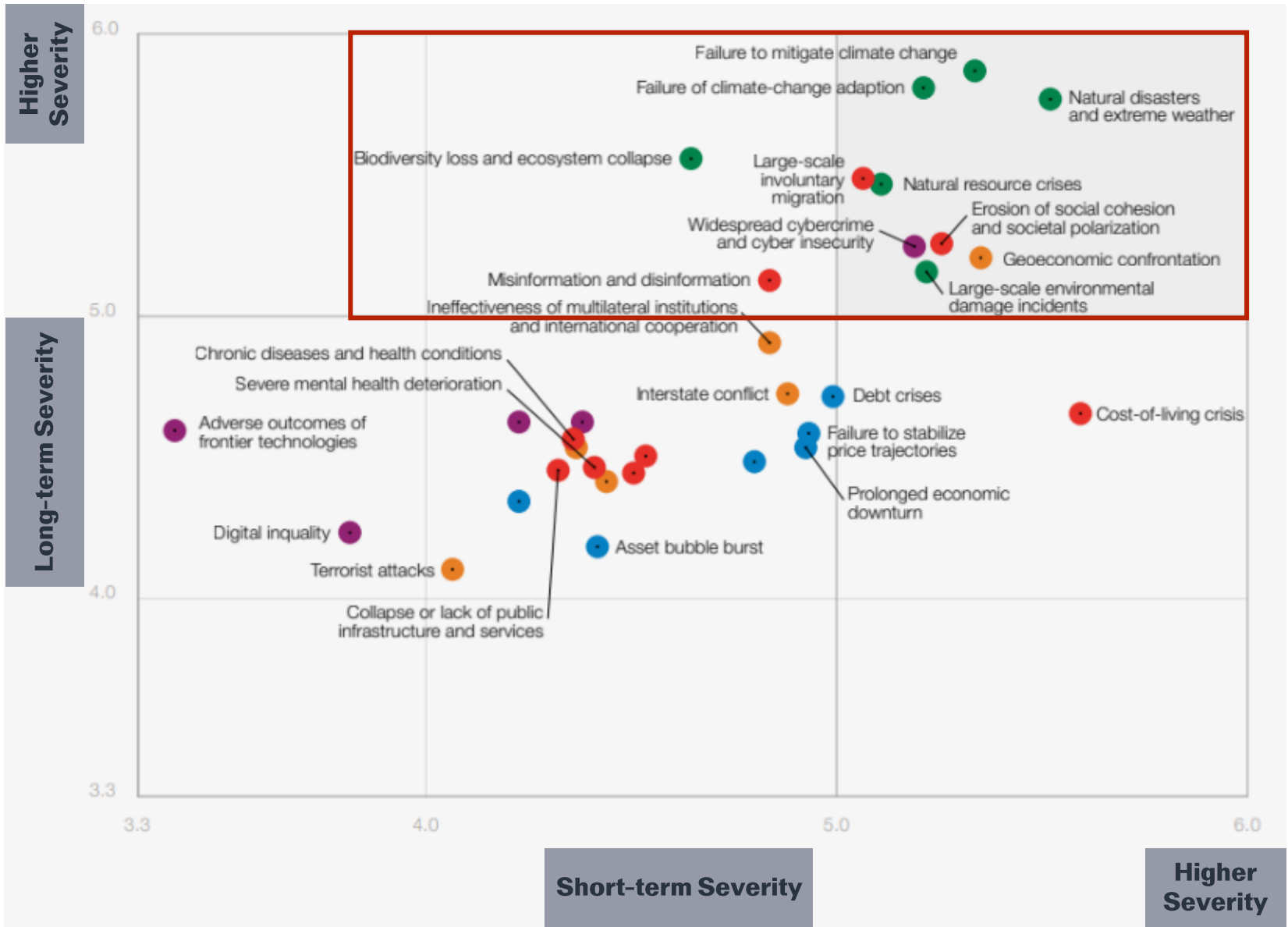
ARCTIC SEA ICE YEARLY MINIMUM



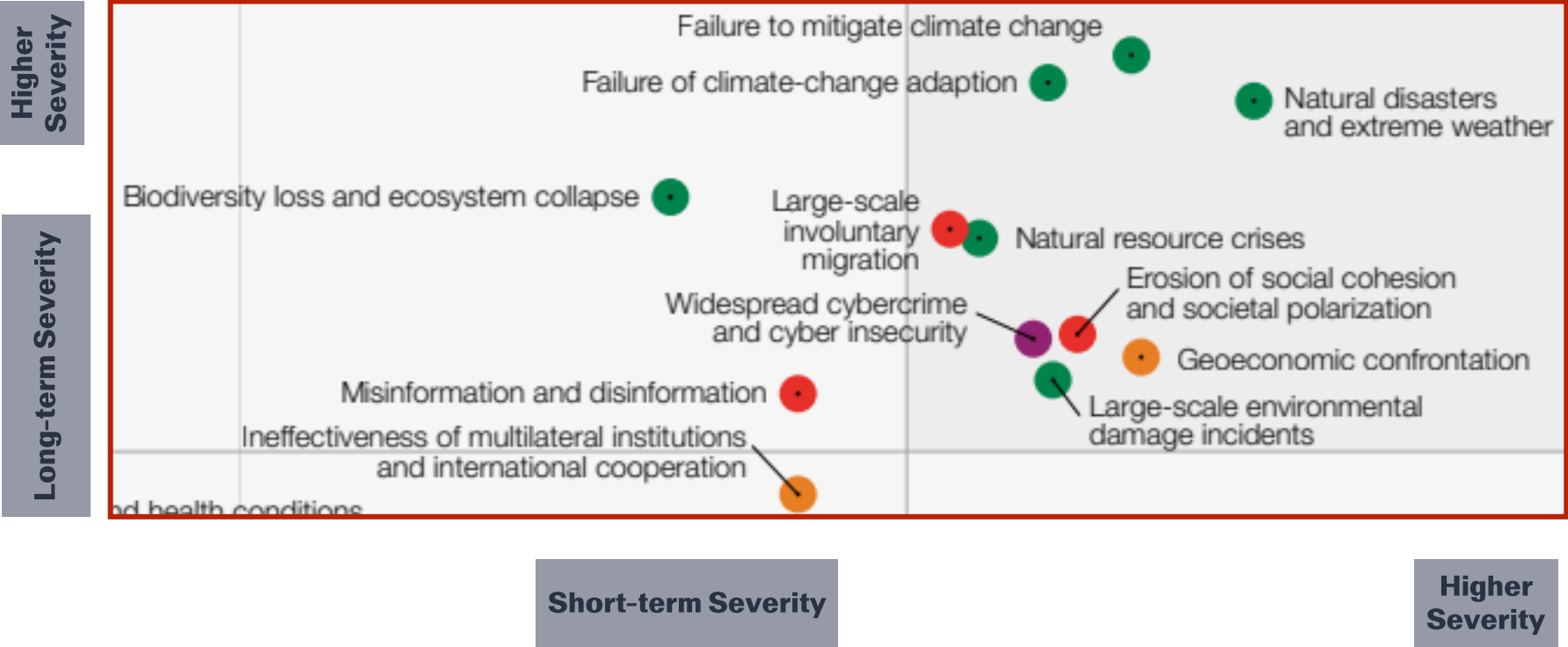
SPRING SNOW COVER



The Global Risks Report 2023 - WEF



The Global Risks Report 2023 - WEF



Global Shield against Climate Risks

What

- Officially launched in November 2022 by the Vulnerable 20 Group of Finance Ministers (V20):
 - 58 climate vulnerable economies (including Caribbean nations) and the Group of Seven (G7)
- Initiative for pre-arranged financial support designed to be quickly deployed in times of climate disasters

Why

- 98% of approx. 1.5 billion people in V20 countries do not have financial protection
- Since 2000, V20 countries lost a total of USD 525 billion to climate impacts
- This is particularly harsh for countries whose workforce is mainly employed by SMEs



Global Shield
against Climate Risks

Source: Press Release: V20 and G7 jointly launch Global Shield against Climate Risks at COP27

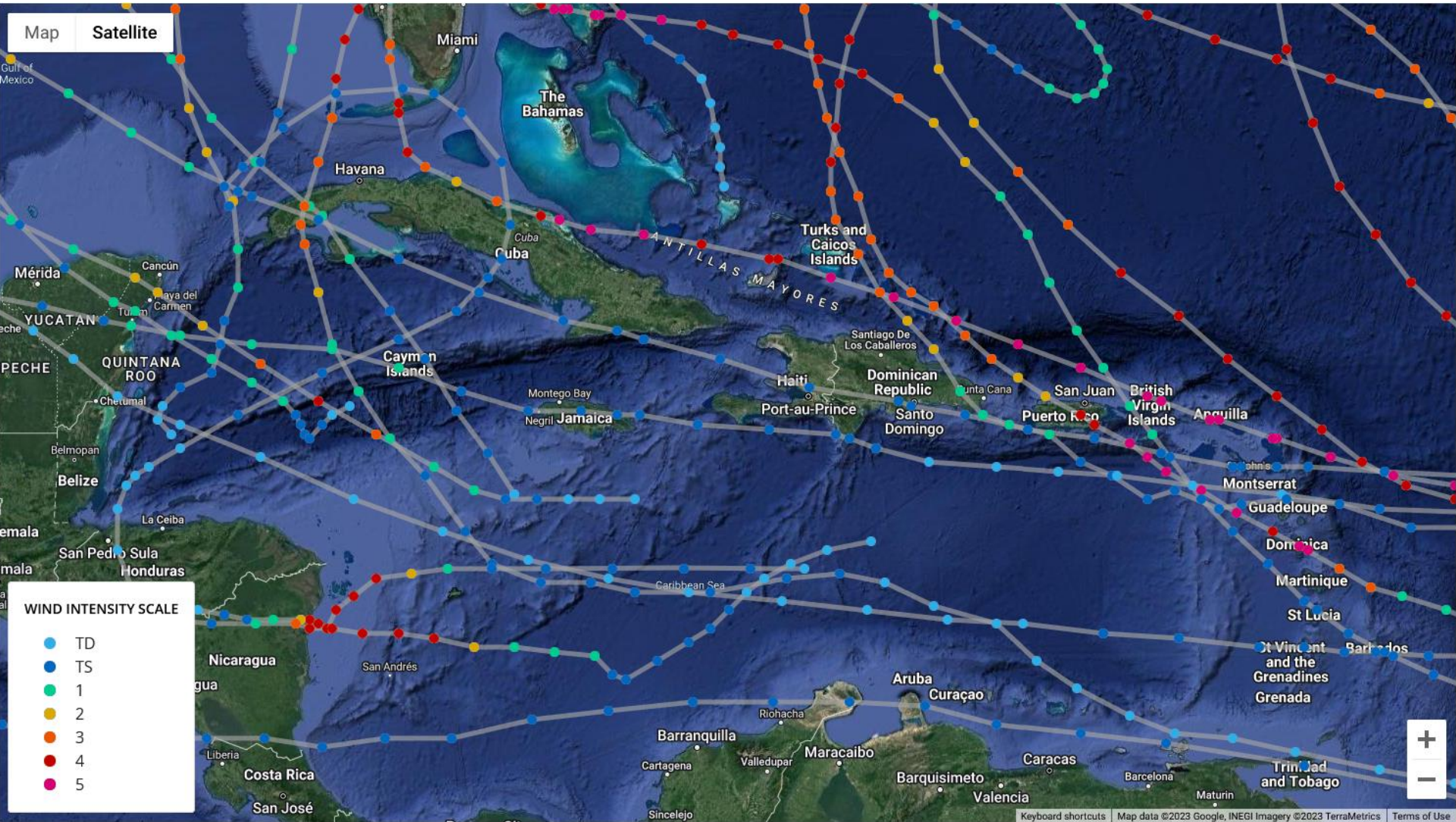
NatCat Risks in the Caribbean

A satellite image of Earth showing two hurricanes over the Atlantic Ocean. The word "Hurricanes" is written in white text across the center of the image. The image shows the swirling cloud patterns of the storms, the dark blue of the ocean, and the green and brown of the continents. The word "Hurricanes" is centered in the image, overlaid on the ocean. The background is a satellite view of the Earth, showing the Atlantic Ocean, parts of North America, and the Caribbean Sea. Two large, swirling white cloud formations, representing hurricanes, are visible over the ocean. The word "Hurricanes" is written in a bold, white, sans-serif font across the center of the image.

Hurricanes

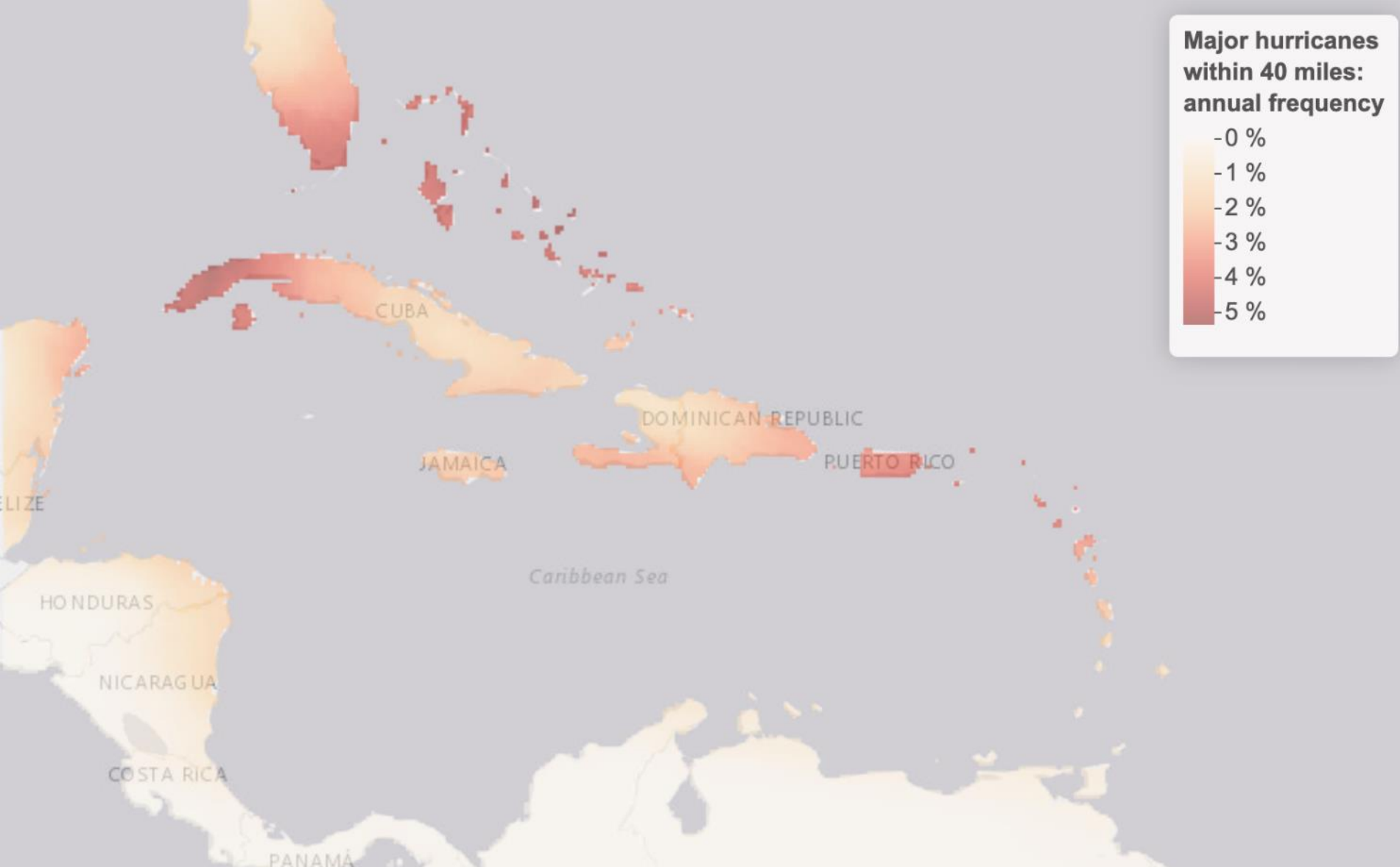
Caribbean Hurricane Season

> Cat 3 (2017-2022)



Hurricane Risk Map

Which areas are most at risk?

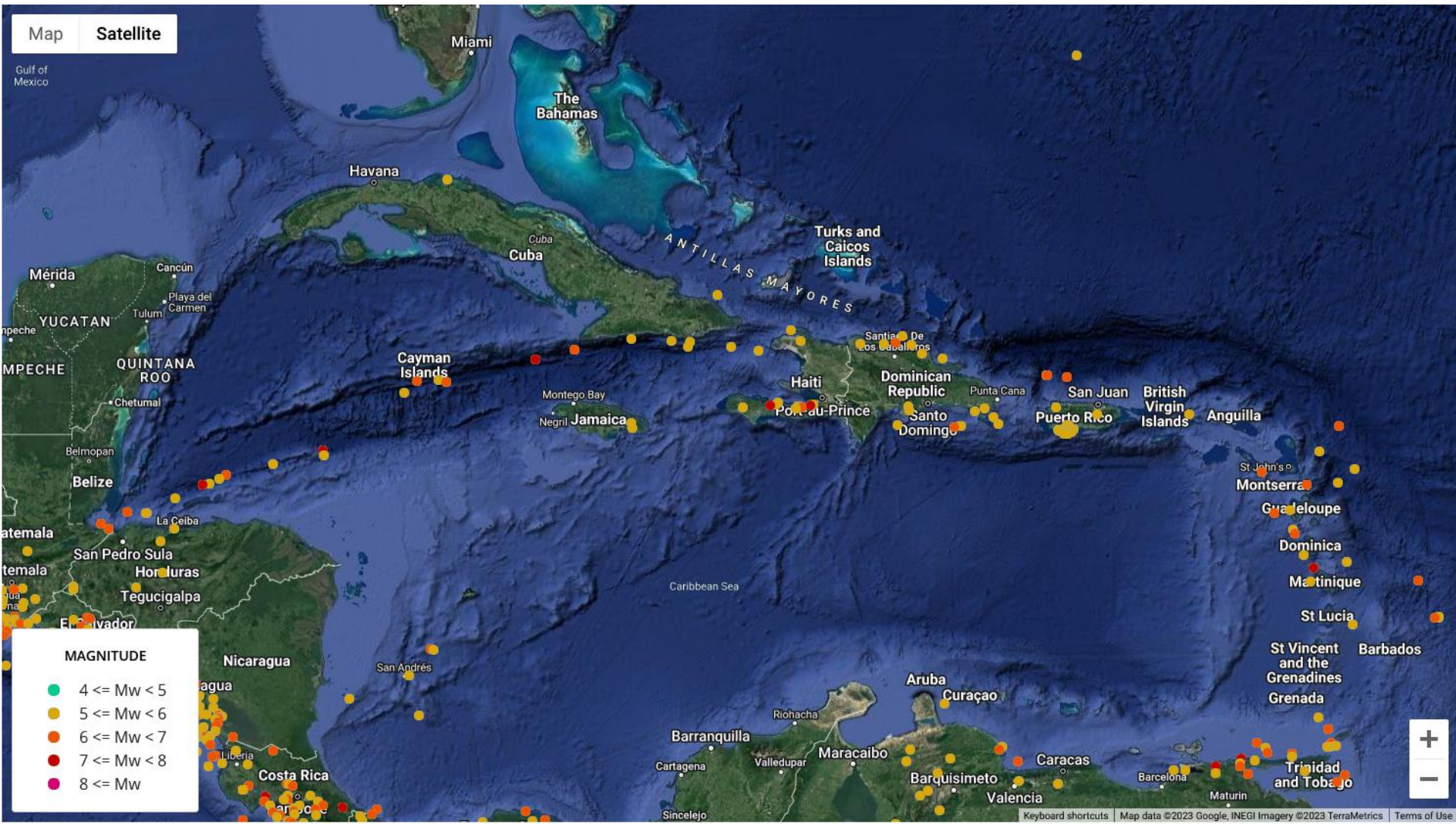


An aerial photograph of a mountain range, likely the Andes, showing rugged terrain, deep valleys, and numerous rivers. The word "Earthquakes" is overlaid in large, bold, white text in the center of the image. The mountains are covered in dense green vegetation, and the valleys are filled with brownish soil and winding rivers. The sky is filled with scattered white clouds.

Earthquakes

Caribbean Earthquakes

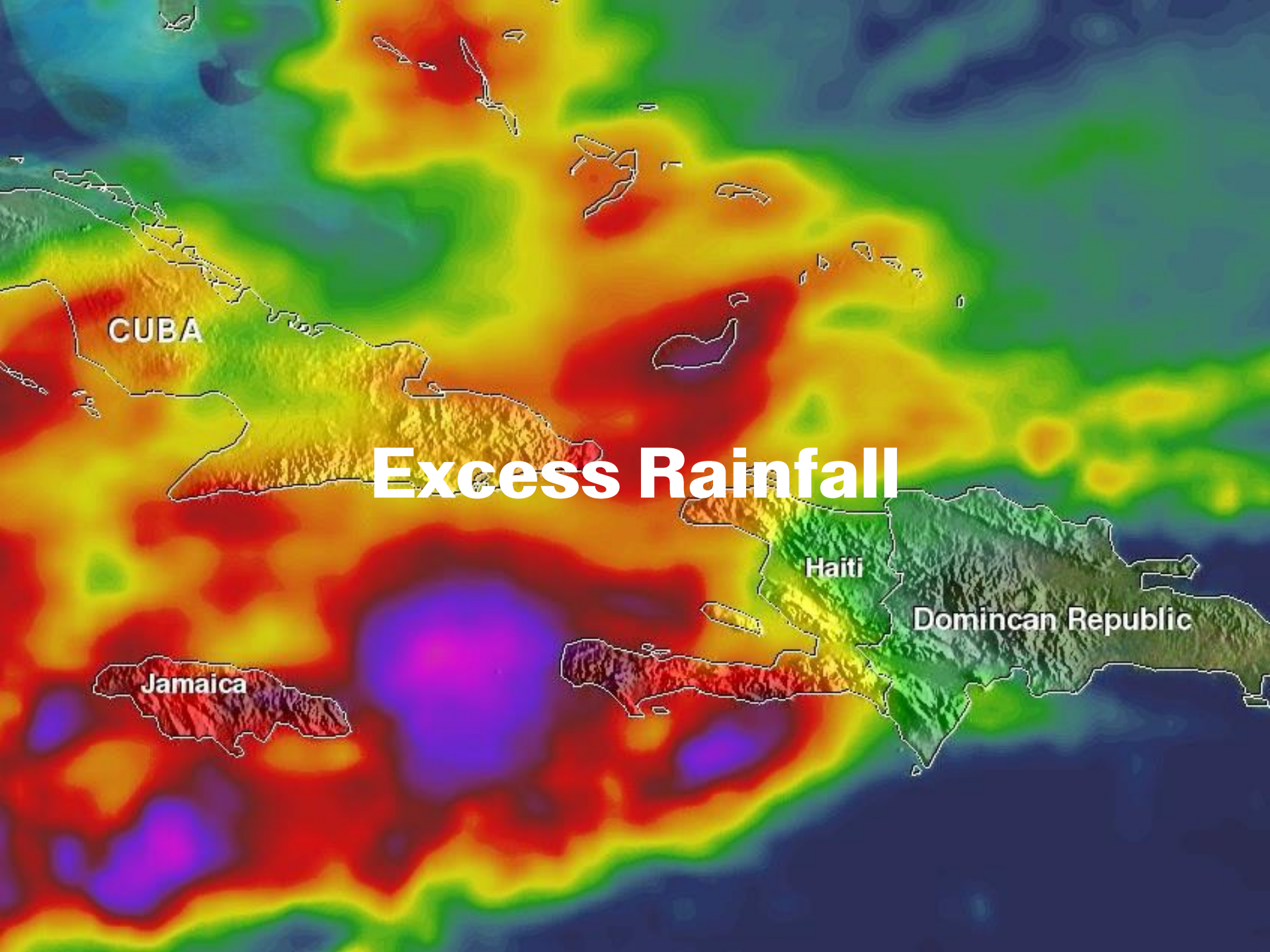
342 Mw5+ earthquakes since 1980



Earthquake Risk Map

Which areas are most at risk?





CUBA

Excess Rainfall

Jamaica

Haiti

Dominican Republic

Excess Rainfall Risk Map

Which areas are most at risk?



Climate Change

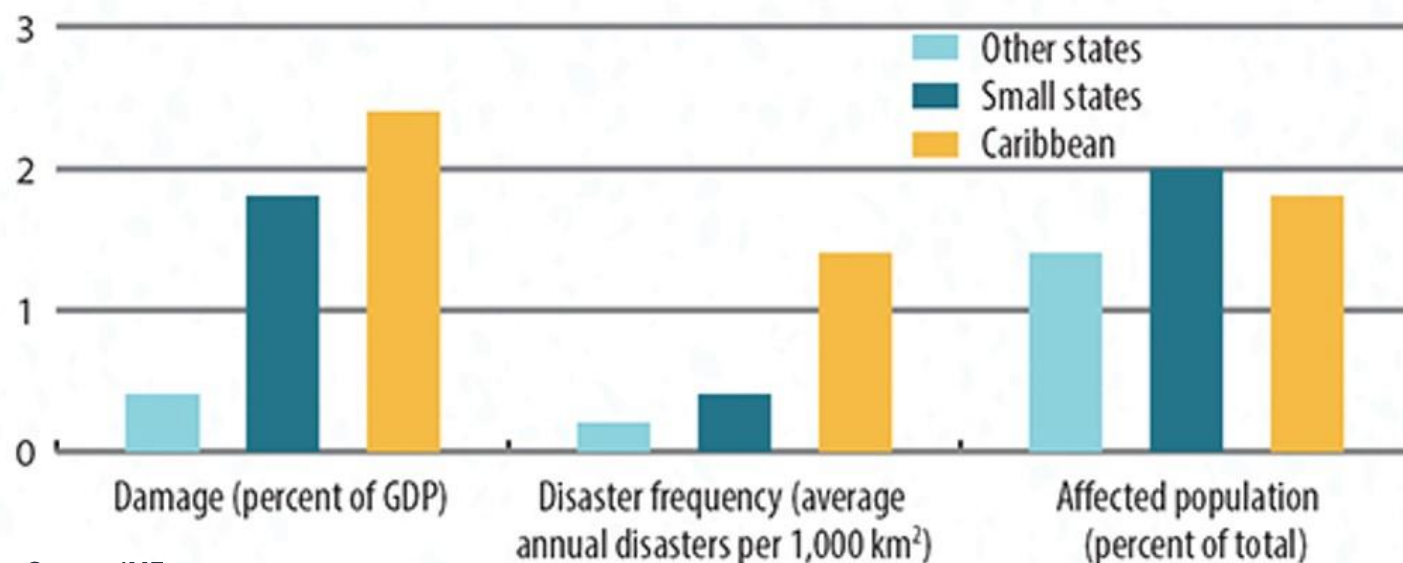
In the Caribbean, increased variability in precipitation patterns lead to:

- ✓ **prolonged periods of drought**
- ✓ **more frequent and intense extreme precipitation events, including hurricanes**

Economic Impact

The Caribbean : economic impact of natural disasters

High costs & long-term effects



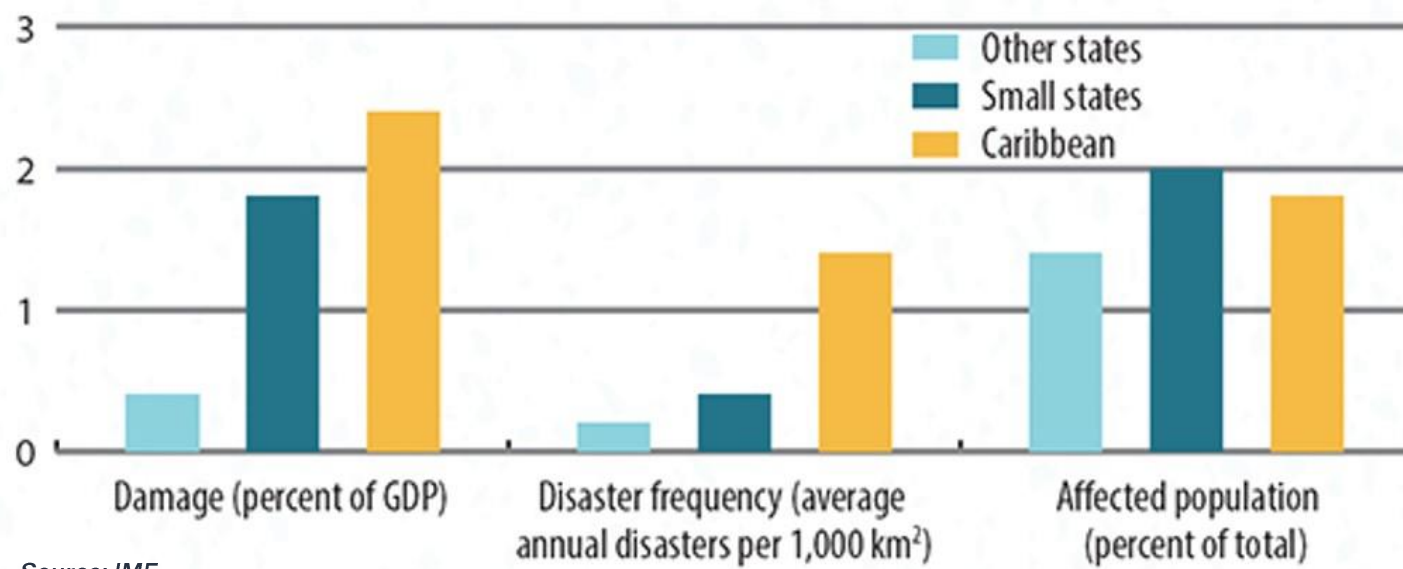
Source: IMF

On average, countries in the Caribbean suffer yearly losses from storm damages equivalent to 17% of their GDP.*

* *After the Rain: The Lasting Effects of Storms in the Caribbean*, UNDP

The Caribbean : economic impact of natural disasters

High costs & long-term effects



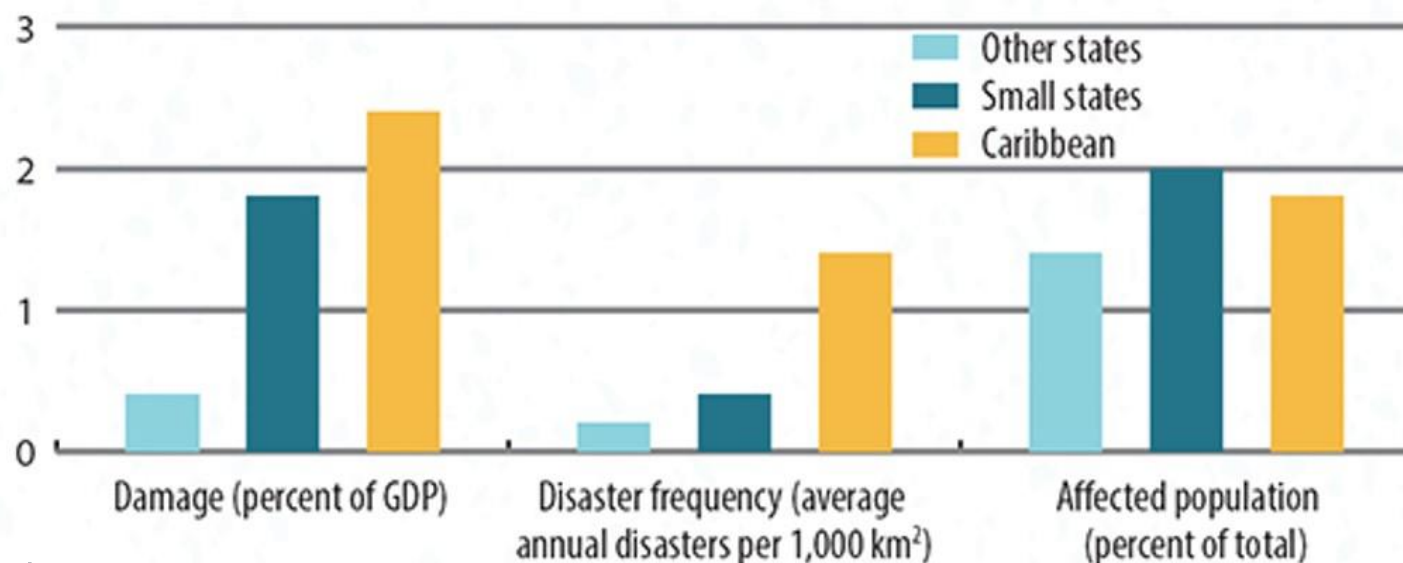
Source: IMF

Natural disasters occur more frequently and cost more on average in the Caribbean than elsewhere—even in comparison to other small states.**

** *Building Resilience in the Caribbean to Climate Change and Natural Disasters - IMF F&D Magazine – March 2018*

The Caribbean : economic impact of natural disasters

High costs & long-term effects



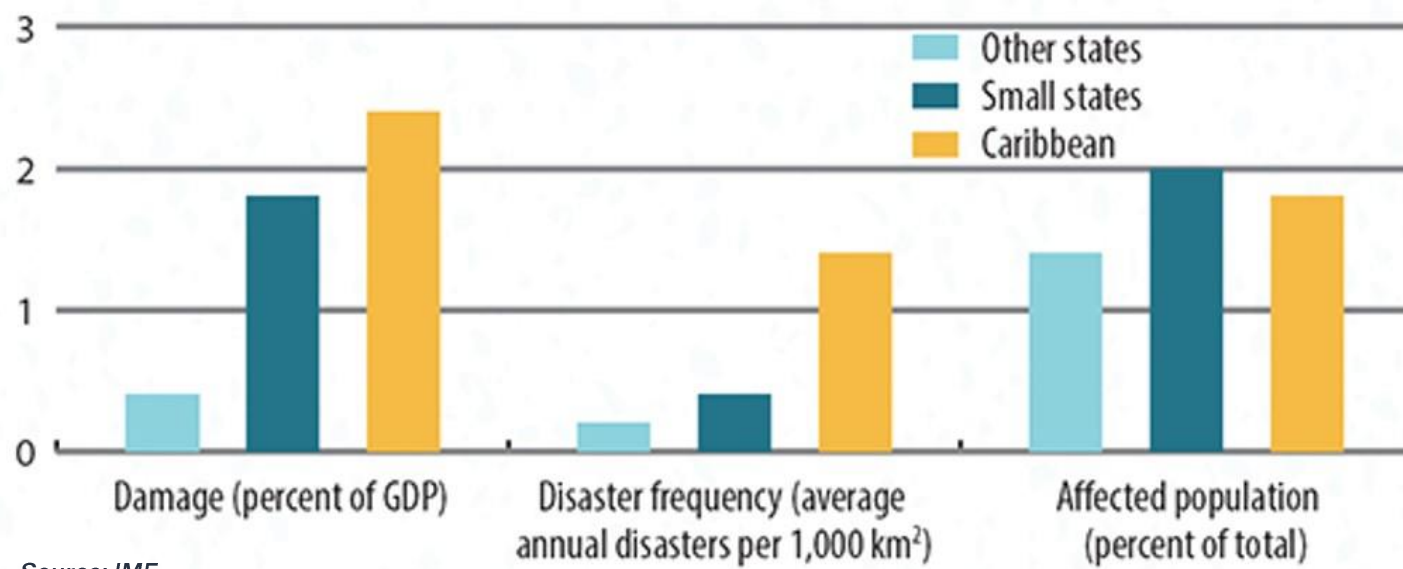
Source: IMF

Repercussions from environmental damage have long-term consequences on economic growth, sometimes as long as 20 years later.***

*** The causal effect of environmental catastrophe on long-run economic growth: evidence from 6,700 cyclones, NBER, July 2014, S. Hsiang, A. Jina

The Caribbean : economic impact of natural disasters

High costs & long-term effects



Source: IMF

Hurricane Maria is estimated to have cost Dominica 225 percent of its GDP.
Hurricane damage for Grenada in 2004 was 200 percent of GDP ****

**** <https://www.imf.org/en/Publications/fandd/issues/2018/03>

Micro, Small & Medium Enterprises (MSMEs)

MSMEs in the Caribbean

- According to the OECD, SMEs are a primary source of job creation in Latin America and the Caribbean, comprising 99.5 percent of firms in the region, and accounting for 60 percent of employment.*
- According to the Caribbean Development Bank, MSMEs represent between 70-85% of Caribbean businesses and contribute between 60-70% of Gross Domestic Product.
 - = 50% of total employment
 - = 40% owned by women

* "Supporting SME Development in Latin America and the Caribbean," Organisation for Economic Co-Operation and Development," 2020



Avocado Farm in the Dominican Republic
© Adobe Stock / Todd

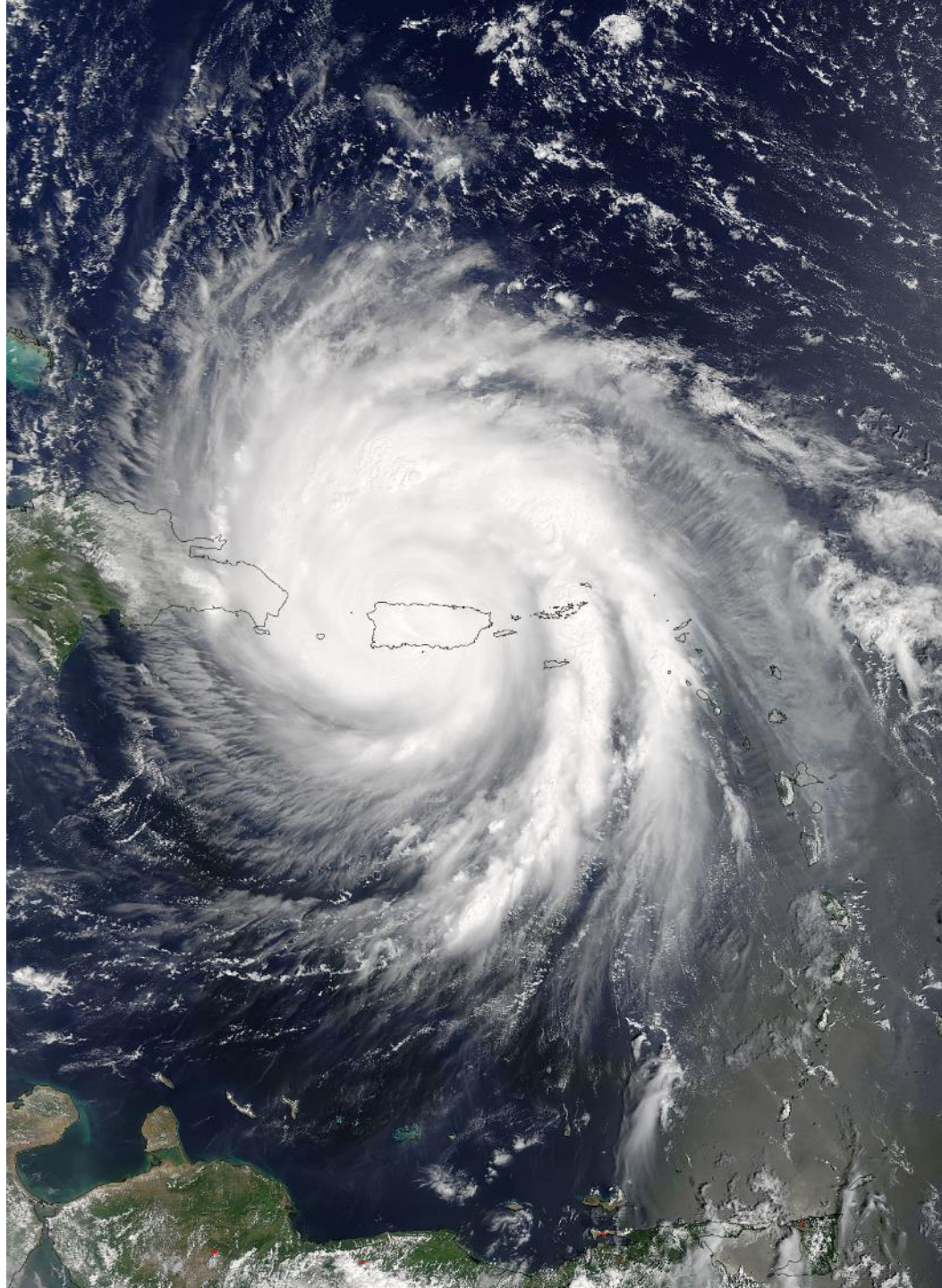
Agricultural Sector in the Caribbean

Hurricane & Excess Rainfall

Agricultural losses:

- ✓ Haiti, 2020, Tropical Storm Laura and Hurricane Eta: approx. \$22 million
- ✓ Dominica, 2017, Hurricanes Irma and Maria: approx. \$31 million
- ✓ Puerto Rico, 2017, Hurricane Maria: more than 80% of agricultural sector destroyed, losses approx. \$780 million

Sources: Caribbean Development Bank, UN Food and Agriculture Organization



Drought

2019 (in some instances, overlapping 2018 or 2020)

Agricultural losses:

- ✓ Jamaica: approx. \$5 billion
- ✓ Grenada: more than \$10 million
- ✓ Haiti: approx. \$22 million, with 1.5 million people in need of food assistance
- ✓ Belize: approx. \$20 million, impacting approx. 50,000 farmers and the country's water supply

Sources: Caribbean Climate Outlook Forum (CariCOF), Intergovernmental Panel on Climate Change (IPCC), Jamaica Agricultural Society, Agriculture in the Face of Climate Change in the Caribbean, Inter-American Development Bank, 2021., United Nations Food and Agriculture Organization (FAO)



Tourism Industry

Impact of Tourism on Caribbean GDP

- The Tourism Industry accounts for approximately 15.5% of region's GDP.
- In some nations, percentage contributed to by the Tourism Industry represents up to 50% (Bermuda & Barbados)
- MSMEs operating in the tourism industry include a broad range of businesses types.



Hurricane Maria 2017

Losses in the Tourism Sector:

- ✓ Puerto Rico: estimated \$1.1 billion in damages, with tourist arrivals declining by 80% in October 2017 compared to previous year.
- ✓ Dominica: estimated \$1.3 billion in damages, with a decline in tourist arrivals of 57% in last quarter of 2017 compared to previous year.
- ✓ US Virgin Islands: estimated \$4.5 billion in damages.



Parametric Insurance Solutions

MSMEs/Business Owners: Losses, Needs, Policies

Losses

- Property loss
- Business Interruption (incl. NDBI)
- Extra expenses

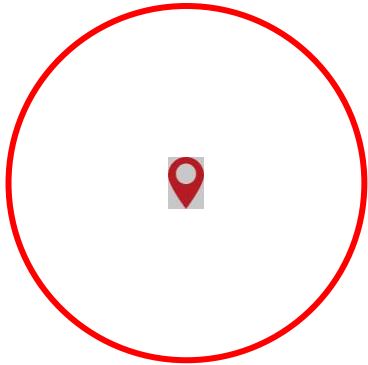
Needs

- Coverage options
- Seamless loss adjustment
- Rapid access to cash

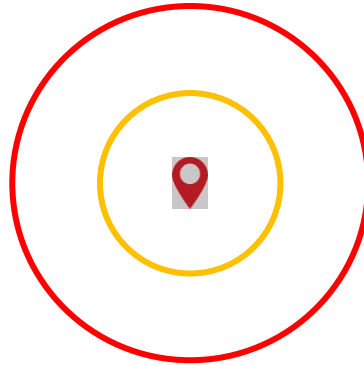


Coverage Options

Single



Double



Triple

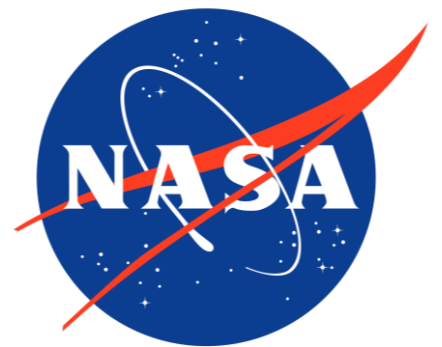
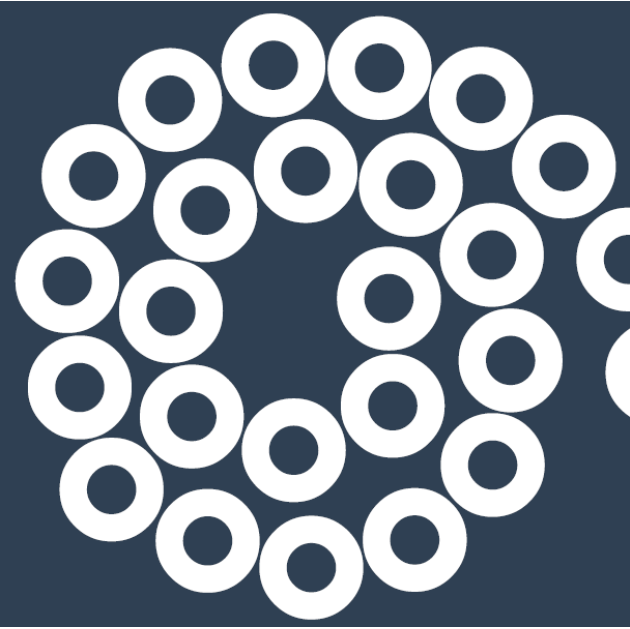


○ = Insured Location 📍 = Insured Address

HURRICANE

EARTHQUAKE

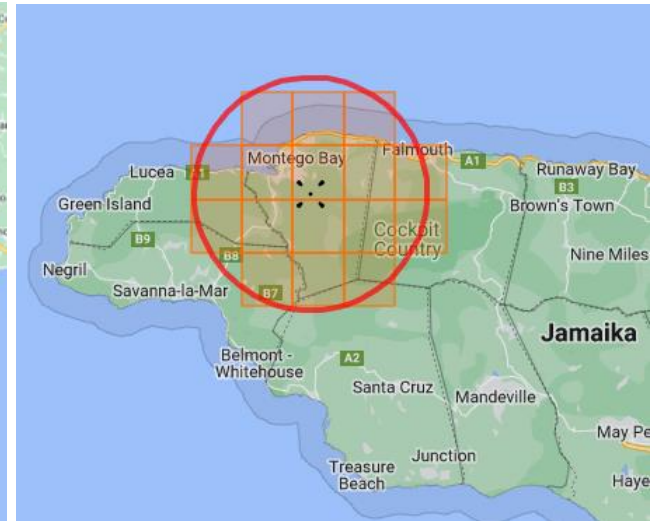
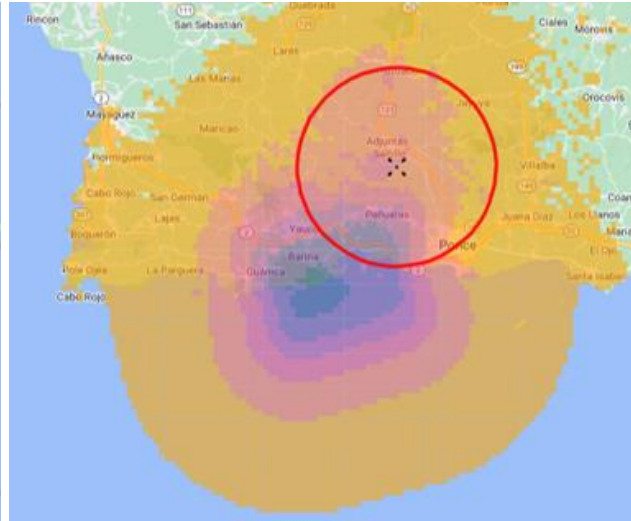
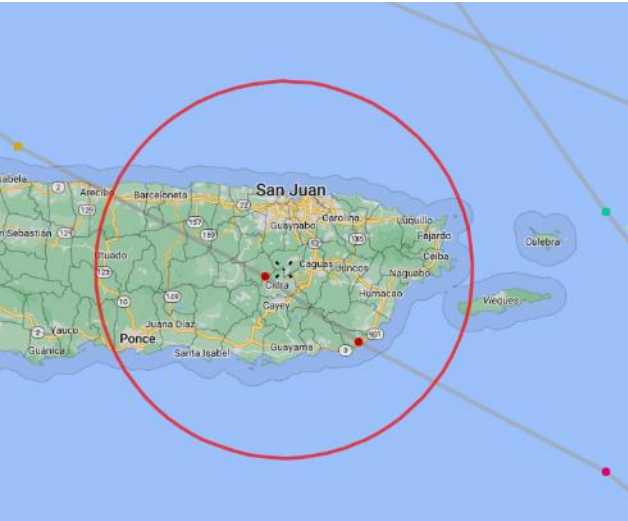
FLOOD



HURRICANE

EARTHQUAKE

FLOOD



Hurricane Category	Indemnity in % of Policy Limit
Cat. 1	-
Cat. 2	-
Cat. 3	20%
Cat. 4	40%
Cat. 5	100%

Earthquake Category	Indemnity in % of Policy Limit
$0g \leq PGA < 0.2g$	0%
$0.2g \leq PGA < 0.3g$	0%
$0.3g \leq PGA < 0.4g$	5%
$0.4g \leq PGA < 0.5g$	15%
$0.5g \leq PGA < 0.6g$	30%
$0.6g \leq PGA < 0.7g$	60%
$0.7g \leq PGA$	100%

Layers	Return Period	Max. Daily Rainfall in mm.	Payout in % of Sum Insured
1	1 – 10 y	< 100	0%
2	10 – 25 y	100–299	10%
3	25 – 50 y	300–499	40%
4	50 – 75 y	500–699	75%
5	> 75 y	> 699	100%

Parametric advantages for high-risk environments

Preparedness

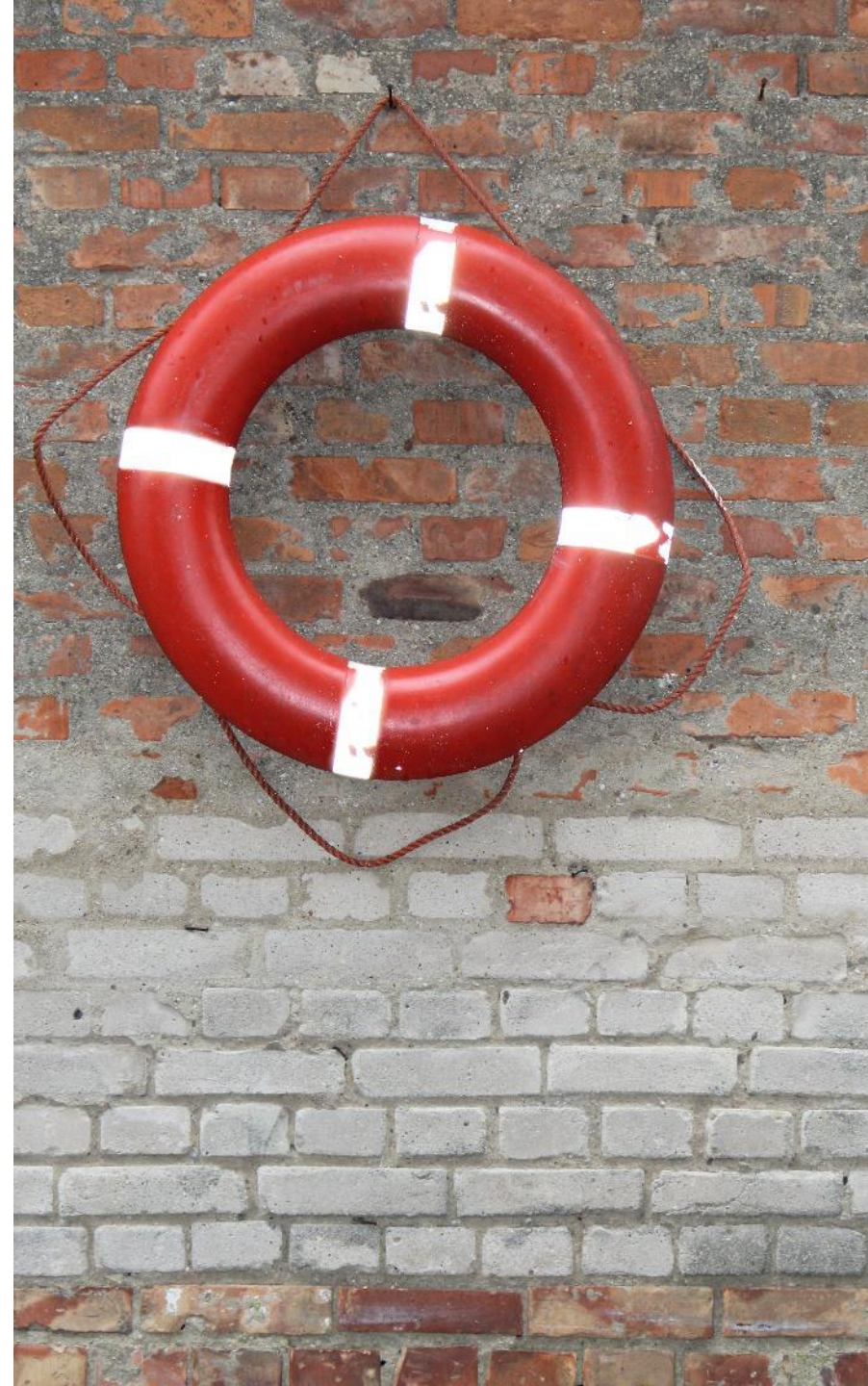
Parametric insurance coverage is...

- Accessible
- Customizable
- Reliable
- Quick
- Affordable

Resilience

With heightened preparedness, resilience is within reach:

- Affected populations and businesses receive indemnity within days, which sustains their livelihoods throughout the recovery period and facilitates rebuilding.



OUR COMPANY

Our Companies

°CelsiusPro

NatCatPro

Contact

Mark Rüegg, MBA CFA

CEO

+41 44 205 99 11

mark.rueegg@celsiuspro.com

Nicholas Pewter

Head of Sales

+41 78 250 95 94

nick.pewter@celsiuspro.com