



INNOVATION IN INSURANCE

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California Department of Insurance

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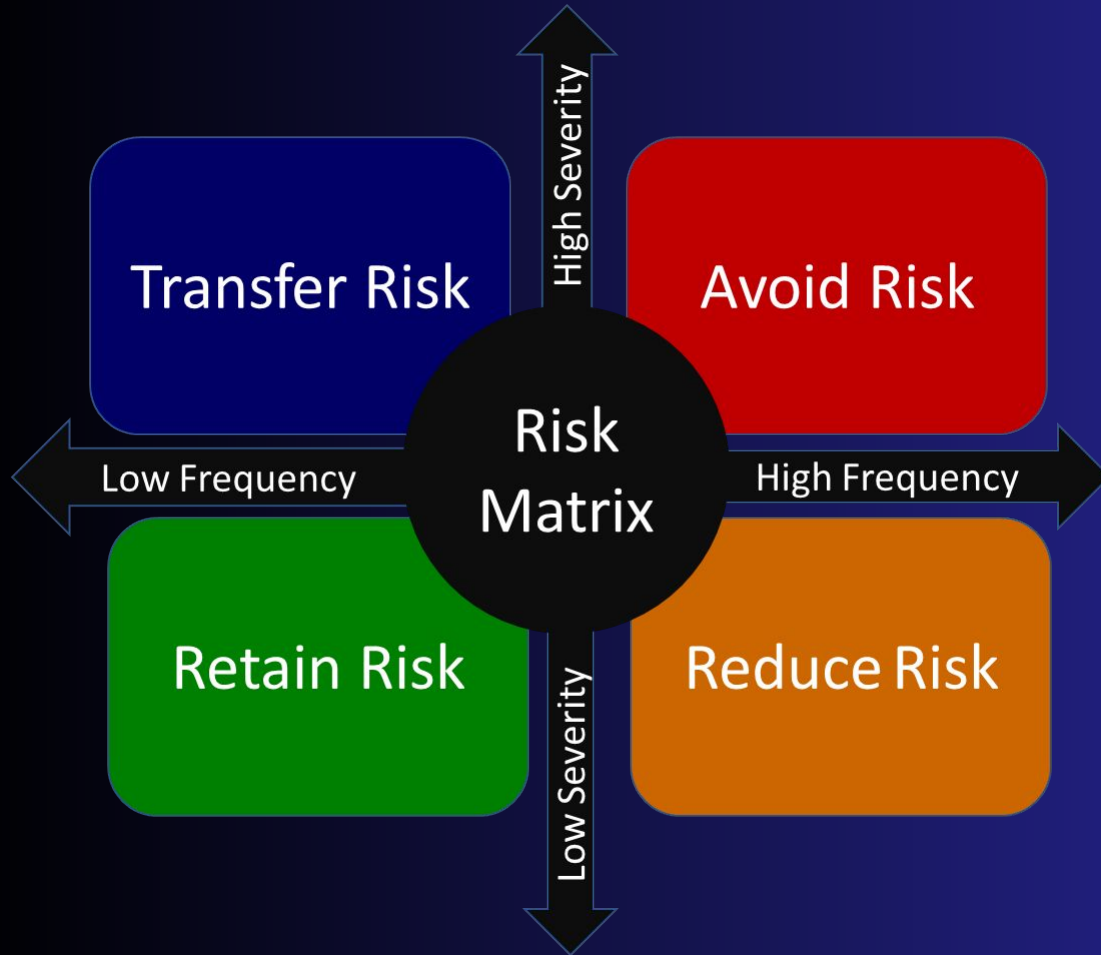
INSURANCE AND CLIMATE RESILIENCE

Insurance is a financial instrument that releases funds after disaster

Insurers can assess and analyze risk, underwrite risk, and invest in risk reduction

Insurance reduces uncertainty, builds economic resilience, and enables people to recover faster

By derisking investments and transferring risk, insurance can unlock capital for climate

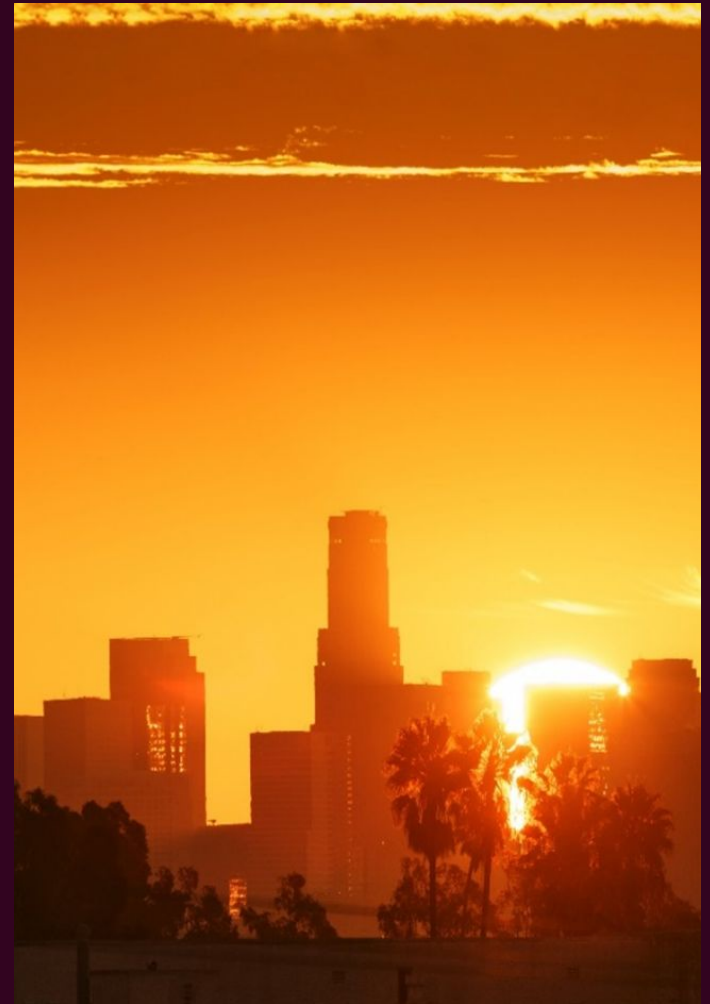


RESILIENCE RISK MATRIX

CLOSING THE PROTECTION GAP

Low-wealth and communities of color bear disproportionate climate risk exposure:

- More likely to live in harms' way and in older, riskier houses.
- Less likely to have savings or qualify for premium discounts.
- Lose coverage first, and have most at risk



**CREATIVE
INSURANCE
APPROACHES**
Parametric Insurance

Community Based Insurance

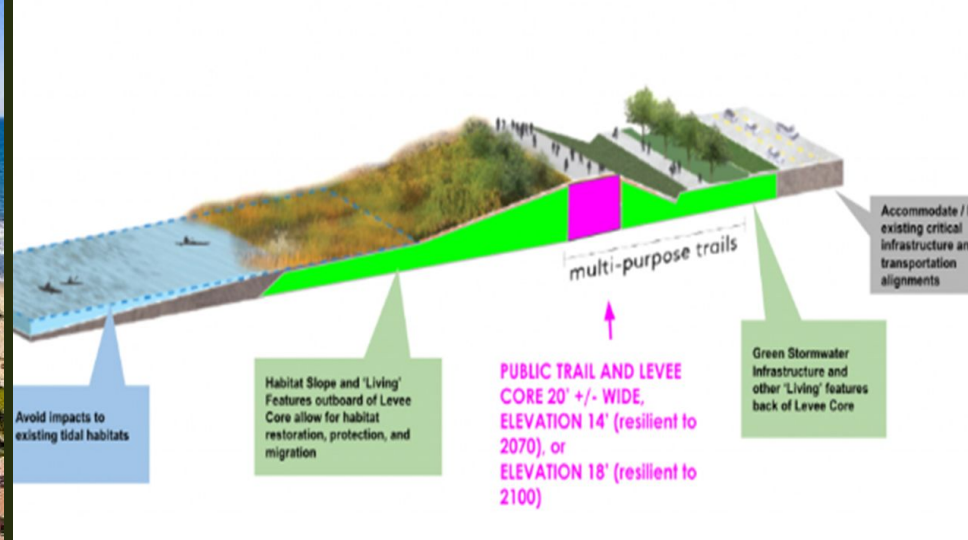
Nature Based Solutions





Urban Forest Insurance

CDI and UCSC have conducted a feasibility assessment for urban forest insurance. We are now opening the design phase of an urban forest insurance pilot project



Ecotone Levee

City of Imperial Beach is using a grant to study insurance protections from sea level rise.

Green Ribbon Commission on Biodiversity and Insurance

Strategic
Pathway 1

Weave Indigenous guiding principles into systemic changes for California insurance industry frameworks and practices

Strategic
Pathway 2

Identify and map opportunities for the insurance industry to support risk reduction through the protection and restoration of nature

Strategic
Pathway 3

Elevate the consequences of biodiversity loss on the insurance sector's financial solvency, and recommend macro and microprudential approaches that address the interconnectedness of nature and financial risk



Thank you!

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