

CORPORATE SOCIAL RESPONSIBILITY



INTRODUCTION

As the world's leading catastrophe modeling firm, Risk Management Solutions has been committed to making the world a safer and more resilient place for over 25 years. The science and technology that we have pioneered, our passionate employee base, as well as the holistic cultural motivation to make a positive impact in the world around us, have led to the robust programming within our Corporate Social Responsibility department. In the following Communication on Progress, you will find an overview of CSR@RMS, specifically program highlights and strategic aims during FY 2015.

Rebecca Biestman
Head of CSR, RMS

CSR
STRATEGY

4 Pillars of CSR@RMS



PEOPLE



PHILANTHROPY



PLANET



PERFORMANCE

2015
REVIEW



People

At RMS, we strive to help employees find meaningful ways to engage with their communities. We support our employees' passion for fostering positive impact through initiatives like our donation matching program and our annual Helping Hands volunteer days for RMSers around the globe. In addition, RMS sends employees to developing countries each year on our Impact Trek to use their expertise to encourage safer building practices in catastrophe vulnerable geographies.

Helping Hands (New Delhi, India)

Employees in our New Delhi office partnered with the NGO Swachha for RMS annual employee volunteer day.





HELPING HANDS DAY

Program Description: Helping Hands Day is RMS annual employee volunteer day, where locations around the globe give employees varied opportunities to get out of the office and into their local communities to make a positive impact. RMS partnered with several non profits this year, including the Hoboken Homeless Shelter, Swechha Youth Outreach, 21 Thames River Restoration, and Tri City Food Bank.





IMPACT TREK

Program Description: Each year, RMS sends a team of global employees to work with our main philanthropic partner, Build Change, in Haiti on a 10-day skills-based service trip. The trekkers are able to advise on Build Change's operations which promote safer building practices for homes and schools, attend site visits to neighborhoods positively impacted by Build Change's work, and tour the countryside of Haiti to fully immerse themselves into the history and culture of the country. By translating the skills employees leverage in their day jobs to fieldwork that increases the resilience capacity of developing nations, RMSers experience firsthand the positive impact that their expertise can have on disaster risk reduction.



IMPACT TREK

Key Figures:

- 15% program acceptance rate in FY 2015
- 300 hours volunteered by trekkers before, during, and after the trip
- Pro bono projects included the creation of technical materials, training manuals, marketing campaigns, and fundraising programs





CHAMPIONS NETWORK

Program Description: RMS is committed to facilitating engagement opportunities for employees passionate about CSR. As a result, RMS has both a CSR Champions network and office-specific employee CSR Committees to provide structured paths for engagement. Participation in these programs provide employees with the opportunity to create CSR programming for their locations and allow for the chance to collaborate and network with employees from around the globe, take on office leadership roles that serve as development opportunities, and raise the profile of CSR by acting as advocates for the broader employee base.



CHAMPIONS NETWORK

Key Figures:

- Monthly Champions meetings with over 50 attendees globally
- Monthly CSR Newsletter available to entire employee base
- Formal CSR Committees in CA, NJ, UK, and India
- Over 200 hours of programming organized by local CSR Committees annually





EMERGENCY PREPAREDNESS

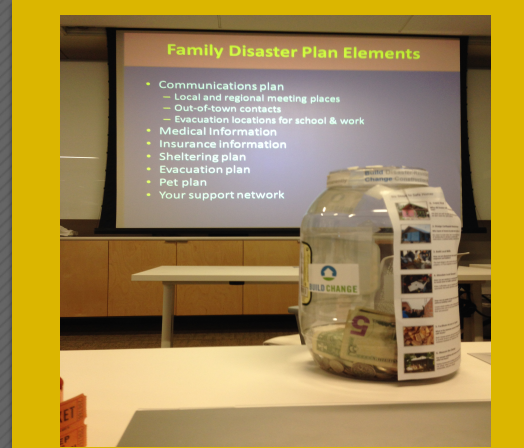
Program Description: At RMS, we seek to make the world a safer and more resilient place, starting with our own employee base. RMS' Emergency Preparedness Week provides employees with a full calendar of events for the week, including the International Day of Disaster Risk Reduction, fundraisers for Build Change, and training courses for employees to ensure their safety both at the office and in their homes in the wake of a catastrophe. The event aims to tie employees to the core of what we do as an organization, thereby fostering engagement and retention through mission-driven organizational activities.



EMERGENCY PREPAREDNESS

Employee Quotes:

- *“Engaging and fun activities” arranged by “a committed, savvy and energized group of individuals”*
- *“It was nice seeing us getting together for something positive”*
- *“Activities were really relevant and meaningful”*



Family Disaster Plan Elements

- Communications plan
 - Local and regional meeting places
 - Out-of-town contacts
 - Evacuation locations for school & work
- Medical information
- Insurance information
- Sheltering plan
- Evacuation plan
- Pet plan
- Your support network

The Four Pillars



Planet

Responsibly managing our impact on the environment is a core focus at RMS. Through the efforts of our Green Team and Carbon Footprint Reporting program, energy conservation and waste reduction remain a top priority for our organization, which understands the implications of climate change and strives to initiate sustainable business practices.

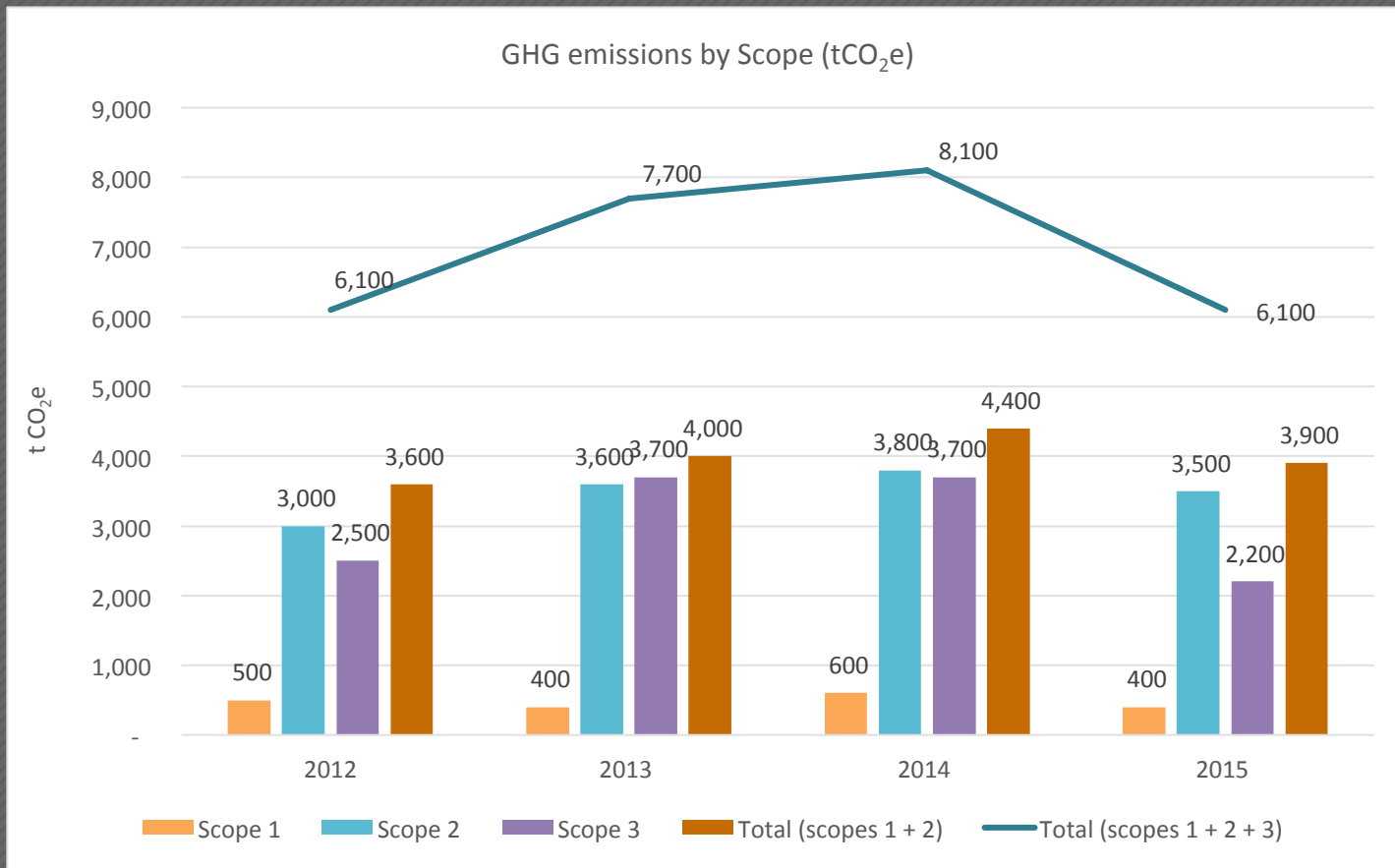
ClimateWise (Cambridge, UK)

RMS is a member of the working group aimed to drive action on climate change within the insurance industry.





CARBON FOOTPRINT REPORTING





CARBON FOOTPRINT REPORTING

Key Figures:

- RMS decreased our total carbon footprint from 8,100 tCO₂e in FY 2014 to 6,100 tCO₂e in FY 2015
- This change represents 25% reduction in our carbon footprint over the past 12 months
- In FY 2015, RMS implemented a new travel policy and expanded our video conferencing capabilities, both of which led to a significant reduction in air and road emissions
- RMS also installed a new building management system which helped to significantly reduce our energy footprint in our headquarter office location



GREEN TEAM

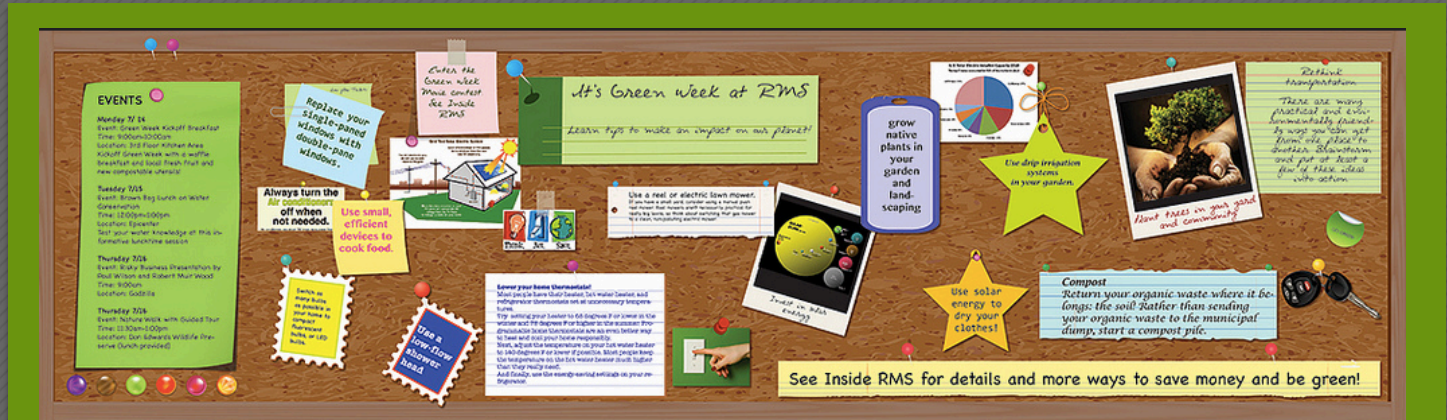
Program Description: The RMS Green Team is an employee-driven grassroots organization, which seeks to highlight sustainability issues by organizing office-wide efforts to reduce RMS' carbon footprint. The Green Team has been responsible for efforts in reducing waste in offices through the procurement of reusable kitchen materials, implementing an employee shuttle service to public transport, installing solar shields on office windows, and ensuring that proper signage and communication exists for recycling and energy efficient practices throughout our offices. In addition, the Green Team hosts many events throughout the year, including our annual "Green Week" held each summer.



GREEN TEAM

Key Figures:

- Established Green Teams now exist in 5 RMS locations
- Implemented educational programs, engagement events, and policy directives all aimed to lower RMS carbon footprint
- Employees spend almost 500 hours annually on Green Team projects





GREEN WEEK

Program Description: In partnership with our parent company, DGMT, RMS holds an annual week of sustainability events: “Green Week”. Green Week gives the boarder employee base an opportunity to engage with environmental sustainability through activities like hosting “green fairs” in our offices with local vendors, planting trees and other green volunteer projects, as well as bringing in external speakers on issues related to everything from climate change to national government sustainability policy.



GREEN WEEK

Key Figures:

- Over 20 events held in five RMS offices around the globe
- Events available to almost 1,000 employees globally
- Events included personal electronics recycling, educational speakers, tree plantings, and clothing donation drives





CLIMATE CHANGE

RMS engages with a wide range of scientists in the climate forecasting and climate change modeling communities to better understand the impact of natural climate variability and climate change on catastrophe risk. Engagement includes participating in conferences, workshops, committees and advisory boards, as well as collaborating and investing in research in this area.



ClimateWise



**UNIVERSITY OF
CAMBRIDGE**

INSTITUTE FOR
SUSTAINABILITY LEADERSHIP



CLIMATE CHANGE

Key Figures:

- RMS presented at 17 external conferences and seminars on climate change impacts and was published in 9 journals
- RMS has continued research on how to model the risk of alternative forms of electricity generation to the impacts of wind, flood and hail
- RMS researches implications of various features of the climate system, including in its two core climate risk models covering North Atlantic Hurricane and European Windstorm
- RMS were collaborators and co-authors of a very widely cited study, published in Nature, on the attribution to climate change of an increased potential for extreme Autumn rainfall events in the UK



SUSTAINABILITY ACTION PLAN

Program Description: RMS completed a REV Sustainability Circle®: a comprehensive 6-month peer-learning program that empowers businesses to improve the way they do business by helping embed sustainable practices across the organization. The outcome is an action- and results-driven customized Sustainability Action Plan that makes the business case for implementing both large and small-scale initiatives.





SUSTAINABILITY ACTION PLAN

Key Goals:

- Aim to reduce energy use by an additional 10% annually for next 5 years at RMS headquarter location
- 15% reduction in waste at all US/UK sites in the next 3 years
- Internal sustainability reporting
- Reduction of carbon footprint emissions by 5% in the next 3 years
- Create new communication mechanism for employee engagement in sustainability



s of CSR@RMS



Performance

Through our global partnerships, RMS has been able to leverage our expertise to drive significant innovation and collaboration. Our partners range from ClimateWise, to the Rockefeller Foundation, to the United Nations International Strategy for Disaster Reduction. These alliances positively impact both our performance and that of our partners, which in turn help to solve some of the most pressing issues plaguing our world today.

United Nations (Washington, D.C. USA)

RMS has agreed to freely house UNISDR's model for government access on our platform for disaster risk management RMS(one).





THOUGHT LEADERSHIP

Program Description: The Overseas Development Institute (ODI) was tasked by the UK Department for International Development with writing a report on disaster resilience. This report was used to inform the members of the Open Working Group on the Sustainable Development Goals in their deliberations and to assist member states in negotiating the goals which are to be included. The ODI requested that RMS co-author the report based on our extensive knowledge in catastrophe modeling. The report *Setting, Measuring, and Monitoring Targets for Reducing Disaster Risk* was launched in FY 2015.





THOUGHT LEADERSHIP

Program Description: The Global Resilience Project (GRP) aims to shift the focus of governments, NGOs, communities and businesses to investing in upfront measures that reduce disaster risk, rather than post-disaster relief and recovery efforts by deepening understanding of disaster risk reduction (DRR) activities globally, identifying the economic and social costs of disasters, and assessing the effectiveness of DRR measures. RMS has advised on the development of both global and country-specific natural disaster risk maps, highlighting the economic and social devastation caused by natural hazards.



UNEP
**Finance
Initiative**



PSI
Principles
for Sustainable
Insurance



THOUGHT LEADERSHIP

Program Description: RMS sends scientific and technical experts around the world to educate the global community on the importance of measuring risk and disaster risk reduction methodology. In 2015, employees participated in many conferences including the World Bank's Understanding Risk Forum and the United Nation's World Conference on Disaster Risk Reduction.



THE WORLD BANK

UNITED
NATIONS





HEART OF THE CITY

Program Description: Heart of the City is a 700-strong powerhouse of responsible business leaders, Corporate Responsibility practitioners and change agents committed to sharing their experiences and their time with others in order to measurably improve our society. In FY 2015 RMS underwent a six month training program with Heart of the City, which included modules on reporting, programming, and communications. RMS is also engages in consistent mentoring by one of the largest insurers in the world, Aviva, who provides industry-specific CR advising.





MEMBERSHIP

Program Description: Membership in NGOs specifically created to ensure the proliferation of CSR in the corporate landscape are an important element of improving RMS CSR performance and governance. These institutions provide educational opportunities, trainings, conferences and events, and well as robust networking opportunities so that RMS can manifest a “best in class” commitment to Corporate Social Responsibility.



CLINTON GLOBAL INITIATIVE



CLIENT ENGAGEMENT

Program Description: The Client Support Services (CSS) Charity Program provides an impactful incentive for our clients to fill out product surveys: for every survey that is completed, RMS donates to Build Change, our main philanthropic partner. In FY 2015, RMS donated \$11,760 to Build Change via survey responses and saw a 120% lift year over year in client response rates. Because of the CSS Charity Program, RMS received over 1,000 more client surveys over the past year, which have helped to generate impactful insights about our products that will allow us to serve our customers more effectively.



CLIENT ENGAGEMENT

Program Description: The Client Charity Support Program allows RMS to support the charities that are near and dear to our client's hearts. In FY 2015, RMS donated \$11,800 to a variety of causes including the Travelers Championship which raised over \$1.5M for 140 non profits and the Liberty Mutual Aspire Gala, which raised over \$2.1M for autism awareness and programming.

The logo for Travelers, featuring the word "TRAVELERS" in a bold, black, sans-serif font. To the right of the word is a red umbrella icon with a black handle and a black shadow underneath it.

TRAVELERS



**Liberty
Mutual.**



Philanthropy

Strategic giving to organizations with an enduring impact enables RMS to help improve communities around the world. Our philanthropic efforts with Build Change facilitate the construction of safer homes and schools in developing countries like Haiti and Indonesia while our giving programs to the Red Cross provide catastrophe relief in times of distress to the stakeholders that need it most.

Build Change (Colombia, Latin America)

RMS grants, in conjunction with the Clinton Global Initiative, are funding a program that prevents home collapses due to earthquakes in Colombia.





EMPLOYEE ENGAGEMENT

Program Description: The first foray into corporate philanthropy for RMS is centered on employee engagement, marked by employee-driven fundraising and our corporate donation-matching program. In addition to providing fundraising opportunities for employees in the wake of natural catastrophes and during emergency preparedness week, RMS also matches employee gifts 1-to-1 to their charity of choice up to \$500USD per year per employee.





BUSINESS ALIGNMENT

Program Description: The next phase of corporate philanthropy is corporate grant making, whereby grants are allocated to strategic philanthropic partners whose missions are aligned with our core business of understanding risk and building resiliency. Recipients of RMS' corporate grant making are disaster risk reduction (DRR) focused social enterprises including Build Change and Geohazards International, who work with local builders and governments around the world to educate populations and change local building practices so that safer homes and schools can be erected or retrofitted in the most vulnerable geographies.





RMS FOOTPRINT

The final level of corporate philanthropy involves giving that provides opportunities to increase RMS' businesses footprint and facilitates the prospect of an expanded impact through the creation of shared value. This type of giving catalyzes RMS own "license to operate" and often involves in-kind giving, advising, and product donations, which may in tern create business opportunities in new sectors and geographies. RMS' long-term CSR goal is to incorporate philanthropy into broader business strategies, as we see the use of catastrophe modeling as vitally important to help ensure that governments, NGO's and other stakeholders have access to our technology and expertise to help increase their resiliency.



RMS FOOTPRINT

Key Figures:

- RMS is a partner of Rockefeller Foundation's 100 Resilient Cities, which is helping cities around the world become more resilient to the physical, social, and economic challenges that are a growing part of the 21st century.
- RMS has donated products and services to date to help cities better understand their risk. Project examples include assisting:
 - San Francisco, CA to quantify their economic risk to sea level rise
 - Berkeley, CA to prioritize seismic retrofits for evacuation shelters



For questions regarding RMS Corporate Social
Responsibility Programs, please contact
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