

Clim<sup>®</sup>Energy



## AbsoluteClimo Prepared to Help SEC Registrants Understand & Disclose Climate-Driven Financial (Tail) Risks

Weather (Severe), Major Earthquakes / Tsunamis & Volcanic Eruptions, Human Health and Phenology

U.S. SEC Release Nos. 33-11275; 34-99678; File No. S7-10-22

est Palm Beach, Florida (19 March 2024) - In response to the March 6th 2024 U.S. Securities and Exchange Commission (SEC) adopting <u>amendments</u> to its rules under the Securities Act of 1933 ("Securities Act") and Securities Exchange Act of 1934 ("Exchange Act") requiring registrants to disclose climate-related information in registration statements and annual reports, AbsoluteClimo announced it is ready to immediately help registrants <u>meet and exceed</u> the new SEC final rules. AbsoluteClimo made its announcement at the Opal Group ESG & Impact Investing Forum 2024 and Real Estate Investment Summit in Florida.

AbsoluteClimo invested and prepared well over a decade ago to help the world better understand and assess climate risks, impacts and opportunities for industries and enterprise in both the private and public sectors. Our science team has 35+ years of weather and climate modeling, forecasting practice, business and operational track record.

The SEC calls for registrants to disclose if their financials are materially impacted by risks and uncertainties including from <u>severe weather and other natural conditions</u>. Climate-related risks that have materially impacted, or are reasonably likely to material impact a registrant's business strategy, business model, results of operations, financial condition or outlook are required to be disclosed.

AbsoluteClimo is well prepared to help SEC registrants understand, discover, assess and disclose their current and expected climate-driven risks including <u>directionally accurate tail</u> <u>risks</u>. Unlike most-to-all, AbsoluteClimo provides consistently skillful probabilistic forecasts of climate-driven weather (severe / catastrophic) and <u>other natural conditions</u> including major earthquakes, major volcanic eruptions, phenology and human health which can disrupt U.S. business operations at home and abroad. Our forecasts include related financial outcomes such as economic or insured losses, tail risks to revenue and anomalies (relative to normal).

With our actuary <u>partner</u> AKR Zell Pte. Ltd., we pioneered an emerging new standard for underwriting climate-driven catastrophe risk finance for insurance-linked securities (ILS) and the re/insurance industry based on our skillful global climate and machine learning forecasts. We <u>help</u> our clients with skillful predictions of climate perils such as landfalling hurricanes and major earthquakes. Aon (NYSE: AON) and AbsoluteClimo last year <u>announced</u> our multiyear collaboration to advance climate modeling for climate-based perils for reinsurance.

**Better Than Scenarios**: AbsoluteClimo can help SEC registrants provide more accurate climate-related disclosures with our skillful climate and financial forecasts above and beyond the limits of "what-if" climate change scenarios (IPCC, NGFS). Scenarios are <u>not</u> climate forecasts, and have failed to help e.g., Hawaii's public electric utility and politicians were shocked by the December 2021 Honolulu and Maui emergency floods from a 5% rare Kona low <u>storm</u>, and the August 2023 catastrophic Maui wildfires. At Net Zero Investor's DC Forum savvy investors <u>said</u> climate scenarios are "problematic", "useless", "not fit for purpose" and "to potentially being harmful."

"We are pleased to help SEC registrants immediately discover and disclose current and future climate risks and reduce their uncertainty by leveraging our directionally accurate forecasts, just in time as investors awaken to the risks and futility of using (derivatives of) climate change scenarios," said Brendan Lane Larson, AbsoluteClimo Co-Founder CEO, Climatologist and Physical Meteorologist. "AbsoluteClimo is here to help all businesses worldwide weather the elements of climate and to help make better business climate decisions" added Melissa Barrington, AbsoluteClimo Co-Founder, Climatologist and Physical Meteorologist.

AbsoluteClimo has <u>partnered</u> with Ultimate Risk Solutions, a provider of actuarial capital modeling to the insurance and reinsurance sectors. URS models risk and capital, ceded reinsurance evaluation, stochastic financial reporting, and asset portfolio management. AbsoluteClimo has also partnered with Liberate AI for human <u>healthcare</u>.

Turbo Net Zero and AbsoluteClimo recently <u>announced</u> our strategic partnership to bring a new echelon of climate solutions to the global market. The partnership offers a fusion of products and services that combine weather and climate physics modeling into practical climate change challenges faced by global investors and corporates, such as transitioning to a more sustainable business model, accessing sustainable finance, and managing climateresilient assets and investing due diligence.

## About AbsoluteClimo LLC

Founded in 2016, AbsoluteClimo's (<u>absoluteclimo.com</u>) mission is bettering life on Earth (**•**) by helping people impacted by climate variability and change. AbsoluteClimo LLC, is a Hawai'i headquartered world leading climate forecasting and risk management company created and operated by pioneering reputable climatologists, meteorologists and seasoned entrepreneurs with accomplished scientific and business industry track record including NASDAQ/NMS listing and successful M&A. Contact Kathryn Chen: <u>kathryn.chen@absoluteclimo.com</u>.