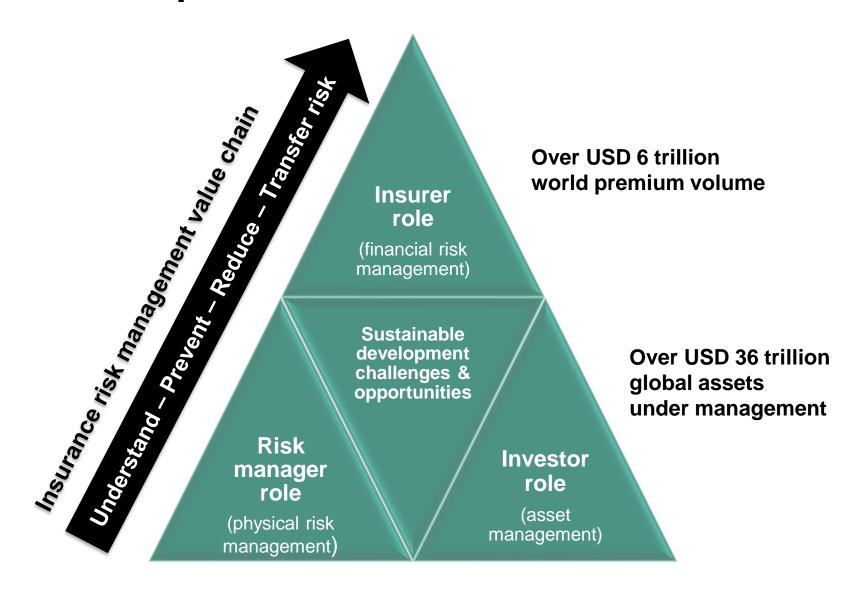


Butch Bacani

Programme Leader, Principles for Sustainable Insurance Initiative

The triple role of the insurance industry in sustainable development





The Principles for Sustainable Insurance: A global roadmap to drive systemic change



Principle 3:

We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.

Principle 1:

We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.

Public

Governments, regulators & other key stakeholders

Clients & business partners

Clients, suppliers, agents, brokers, insurers, reinsurers

Core business

Company strategy
Risk management
Insurance underwriting
Product development
Claims management
Sales & marketing
Investment management

Principle 4:

We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

Principle 2:

We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.

The insurance industry's triple role in sustainable development (examples)

PSI initiative to shape the sustainability agenda for the life & health insurance industry

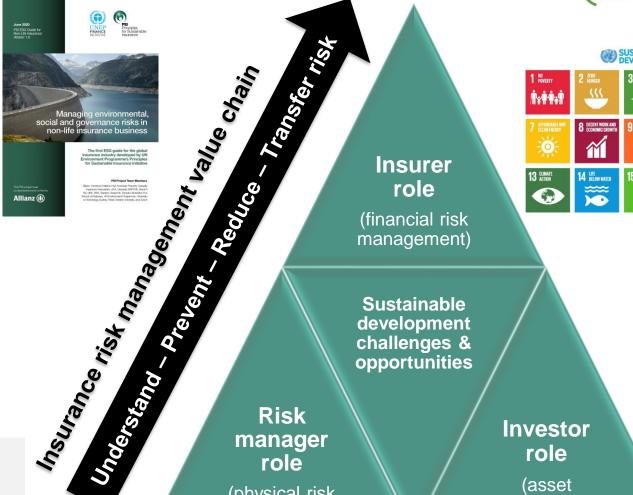
PSI guide to better prevent and reduce ESG/ sustainability risks in non-life insurance business

Insuring the climate transition

PSI TCFD insurance pilot project to better understand and manage climate risks **PSI Net-Zero Insurance Alliance to** support the transition to a net-zero emissions economy



V20 Sustainable **Insurance Facility** to build resilience in most climate vulnerable countries



role

(physical risk

management)

SUSTAINABLE GOALS

(asset

management)

PSI Insurance SDGs initiative to develop and increase penetration of insurance products & solutions that support the SDGs



UN-convened Net-Zero Asset Owner Alliance to support the transition to a net-zero emissions economy

UN-convened Sustainable Insurance Forum for supervisors and regulators (SIF)









- SIF → Global network of insurance supervisors and regulators working together to strengthen responses to sustainability challenges facing the insurance industry
- Convened by the UN
- SIF members from over 30 jurisdictions around the world
- SIF works closely with the International Association of Insurance Supervisors (IAIS)





Jul 2017 → SIF becomes first group of financial regulators to support FSB-TCFD recommendations





Launch of SIF Dec 2016, San Francisco, USA



2nd SIF meeting Jul 2017, Windsor, UK



3rd SIF meeting Oct 2017, Kuala Lumpur, Malaysia



4th SIF meeting May 2018, Rio de Janeiro, Brazil



5th SIF meeting: Nov 2018, Luxembourg



6th SIF meeting: Jun 2019, Buenos Aires, Argentina



7th SIF meeting: Nov 2019, Abu Dhabi, UAE

Aug 2017 → SIF publishes global stock-take of how insurance regulators are managing sustainability challenges



Jul 2018: SIF and IAIS collaborate to produce landmark "Issues Paper on Climate Change Risks to the Insurance Sector" spanning the industry's insurance and investment activities

2019 → SIF conducts global climate risk survey of insurance industry

2020-21 → IAIS-SIF Issues Paper on TCFD implementation + Applications Paper on climate change & the insurance sector

2021 onwards → Work on impacts of climate-related risks on the insurability of assets

Scoping study on nature-related financial risks to the insurance industry

Embedding climate risks in actuarial processes

Except from Mark Carney's foreword for the final report of the PSI project to pilot the TCFD recommendations







"By insuring and investing with foresight, the insurance industry has the opportunity to break the 'Tragedy of the Horizon'.

"And in doing so, the industry can seize the unprecedented 'Opportunity on the Horizon'—to insure the transition to a resilient net-zero world—one that is safer, healthier, more inclusive, prosperous and sustainable. In other words, a more sustainable and insurable world."

Mark Carney
UN Special Envoy on Climate Action & Finance
and UK Prime Minister's Finance Adviser for COP26

Former Chair of the Financial Stability Board Former Governor of the Bank of England

PSI events across markets: Shaping the global sustainable insurance agenda



The US



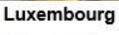












France

Germany









Switzerland









China







Nigeria

The Philippines











Colombia

South Africa

Australia

Vision of the PSI Initiative



"A risk-aware world, where the insurance industry is trusted and plays its full role in enabling a healthy, safe, resilient and sustainable society."



Thank you!