

The world's climate is changing and the scientific community is overwhelmingly of the view that human behaviour is contributing to this. Climate change is already having significant social and economic impacts and will continue to do so.

The insurance sector enables businesses and individuals to manage risk, including long-term threats such as climate change. We believe that the long-term stability of our economy depends on an appropriate response to climate change and it is to the benefit of all that we incorporate the risks from climate change and the need for mitigation into our business strategies. We will work openly with policy makers, the scientific and academic communities and others across the world by sharing risk analysis and understanding so that we are all better equipped to mitigate and adapt to climate change.

The diverse nature of our industry means that different organisations will be able to take action in different ways on these principles. As signatories we will comply with all areas or explain why it is impossible to do so.





































Working individually and collectively to reduce the economy's and society's long-term risk from climate change, and within the confines of a competitive market, we will:

Lead in risk analysis

- Support and undertake research on climate change to inform our business strategies and help to protect our customers' and other stakeholders' interests.
- Support more accurate national and regional forecasting of future weather and catastrophe patterns affected by changes in the earth's climate.
- Use research and improve data quality to inform levels of pricing, capital and reserves to match changing risks.
- Evaluate the risks associated with new technologies for tackling climate change so that new insurance products can be considered in parallel with technological developments.
- Share our research with scientists, society, business, governments and NGOs through an appropriate forum.

Support climate awareness amongst our customers

- Inform our customers of climate risk and provide support and tools so that they can assess their own levels of risk.
- Encourage our customers to adapt to climate change and reduce their greenhouse gas emissions through insurance products and services.
- Increase the proportion of repairs that are carried out in a sustainable way through dialogue with suppliers and developers and manage waste material appropriately.
- Consider how we can use our expertise to assist the developing world to understand and respond to climate change.

Reduce the environmental impact of our business

- Encourage our suppliers to improve the sustainability of their products and services.
- Measure and seek to reduce the environmental impact of the internal operations and physical assets under our control.
- Disclose our direct emissions of greenhouse gases using a globally recognised standard.
- Engage our employees on our commitment to address climate change, helping them to play their role in meeting this commitment in the workplace and encouraging them to make climate-informed choices outside work.

Inform public policy making

- Work with policy makers nationally and internationally to help them develop and maintain an economy that is resilient to climate risk.
- Promote and actively engage in public debate on climate change and the need for action.
- Support work to set and achieve national and global emissions reduction targets.
- Support Government action, including regulation, that will enhance the resilience and reduce the environmental impact of infrastructure and communities.
- Work effectively with emergency services and others in the event of a major climate-related disaster.

Incorporate climate change into our investment strategies

- Consider the implications of climate change for company performance and shareholder value, and incorporate this information into our investment decision-making process.
- Encourage appropriate disclosure on climate change from the companies in which we invest.
- Encourage improvements in the energy-efficiency and climate resilience of our investment property portfolio.
- Communicate our investment beliefs and strategy on climate change to our customers and shareholders.
- Share our assessment of the impacts of climate change with our pension fund trustees.

6 Report and be accountable

- Recognise at Company Board level that climate risk has significant social and economic impacts and incorporate it into our business strategy and planning.
- Publish a statement as part of our annual reporting detailing the actions that have been taken on these principles.