



His Royal Highness The Prince of Wales' Sustainable Markets Initiative - Insurance Task Force

At the invitation of His Royal Highness The Prince of Wales, Lloyd's has brought together leaders from a number of the largest and most influential global insurance firms to form an Insurance Task Force (ITF) as part of the Sustainable Markets Initiative, to drive progress as a group and accelerate the pace of industry transitions towards a more resilient and sustainable future.

The ITF recognises the vital role that the global insurance and reinsurance industry has to play in individually and collectively driving and accelerating the transition towards a resilient, net-zero economy through its deep expertise in risk mitigation and management, disaster resilience and recovery, and more than \$30 trillion in assets under management.

Members of the ITF are committed to supporting the global transition by developing innovative products and services to support customers through the transition and encourage climate-innovation. In addition, the ITF is committed to mobilising capital to provide structures to improve disaster response and recovery in vulnerable economies to protect against the evolving impacts of climate change, and re-orienting investment towards climate-positive solutions to accelerate the growth of industries driving positive change, such as renewable energy.

In line with these commitments, the ITF is focusing its attention on delivering action across four specific areas throughout the remainder of 2021:

1. **Driving insurance product and services innovation** to empower commercial customers to develop, invest in and scale their sustainability initiatives, supporting green innovation across multiple sectors and geographies. As part of this initiative, the Task Force will launch at least two new insurance products to protect priority industries, such as nuclear energy, hydrogen and offshore wind, against an evolving risk landscape, in order to enable their accelerated growth.
2. **Implementing sustainable processes across the insurance supply chain** to encourage and incentivise individuals to take positive actions to live more sustainably. This will include launching an industry-wide framework to drive sustainable outcomes for customers, for example through introducing “build back better” claims clauses in home insurance policies to encourage customers to rebuild damaged properties with more sustainable materials in support of a net-zero transition.
3. **Establishing a public-private disaster resilience, response, and recovery framework** to help protect developing nations from the evolving economic and

societal impacts of climate change, including the effects of increasingly frequent and severe weather events. The framework will leverage the insurance industry's unique ability to combine an insurance product with risk management and loss recovery services, in order to increase preparedness for and limit the impacts of these events. Once developed, this solution will be rolled out across vulnerable countries to support better disaster response and recovery, with a pilot being initiated in 2021.

4. **Developing a framework for accelerating and scaling sustainable investment** to help unlock the global (re)insurance industry's more than \$30tn in assets under management, increasingly directing capital towards investments that drive climate-positive outcomes in both developed and developing nations. As part of this initiative, an investment proposal will be developed through collaboration between public and private sectors, with a particular focus on renewable energy and climate transition assets to enable the transition towards a low-carbon economy.

The ITF will align with existing initiatives to accelerate activity and deliver tangible progress over the course of 2021, and ahead of the 26th UN Climate Change Conference of Parties (COP26) in November 2021, which marks a significant milestone in global efforts to combat the impacts of climate change.

His Royal Highness The Prince of Wales said: "The insurance industry is exceptionally well placed to understand the impact of climate change and the damage it can cause to us all if we don't take action now. This is why I am so pleased that a large number of the world's leading insurance companies have joined together to identify how the insurance industry can help put Nature, People and the Planet at the heart of our entire economy."

Lloyd's Chairman Bruce Carnegie-Brown added: "As the world begins to recover from a pandemic that has caused significant and far-reaching financial and societal challenges, it does so with an opportunity to build back with sustainability as a foundation and guiding principle. Although climate change poses unprecedented systemic risk, it is one which – through partnership and accelerated action – we have the means to address. As a task force, we are making a resolute commitment to be a catalyst for action to help create a more sustainable future through the risks we manage and the capital we invest."

Membership composition

The ITF is chaired by Bruce Carnegie-Brown, Lloyd's Chairman, and championed by John Neal, Lloyd's Chief Executive Officer. Its members are drawn from across the global insurance industry, including:

Peter Zaffino
CEO and President, AIG

Oliver Bate
CEO, Allianz

Scott Purviance
CEO, Amwins

Greg Case
CEO, Aon

Dominic Christian
Global Chairman, Aon
Reinsurance Solutions

Andrew Brooks
CEO, Ascot

Sean McGovern
CEO UK & Lloyd's, AXA
XL

Penny James
CEO, Direct Line Group

Adrian Cox
CEO, Beazley

Bronek Masojada
CEO, Hiscox

Neil Eckert
Executive Chairman, Conduit
Re

David Howden
CEO, Howden

Nigel Wilson
CEO, Legal & General

John Neal
CEO, Lloyd's

Dan Glaser
CEO and President, Marsh
McLennan

Joachim Wenning
CEO, Munich Re

Andy Briggs
CEO, Phoenix

Brad Irick
CEO, Tokio Marine Kiln

About the SMI

The Sustainable Markets Initiative aims to lead and accelerate the world's transition to a sustainable future by putting Nature, People and Planet at the heart of our global value creation. To drive transition to a sustainable future at a global scale, His Royal Highness The Prince of Wales, through his Sustainable Markets Initiative, convenes 'coalitions of the willing' across industries, investors, countries, academia and civil society. His Royal Highness launched the Sustainable Markets Initiative at the World Economic Forum 2020 Annual Meeting in Davos.