



**MEDIA ADVISORY**

**FOR IMMEDIATE RELEASE**

**UNEP FI Principles for Sustainable Insurance consultation sails to Oceania**

**Auckland / Geneva, 11 August 2011** – Oceania is hosting the fourth of seven United Nations-convened regional consultation meetings that make up a global process to develop ground-breaking sustainability principles for the insurance industry.

The meeting, taking place from 11 to 12 August in Auckland, is convened by the United Nations Environment Programme Finance Initiative (UNEP FI), a strategic partnership between the UN’s environmental arm and the global financial sector, and is hosted by Sovereign, New Zealand’s largest life insurer.

Once finalised, the UNEP FI Principles for Sustainable Insurance will serve as the global framework for insurance companies to better manage environmental, social and governance risks and opportunities in their core business strategies and operations. The principles will include concrete actions to enhance risk management and underwriting practices, stimulate innovative insurance solutions, and catalyse industry action on a wide range of sustainability issues such as natural catastrophe risks, climate change and extreme weather events, biodiversity loss and ecosystem degradation, ageing populations, emerging health risks and pandemics, human rights and labour standards, and social and financial inclusion.

“It’s an ambitious goal, but it’s an achievable goal—and a necessary one,” said Charles Anderson, CEO of Sovereign. “To be successful, the Principles for Sustainable Insurance must be embedded into our everyday business, industry-wide. This meeting is not about talk; it’s about commitment.”

The Oceania consultation follows meetings held in Africa, Latin America & the Caribbean and North America, and precedes those in the Middle East & North Africa, Europe and Asia.

“North or south, east or west, sustainability issues span the globe. Today’s globalised world is marked by the ever-increasing interconnectedness and diversity of risks. These principles will enable the global insurance industry to better manage risks that threaten the safety and health of communities, the environment and economies,” said Paul Clements-Hunt, Head of UNEP FI. “The insurance industry is in the frontline. It must be proactive not only in reducing sustainability risks, but also in uncovering opportunities for innovative solutions and new markets that build a low carbon, resource efficient, resilient and inclusive global economy.”

CEOs and other senior representatives from the insurance industry, government, business and industry, civil society and academia are attending the consultation meeting for Oceania.

“As an industry, we’re laying down a great challenge. This initiative will lay the foundations for a global insurance industry that will be stronger, better adapted to the needs of the environment, and better able to make a positive difference in people’s lives,” said Charles Anderson, who is also the Board Member for Oceania of the UNEP FI Insurance Commission.

The meeting is backed by the Investment Savings & Insurance Association of New Zealand (ISI), and the Insurance Council of Australia (ICA).

Peter Neilson, CEO of the ISI said, “Despite the best efforts of regulators and advisers, the long-term success of the insurance industry rests on policyholders’ confidence that they can trust their insurance company to act in their best interests. In the past that was often measured in having lower premiums and reliably paying out claims. Today consumers not only want appropriate coverage, they also want to know that insurance providers act ethically with respect to their employees, customers, suppliers and the investment activities they undertake.”

Robert Whelan, Executive Director & CEO of the ICA said, “As one of the major industries in the world, the insurance industry must take a strong stand in promoting the protection of lives and assets in the face of ever more devastating natural and man-made catastrophes. This has never been more evident than in the recent past where we have seen floods, earthquakes, tsunamis and major storms wreak havoc across the globe.” Mr Whelan said that with massive losses, these events demonstrate the need for insurers to become more engaged with governments and other key stakeholders to seek ways of making communities more resilient and less vulnerable to these extreme events.

According to global reinsurer, Swiss Re, natural catastrophes and man-made disasters in 2010 in Oceania resulted in approximately USD 9 billion of insured losses and over USD 13 billion in economic losses. With claims of more than USD 4.4 billion, the earthquake that struck New Zealand in September 2010 accounted for half of the region's insured losses. It was second costliest insurance event in 2010 and the third costliest earthquake in history. Including 2011 events, the total insurance losses from the December 2010 and January 2011 floods in Queensland, the worst in Australian history, and Victoria were estimated to exceed USD 4 billion, while losses from the Christchurch earthquakes could range between USD 6 to 12 billion.

The global consultation version of the UNEP FI Principles for Sustainable Insurance will be deliberated at the Oceania meeting. Speakers include Charles Anderson, CEO of Sovereign; Butch Bacani, Programme Leader of the UNEP FI Principles for Sustainable Insurance Initiative & Insurance Commission; Peter Hillary, internationally-renowned mountaineer and philanthropist; Peter Neilson, CEO of the ISI; and Robert Whelan, Executive Director & CEO of the ICA.

After the seven UN-convened consultation meetings this year, the principles will be finalised and then launched at the UN Conference on Sustainable Development in June 2012 in Rio de Janeiro, Brazil.

“At this landmark meeting, the global insurance industry will stand with the United Nations to make a long-term commitment to the goals of sustainable development,” said Charles Anderson. “This is a very rare and invaluable opportunity to ensure our future impact on the environment and the community is a positive one.”

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**About the United Nations Environment Programme Finance Initiative (UNEP FI)**  
UNEP FI is a strategic partnership between the United Nations Environment Programme

(UNEP) and the global financial sector. Through UNEP FI, UNEP works with about 200 insurance companies, banks and investment firms, and a range of partner organisations, to understand the impacts of environmental, social and governance issues on financial performance and sustainable development.

[www.unepfi.org](http://www.unepfi.org)

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### **About Sovereign**

Sovereign is New Zealand's largest life insurer and provides personal and business life insurance, health insurance, home loans, and investment and superannuation products to more than 650,000 customers. Sovereign is the Board Member for Oceania of the UNEP FI Insurance Commission and is part of the core group of leading insurers worldwide spearheading the development of the UNEP FI Principles for Sustainable Insurance.

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