

## Association of British Insurers joins UN's Principles for Sustainable Insurance Initiative, builds momentum towards COP26 in Glasgow

**12 May 2021**—The Association of British Insurers (ABI)—the voice of the UK's world-leading insurance and long-term savings industry—has joined UN Environment Programme's Principles for Sustainable Insurance Initiative (PSI), building greater industry momentum on climate action and ambition in the run up to the UN Climate Change Conference in Glasgow this November (COP26).

The PSI—a global sustainability framework and the largest collaborative initiative between the UN and the insurance industry—aims to strengthen the insurance industry's contribution as risk managers, insurers and investors to building resilient, inclusive and sustainable communities and economies on a healthy planet. The UK insurance industry is the largest in Europe and the fourth largest in the world, and the ABI represents over 200 member companies.

“Modern-day insurance's roots can be traced to the UK insurance industry. This year, the UK is hosting COP26, which means that the UK insurance industry—through its risk management, insurance and investment activities—has a historic opportunity to lead by example in speeding up and scaling up the transition to a just and resilient net-zero emissions economy,” **said Butch Bacani, who leads the PSI at the UN Environment Programme.** “This is why the ABI joining the PSI is an important and timely development. ‘Insurance is coming home’ so the UK insurance industry must go to Glasgow championing and demonstrating urgent and ambitious climate action.”

Last month, the PSI announced that it is establishing a pioneering **Net-Zero Insurance Alliance (NZIA)**, which intends to join the COP26 **Race to Zero campaign** and the **Glasgow Financial Alliance for Net Zero (GFANZ)**. GFANZ will work to mobilise the trillions of dollars necessary to build a global zero-emissions economy and deliver the goals of the Paris Agreement on Climate Change. Earlier this year, the PSI launched the **final report** on its ground-breaking project to pilot the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD). The report unveiled state-of-the-art approaches—particularly the use of climate change scenarios—to better assess climate-related physical, transition and litigation risks in the insurance business.

“The ABI is pleased to promote the adoption and implementation of the Principles for Sustainable Insurance throughout our membership. As the world heads towards COP26 in Glasgow, the ABI is focused on efforts to work with members and key stakeholders in accelerating the transition to a net-zero economy while helping communities build resilience to a changing climate,” **said Huw Evans, Director General of the ABI.** “The ABI is committed to collaboration to address climate change and has been a longstanding supporter of the ClimateWise initiative. By working together with the PSI, we can ensure that the UK industry can join with our international partners to amplify the PSI's agenda-setting work on sustainability, from implementing the TCFD recommendations to supporting the development of the Net-Zero Insurance Alliance it is establishing. There is strength in numbers.”

The ABI joins other insurance associations from across the globe that have become PSI supporting institutions, including insurance associations in Australia, Brazil, Canada, China, Colombia, Eastern and Southern Africa, Finland, France, Guernsey, Ireland, Italy, Luxembourg, Mexico, Morocco, New Zealand, Norway, South Africa, the Caribbean, the Netherlands, and the Philippines.

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## About UN Environment Programme's Principles for Sustainable Insurance Initiative

Endorsed by the UN Secretary-General and insurance industry CEOs, the Principles for Sustainable Insurance (PSI) serve as a global framework for the insurance industry to address environmental, social and governance (ESG) risks and opportunities—and a global initiative to strengthen the insurance industry's contribution as risk managers, insurers and investors to building resilient, inclusive and sustainable communities and economies on a healthy planet.

Developed by UN Environment Programme's Finance Initiative, the PSI was launched at the 2012 UN Conference on Sustainable Development (Rio+20) and has led to the largest collaborative initiative between the UN and the insurance industry.

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

## About the Association of British Insurers

The Association of British Insurers (ABI) is the voice of the UK's world-leading insurance and long-term savings industry. A productive and inclusive sector, our industry supports towns and cities across Britain in building back a balanced and innovative economy, employing over 310,000 individuals in high-skilled, lifelong careers, two-thirds of which are outside of London.

The UK insurance industry manages investments of over £1.6 trillion, pays nearly £16 billion in taxes to the Government and supports communities across the UK by enabling trade, risk-taking, investment and innovation. We are also a global success story, the largest in Europe and the fourth largest in the world.

The ABI represents over 200 member companies, including most household names and specialist providers, giving peace of mind to customers across the UK.

[www.abi.org.uk](http://www.abi.org.uk)