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finance  
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Principles for  
Sustainable Insurance

Summary version

# Insuring a Resilient Nature-Positive Future

Global guide for insurers on setting  
priority actions for nature

December 2024





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# Position statement

The content of this guide does not constitute advice to members of the Principles for Sustainable Insurance (PSI) Initiative. Further, any views expressed in any developed guidance do not necessarily represent the views of each individual member, including those in the working group that assisted in the preparation of the guide. Participation in the PSI Working Group for Nature should not be interpreted as a commitment to assess, manage or disclose nature-related impacts, dependencies, risks or opportunities and should not commit working group members in any way, nor should it be construed as any form of collective action. This guide including the contained priority actions and general considerations represent recommendations for best practice and are not prescriptive as to actions or decisions to be taken by members, including when and how they are expected to address nature-related dependencies, impacts, risks and opportunities. Due to the fast-paced environment characterised by rapidly evolving scenarios, pathways, scientific advancements and developments, this publication should be regarded as a guide based on current insights, practices and knowledge.

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# Abbreviations and acronyms

<b>AGM</b>	Annual General Meeting
<b>AMR</b>	Antimicrobial resistance
<b>BFPs</b>	Biodiversity Finance Plans
<b>CBD</b>	Convention on Biological Diversity
<b>CISL</b>	Cambridge Institute for Sustainability Leadership
<b>COP</b>	Conference of the Parties
<b>CSDDD</b>	Corporate Sustainability Due Diligence Directive
<b>CSRD</b>	Corporate Sustainability Reporting Directive
<b>DIROs</b>	Dependencies, impacts, risks and opportunities
<b>D&amp;O</b>	Directors and Officers liability Insurance
<b>EFRAG</b>	Formerly the European Financial Reporting Advisory Group
<b>EIDs</b>	Emerging infectious diseases
<b>EIOPA</b>	European Insurance and Occupational Pensions Authority
<b>EPPs</b>	Environmentally Persistent Pharmaceutical Pollutants
<b>ESG</b>	Environmental, social, and governance
<b>ESRS</b>	European Sustainability Reporting Standards
<b>Eco-DRR</b>	Ecosystem-based disaster risk reduction
<b>EbA</b>	Ecosystem-based adaptation
<b>EbM</b>	Ecosystem-based mitigation
<b>EU</b>	European Union
<b>FAO</b>	Food and Agriculture Organization of the United Nations
<b>FIT</b>	Forum for Insurance Transition to Net Zero
<b>FPIC</b>	Free, prior and informed consent
<b>FSB</b>	Financial Stability Board
<b>GBF</b>	Kunming-Montreal Global Biodiversity Framework
<b>GDP</b>	Gross Domestic Product
<b>GFANZ</b>	Glasgow Financial Alliance for Net Zero



<b>GHG</b>	Greenhouse gas
<b>GFI</b>	Green Finance Institute
<b>GRI</b>	Global Reporting Initiative
<b>GRID–Geneva</b>	Global Resource Information Database–Geneva
<b>GWP</b>	Gross written premiums
<b>IAIS</b>	International Association of Insurance Supervisors
<b>IFC</b>	International Finance Corporation
<b>IFPRI</b>	International Food Policy Research Institute
<b>IPBES</b>	Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services
<b>IPCC</b>	Intergovernmental Panel on Climate Change
<b>ISSB</b>	International Sustainability Standards Board
<b>IUCN</b>	International Union for Conservation of Nature
<b>IUU</b>	Illegal, unreported and unregulated (fishing)
<b>KPIs</b>	Key performance indicators
<b>LEAP</b>	Locate, evaluate, assess and prepare
<b>LPI</b>	Living Planet Index
<b>LPR</b>	Living Planet Report
<b>NBSAPs</b>	National Biodiversity Strategy Action Plans
<b>NCDs</b>	Non-communicable diseases
<b>NGFS</b>	Network for Greening the Financial System
<b>NbS</b>	Nature-based solutions
<b>NPI</b>	Nature-positive initiative
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>OHCHR</b>	Office of the United Nations High Commissioner for Human Rights
<b>OIE</b>	World Organisation for Animal Health
<b>ORSA</b>	Own risk and solvency assessment
<b>P&amp;C</b>	Property and Casualty insurance
<b>PBAF</b>	Partnership for Biodiversity Accounting Financials
<b>PRB</b>	Principles for Responsible Banking
<b>PSI</b>	Principles for Sustainable Insurance
<b>PTSD</b>	Post-traumatic stress disorder
<b>SBTN</b>	Science Based Targets Network



<b>SCP</b>	Sponge city program
<b>SDGs</b>	Sustainable Development Goals
<b>SIF</b>	Sustainable Insurance Forum
<b>SMEs</b>	Small and medium-sized enterprises
<b>TNC</b>	The Nature Conservancy
<b>TNFD</b>	Taskforce on Nature-related Financial Disclosures
<b>UNCCD</b>	United Nations Convention to Combat Desertification
<b>UNDP</b>	United Nations Development Programme
<b>UNDRIP</b>	United Nations Declaration on the Rights of Indigenous Peoples
<b>UNDRR</b>	United Nations Office for Disaster Risk Reduction
<b>UNEP</b>	United Nations Environment Programme
<b>UNEP FI</b>	United Nations Environment Programme Finance Initiative
<b>UNEP-WCMC</b>	United Nations Environment Programme-World Conservation Monitoring Centre
<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organization
<b>WBCSD</b>	World Business Council for Sustainable Development
<b>WCPA</b>	World Commission on Protected Areas
<b>WEF</b>	World Economic Forum
<b>WGN</b>	PSI Working Group for Nature
<b>WHO</b>	World Health Organization
<b>WOAH</b>	World Organisation for Animal Health
<b>WRI</b>	World Resources Institute
<b>WWF</b>	World Wide Fund for Nature
<b>ZSL</b>	Zoological Society of London



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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 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. As of November 2024, close to 300 organisations worldwide have joined the PSI, including insurers representing about one-third of world premium and USD 15 trillion in assets under management. The PSI represents the most extensive global network of insurance and stakeholder organisations committed to addressing sustainability challenges.

Learn more at: [unepfi.org/psi](https://unepfi.org/psi)



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# About the PSI Working Group for Nature

Building on the PSI's long-standing work in addressing nature-related risks over the years, the PSI Working Group for Nature was established in May 2024. The working group is a multistakeholder platform involving insurers, reinsurers, brokers, nature finance initiatives, environmental organisations, academic institutions, insurance regulators and supervisors, and insurance associations, among others.

The working group aims to advance risk management and insurance strategies, approaches, practices, products, services and solutions that address nature-related dependencies, impacts, risks and opportunities in order to value, conserve, restore and wisely use biodiversity and ecosystem services; and to promote economic, social and environmental sustainability. It also aims to actively contribute to achieving the mission of the Kunming-Montreal Global Biodiversity Framework (GBF) to halt and reverse nature loss by 2030, and its vision of a world living in harmony with nature by 2050.

Learn more at: [www.unepfi.org/psi-nature](http://www.unepfi.org/psi-nature)

**“The Principles for Sustainable Insurance provide a global roadmap to develop and expand the innovative risk management and insurance solutions that we need to promote renewable energy, clean water, food security, sustainable cities and disaster-resilient communities.”**

**UN Secretary-General (PSI launch, 2012 UN Conference on Sustainable Development)**





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## PSI Working Group for Nature—technical partners



In producing this report, the PSI Working Group for Nature received input from individual experts from key stakeholders in the insurance ecosystem.

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# Executive summary

## Aims and scope of the guide

The aim of the PSI Working Group for Nature is to develop strategies, technical guidance, and enhanced approaches to address nature-related issues in insurance underwriting portfolios.

The escalating pace of nature loss prompted the adoption of the Kunming-Montreal Global Biodiversity Framework (GBF),<sup>1</sup> which calls on the private financial sector to align with its mission of halting and reversing nature loss by 2030 and its vision of living in harmony with nature by 2050. This has led to an increasing demand from insurance companies to provide guidance on aligning with the goals of the GBF.<sup>2</sup>

This first-of-its-kind global guide aims to respond to that call and assist insurers in taking actionable steps to contribute to a resilient nature-positive future. The guide adopts the term “nature-positive” as the global societal goal rooted in the GBF’s mission to “halt and reverse biodiversity loss by 2030.”<sup>3</sup>

The guide is released at a critical juncture when wildlife populations have declined by a staggering 73% over the past 50 years, and the world approaches dangerous tipping points with far-reaching global consequences, such as the potential collapse of the Amazon rainforest and mass die-off of coral reefs.<sup>4</sup> Despite global multilateral environmental agreements, progress has been alarmingly slow and insufficiently ambitious. Ecologically vital and biodiversity-rich areas remain inadequately protected and conserved, with only 17.6% of terrestrial and inland waters and 8.4% of marine and coastal areas protected and conserved, far off the 30% by 2030 GBF target 2&3,<sup>5</sup> and a significant biodiversity funding gap persists.<sup>6</sup> Achieving the GBF targets requires urgent action, effective implementation, and a whole-of-society approach. This includes active participation from all financial sector stakeholders—particularly the insurance

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1 CBD (2022): The Kunming-Montreal Global Biodiversity Framework adopted in 2022: [cbd.int](https://www.cbd.int)

2 UNEP FI (2023): Nature-Positive Insurance: Evolving Thinking and Practices: [unepfi.org](https://www.unepfi.org)

3 Nature Positive Initiative (2023). The Definition of Nature Positive: [naturepositive.org](https://www.naturepositive.org)

4 WWF, ZSL (2024): 2024 Living Planet Report. A System in Peril: [worldwildlife.org](https://www.worldwildlife.org)

5 UNEP-WCMC, IUCN, WCPA, protected planet (2024). Protected Planet Report 2024: [protectedplanet.net/](https://www.protectedplanet.net/)

6 While some significant agreements have been reached during the 16th Conference of the parties to the CBD (COP16) such as in relation to strengthening the role of indigenous peoples and local communities, the establishment of a global fund for sharing benefits for digital sequence information on genetic resources, and a Global Action Plan on Biodiversity and Health, a strategy for resource mobilisation to close the biodiversity finance gap of USD 200 billion annually fell short. The Global Biodiversity Framework Fund (GBFF) and the Kunming Biodiversity Fund (KBF) have so far received only USD 600 million. A monitoring framework of the GBF to measure progress of implementation has still to be completed. [cbd.int](https://www.cbd.int)

industry, which plays a pivotal role in enabling economic activities and can steer them away from harmful practices while facilitating investments that protect, conserve, and restore nature.

While nature-related risks have historically been considered in specific insurance lines—for instance, pollution liability insurance for industrial operations, engineering and construction insurance for infrastructure projects, protection and indemnity insurance for vessels, and life & health insurance addressing zoonotic diseases—there has been a lack of the broader consideration of these risks across entire insurance underwriting portfolios. Furthermore, in the field of sustainable finance, nature-related impacts have primarily been assessed and addressed through the lens of investment and lending portfolios, rather than insurance underwriting portfolios.<sup>7</sup>

One key reason for this is how insurance has traditionally been viewed—as an instrument to absorb financial shocks. In this context, securing insurance coverage has been the central focus. As a result, the insurance risk management value chain—from understanding, preventing, and reducing risk to transferring risk through insurance—has been more closely associated with the climate adaptation and resilience agenda, which focuses on managing physical climate impacts, rather than the mitigation and decarbonisation agenda, which centres on reducing greenhouse gas emissions.

Over the past decade, UN Environment Programme’s Principles for Sustainable Insurance Initiative (PSI) has undertaken various projects and activities to address aspects of nature-related risks and opportunities. Building on this foundation, the PSI has introduced the concept of insurance for a resilient nature-positive future, promoting the dual role and responsibility of insurance:

- As an enabler of economic activities, addressing nature-related issues, including negative externalities such as drivers of nature loss.
- As a risk manager and risk carrier addressing emerging risks from nature loss and absorbing financial shocks to build resilience for communities and economies.

This guide provides concrete and practical actions to help insurers fulfil this dual responsibility. It emphasises the need to address nature-related dependencies, impacts, risks, and opportunities across the insurance value chain.

The guide outlines possible actions for both non-life and life & health primary insurers, considering their interactions with other key actors in the insurance value chain. While the guide is not specifically tailored to other key actors—such as reinsurers, brokers, or suppliers—these groups are encouraged to review relevant actions, as many principles and strategies outlined for primary insurers can be equally applicable to them.

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7 UNEP FI (2021): Insuring the net-zero transition: Evolving thinking and practices: [unepfi.org](https://unepfi.org)



# Making the case for non-life insurers to contribute to a resilient nature-positive future

**Insurance plays an imperative role in enabling economic activities** by protecting clients, property, and operations from insurable risks. Without insurance, many economic activities—such as maritime transport, infrastructure projects, and in some cases home ownership through mortgages—would not be possible. Insurance also serves as a critical enabler of financing and investments, facilitating the realisation of large-scale infrastructure and capital-intensive projects essential for economic progress.

Global gross written premiums (GWP) are projected to reach USD 7.6 trillion by 2024,<sup>8</sup> highlighting the extensive reach of insured activities that underpin the global economy. These activities often interface with nature, yielding both positive and mostly negative impacts. The correlation between economic activity and environmental impact is particularly evident in socio-economic systems such as food systems, energy, and infrastructure, which collectively drive 80% of global biodiversity loss.<sup>9</sup>

Insurance strategies, underwriting practices, and products are intricately linked to nature-related impacts through “what they are insuring” (e.g., high-impact sectors and activities), “where activities are being insured” (e.g., biodiversity-sensitive areas), and “how activities and assets are being insured” (e.g., policy terms and conditions).<sup>10</sup> Beyond underwriting, insurers also contribute indirectly to nature-related impacts through operational processes such as claims management, which can result in considerable pollution, waste and greenhouse gas (GHG) emissions. These factors underscore the industry’s potential to influence and reduce pressures on nature.

Activities contributing to greenhouse gas (GHG) emissions often overlap with those driving nature loss. When engaging with clients in high-impact activities and sectors, insurers have an opportunity to address both GHG emissions and their associated impacts on nature. Achieving the goal of net-zero emissions is inherently linked to nature-positive outcomes. The loss of key ecosystems accelerates climate change by disrupting the carbon, water and nitrogen cycle, while the destruction and degradation of ecosystems releases long-stored carbon and diminishes carbon sequestration and storage capacity.<sup>11</sup> Without protecting and restoring ecosystems, both biodiversity and climate goals seem virtually unachievable.<sup>12,13</sup>

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8 Swiss Re Institute (2024). Sigma. World insurance : strengthening global resilience with a new lease of life. No 3/2024 : [swissre.com](https://www.swissre.com)

9 WEF (2020). New Nature Economy Report II. The Future of Nature and Business. [weforum.org](https://www.weforum.org)

10 WWF, Deloitte (2023): Underwriting our Planet. How insurers can address the crisis in climate and biodiversity: [wwf.ch](https://www.wwf.ch)

11 NGFS (2023): Nature-related Financial Risks: a Conceptual Framework to guide Action by Central Banks and Supervisors: [ngfs.net](https://www.ngfs.net)

12 UNEP (2023). Emissions Gap Report 2023: [unep.org](https://www.unep.org)

13 Rockström, J., Beringer, T., Hole, D., Griscom, B., Mascia, M.N., et.al. 2021. Opinion: We need biosphere stewardship that protects carbon sinks and builds resilience: [pnas.org](https://www.pnas.org)

Insurers therefore have a significant responsibility in enabling economic activity by absorbing financial shocks, and in halting and reversing nature loss.

**The urgency to act is paramount. The loss of biodiversity and ecosystem integrity—the resilience of Earth’s system—has led to the transgression of the safe operating space for humanity,**<sup>14</sup> undermining biodiversity and the ecosystem services critical for business and economic stability. With 55% of global GDP—about USD 58 trillion—moderately or highly dependent on nature, significant economic value is now at risk.<sup>15</sup>

Nature loss directly threatens business operations, supply chains, and insured assets, impacting various insurance business lines. As biodiversity loss and ecosystem degradation escalate, insured assets and activities become more vulnerable to damage and loss, leading to increased claims frequency and severity, affecting the affordability and availability of insurance, and affecting the availability of insurable assets. Emerging threats also underscore the need for new or expanded insurance products to address nature- and climate-related risks, and help build community resilience and close the protection gap.<sup>16,17</sup>

The interconnectedness of ecosystem degradation and climate change compounds these challenges. Weakened ecosystems diminish climate regulation and reduce resilience to climate impacts such as storms and floods, amplifying risks to assets, communities, businesses and governments. In 2022, extreme weather events alone generated USD 143 billion in losses, of which only 40% were insured. This dual challenge is driving higher premiums, complicating risk diversification, and increasing reinsurance costs, threatening the affordability and availability of insurance and the availability of insurable assets.<sup>18</sup>

These risks can also take on systemic dimensions; for example, the collapse of critically important ecosystems—such as the Amazon rainforest or the Coral Triangle—can have global implications, making risk diversification impossible and which could lead to spillover effects to other parts of the financial sector and the real economy.<sup>19</sup>

To help build resilient communities and safeguard their own financial stability, insurers should actively promote risk prevention and reduction measures. By addressing nature- and climate-related risks insurers can better understand and reduce risk and seize opportunities to close the protection gap. Such actions might become imperative for protecting insurers' financial positions and supporting systemic resilience across economies and societies.

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14 Azote for Stockholm Resilience Centre, based on analysis in Richardson et al 2023, The 2023 Update to the Planetary Boundaries: [stockholmresilience.org](https://stockholmresilience.org)

15 Ewison, W., Low, L.P., and O'Brien, D. (2023): Managing nature risks, From understanding to action. PWC: [pwc.com](https://www.pwc.com)

16 EIOPA (2023): EIOPA Staff paper on nature-related risks and impacts for insurance: [eiopa.europa.eu](https://www.eiopa.europa.eu)

17 FSB (2024): Stock take on Nature-related Risks. Supervisory and regulatory approaches and perspectives on financial risks: [fsb.org](https://www.fsb.org)

18 Aon (2024): Climate and Catastrophe Insight: [assets.aon.com](https://www.aon.com)

19 NGFS (2023): Nature-related Financial Risks: a Conceptual Framework to guide Action by Central Banks and Supervisors: [ngfs.net](https://www.ngfs.net)

**Nature is a powerful ally to reduce risk.** While the challenges posed by nature loss are significant, nature itself can be a powerful ally in reducing disaster risk due to natural hazards. Ecosystem-based interventions—such as mountain forests, wetlands, and coastal systems such as mangroves and coral reefs—are among the most effective methods for hazard mitigation. For example, mangroves reduce property damage by over USD 65 billion annually.<sup>20</sup>

This guide suggests adopting a comprehensive approach to nature-based solutions (NbS)<sup>21</sup> for loss prevention and risk reduction across various levels and scales (e.g., individual households, cities, urban areas, agricultural fields, ecosystem level, watersheds, or landscape scale). By helping reduce disaster risk and other environmental risks, NbS could improve affordability and availability of insurance, playing a crucial role in closing the protection gap, while enhancing ecosystem conditions and biodiversity. Public-private partnership and innovative financing and investment schemes will likely be required, to support the adoption and scaling up of ecosystem- and landscape-level nature-based solutions. Insurability can be a key lever to accelerate the financing and investment case for nature-based solutions.<sup>22</sup>

**Insurance is essential to closing the biodiversity finance gap.** Its relationship with natural assets extends beyond traditional risk reduction, positioning insurance as a key enabler in bridging the USD 700 billion annual biodiversity finance gap.<sup>23</sup> Insurance can de-risk investments in nature conservation, restoration, sustainable use of land and water resources, and other nature-based solutions. Insurance can enable the development, deployment and operations of nature-based solutions or help innovative projects for nature become more feasible and financially viable. In doing so, insurance inherently contributes to the operationalisation of the Global Biodiversity Framework (GBF) targets.

However, a fundamental shift in perspective is imperative. Nature should be treated as an asset deserving the same level of protection and investment as property or health. Healthy ecosystems underpin essential services relied upon by communities and economies, creating a shared responsibility to preserve and enhance these resources. Emerging public-private partnerships designed to insure natural assets bring to light the importance of protecting these resources for both private and public benefit.

Insurance provides vital asset protection for natural capital against perils such as natural hazards. For example, insurance solutions covering coral reefs, mangroves, forests and living levees can reduce disaster risks for communities. Insurance can also guarantee the protection of conservation efforts and ensure the successful delivery of ecological restoration projects. Pay-outs from these policies can be reinvested into restoration, building resilience and promoting positive outcomes for nature. Such mechanisms can also support carbon-credit projects and potentially future biodiversity-credit projects.

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20 Menéndez, P., Losada, I.J. and Torres-Ortega, S. et al. (2020): The Global Flood Protection Benefits of Mangroves: [doi.org](https://doi.org/)

21 As adopted in resolution 5/5 of 2 March 2022, at the fifth session of the United Nations Environment Assembly (UNEA 5.2) held in February 2022 in Nairobi.

22 UNDRR (2020): Ecosystem-Based Disaster Risk Reduction: [undrr.org](https://undrr.org/)

23 CBD (2022): The Kunming-Montreal Global Biodiversity Framework adopted in 2022: [cbd.int](https://cbd.int)

**There is a significant “transition insurance” opportunity** to support a nature-positive economy.<sup>24</sup> Virtually every business activity has an interface with nature, which means there is a need to transition existing business models and operations. Insurance is essential in enabling new business models, technologies, and solutions that can significantly reduce pressures on nature compared to business-as-usual activities, and transform value chains. This system-scale transformation and innovation is critical to creating a nature-positive economy.

Insurance provides risk analysis and risk transfer solutions that offer innovators the financial safety net needed to pioneer new methods and technologies, as well as to scale up emerging technologies and solutions for nature-positive. The World Economic Forum (WEF) estimates an annual USD 10 trillion opportunity in the transition toward a nature-positive economy, spanning sectors such as waste management, alternative proteins, vertical farming, bio-based materials, circular economy models, and new supply chains.<sup>25</sup> By helping make these emerging solutions and technologies insurable, insurers not only align with sustainability goals but also position themselves as key players in the future economy.

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24 Note that while the concept of nature-positive, as defined by the Nature-Positive Initiative (NPI), is a global societal goal rooted in the GBF's mission to "halt and reverse biodiversity loss by 2030", the concept of "nature-positive economy" has not been defined, and is not part of the GBF, but has been inspired by its whole of society approach and inclusion of the private sector in targets 14 and 15.

25 WEF (2020): New Nature Economy Report II. The Future of Nature and Business: [weforum.org](https://www.weforum.org)



<b>Insurance value chain enabling activities contributing to nature loss</b>	
<ul style="list-style-type: none"> <li>Insurance enables economic activities, which in turn can negatively impact nature</li> <li>Insurance value chain can contribute to environmental pressures</li> <li>Achieving net zero depends on addressing nature loss and preserving ecosystems</li> <li>Insurance carries environmental responsibility to halt and reverse nature loss</li> </ul>	<b>Global GWP enabling top 10 impacting sectors</b>
<b>Increasing claims and impacts to insurability</b>	
<ul style="list-style-type: none"> <li>Nature loss affects insurance business lines and amplifies climate change impacts</li> <li>Potential impact to financial resilience of insurance companies</li> <li>Potential systemic dimensions impacting: <b>Affordability / Insurability / Available insurable assets / Spill-over</b></li> </ul>	<b>USD 58 tr economic value at risk</b>  <b>USD 60 bn ann. in insured losses from extreme weather events</b>
<b>Nature as a powerful ally to reduce risks</b>	
<ul style="list-style-type: none"> <li>Nature-based solutions—across different scales e.g., household, farm, urban, watershed, landscape level and ecosystem-based—can reduce risks and prevent losses</li> <li>Nature-based solutions could positively impact affordability and availability while enhancing biodiversity and ecosystem conditions</li> <li>Insurability as key lever to drive investments in nature-based solutions</li> </ul>	<b>Mangroves preventing property damages of USD 65 bn ann.</b>
<b>Insurance essential to closing the biodiversity finance gap</b>	
<ul style="list-style-type: none"> <li>Insurance can de-risk investments into nature restoration, conservation, sustainable use of biodiversity, and biodiversity and carbon credit projects</li> <li>Nature and ecosystem services providing public and private benefits, merit protection equal to property or health</li> </ul>	<b>USD 700 bn ann. biodiversity finance gap</b>
<b>The transition insurance opportunity</b>	
<ul style="list-style-type: none"> <li>Supporting existing business models and process in transition to nature-positive</li> <li>Insurance to scale new business models, technologies and solutions to transform value chains</li> </ul>	<b>USD 10 tr opportunity to transition to a nature-positive economy</b>

**Figure 1:** Overview intersection between nature and non-life insurance business

# Making the case for life & health insurers to contribute to a resilient nature-positive future

Life & health insurance provides essential services that help individuals, households, and businesses understand and manage risk. It offers financial security and resilience, and enables activities and solutions that promote sustainability.

**Biodiversity is fundamental to human health**, providing nutrition, agricultural biodiversity, water resources, medicinal plants and sustaining ecosystem functions (e.g., water purification, air quality and climate regulation, pest and disease regulation, and pollination). Contact with nature can be associated with positive mental and physical health benefits. Other indirect benefits include the contribution of biodiversity for a range of cultural ecosystem services such as spiritual values, educational value and social relations.<sup>26</sup> Biodiversity also underpins healthcare systems, with approximately 70% of cancer drugs and 75% of antimicrobials derived from natural sources.<sup>27</sup> But biodiversity can also be a source of pathogens and thus have negative impacts on health.<sup>28</sup> The health of humans, animals, plants, and ecosystems is closely linked and interdependent.<sup>29</sup>

**Zoonotic diseases and antimicrobial resistance (AMR)** highlight significant nature-related risks for human health. Approximately 75% of emerging infectious diseases are zoonotic, originating from animals and transmitted to humans.<sup>30</sup> Factors such as habitat destruction, biodiversity loss, and climate change exacerbate these risks by increasing human-wildlife interactions and reducing ecosystems' resistance to disease outbreaks. AMR further compounds these challenges, with widespread antibiotic use in livestock contributing to rising resistance. Without intervention, AMR could lead to up to 39 million deaths annually by 2050 and cause global livestock production losses equivalent to feeding two billion people, underscoring the interconnectedness of ecosystem, human and animal health.<sup>31</sup> Recognising this, the Global Action Plan on Biodiversity and Health, adopted at the 16<sup>th</sup> Conference of the Parties to the Convention on Biological Diversity (COP16), promotes a holistic "One Health" approach and aims to curb zoonotic and non-communicable diseases while fostering sustainable ecosystems. The plan addresses shared drivers like deforestation, pollution, and climate change, with the aim of benefiting both biodiversity and human health.<sup>32</sup>

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26 CBD, WHO, UNEP (2015): Connecting Global Priorities: Biodiversity and Human Health: [cbd.int/health/SOK-biodiversity-en](https://cbd.int/health/SOK-biodiversity-en)

27 WHO (2019): Global Report on Traditional and Complementary Medicine: [iris.who.int](https://iris.who.int)

28 CBD, WHO, UNEP (2015): Connecting Global Priorities: Biodiversity and Human Health: [cbd.int/health/SOK-biodiversity-en](https://cbd.int/health/SOK-biodiversity-en)

29 UNEP, FAO, WHO, WOAHA (2022). Quadripartite Memorandum of Understanding (MoU) signed for a new era of One Health collaboration as signed on April 2022: [unep.org](https://unep.org)

30 Gebreyes, W.A., Dupouy-Camet, J., and Newport, M.J. et al (2014): The Global One Health Paradigm: Challenges and Opportunities for Tackling Infectious Diseases at the Human, Animal, and Environment Interface in Low-Resource Settings: [ncbi.nlm.nih.gov/pmc/articles](https://ncbi.nlm.nih.gov/pmc/articles)

31 Adamie, B, Akwar, HT. and Arroyo, M et al (2024): Forecasting the Fallout from AMR: Economic Impacts of Antimicrobial Resistance in Food-Producing Animals—A report from the EcoAMR series. Paris (France) and Washington, DC (United States of America): World Organisation for Animal Health and World Bank, pp. 170: [woah.org](https://woah.org)

32 16<sup>th</sup> Conference of the Parties to the Convention on Biological Diversity (2024). Biodiversity and health. Draft decision submitted on 30 October 2024: [cbd.int](https://cbd.int)

**Nature-related risks for life & health extend beyond disease transmission.** Drivers of biodiversity loss and environmental degradation, such as air and water pollution, can directly harm human health while simultaneously degrading biodiversity and ecosystems. For example, poor air quality exacerbates respiratory diseases globally, while water pollution reduces access to clean drinking water and degrades freshwater systems and wetlands, amplifying water-borne illnesses and negatively affecting nutrition. The loss of biodiversity and ecosystem services can negatively impact nutrition and food security through soil degradation, pollution, reduced agricultural biodiversity, and decreasing availability of wild foods. It can also weaken ecosystems' capacity to reduce climate change impacts; for example, through the loss of forests that help regulate the local climate, potentially exacerbating heatwaves. Additionally, limited access to natural environments may contribute to physical and mental health issues. Climate change further intensifies all these risks.<sup>33</sup>

Biodiversity loss and ecosystem degradation can significantly impact human health and life in the short and long term. These impacts may include increased rates of illnesses, diseases, direct physical harm, death, and mental health issues and can in turn result in higher mortality, morbidity, and hospitalisation rates. Low-income, uninsured populations are likely to be disproportionately affected, as they are more exposed and vulnerable to these risks compared to those with insurance coverage.<sup>34</sup>

**There is a risk of widening the protection gap.** The COVID-19 pandemic did not undermine the insurability of pandemic risks, as on balance, insurers were able to manage the risk and their financial stability was not impaired. However, the pandemic highlighted a widening protection gap driven by reduced access to insurance amid the economic strain of the pandemic and rising healthcare costs.<sup>35</sup> Over the long term, climate change and nature-related risks could adversely impact the affordability, access and availability of life & health insurance products. The increasing exposure of vulnerable populations to nature-related risks is requiring a more holistic approach to risk management.<sup>36</sup>

**Prevention is one of the most effective strategies to improve access to insurance and the insurability of health risks.** Preventative care, combined with innovative and inclusive insurance products, is critical to close the protection gap. Measures such as healthy lifestyle behaviours, health screenings, vaccinations, early warning indicators for environmental risks and education, can lower healthcare costs and can support systemic resilience. With nature-related risks increasingly affecting human health, insurers can draw insights from innovative solutions addressing climate change impacts, such as parametric insurance for heatwaves.<sup>37</sup>

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33 CBD, WHO, UNEP (2015): Connecting Global Priorities: Biodiversity and Human Health: [cbd.int/health/SOK-biodiversity-en](https://cbd.int/health/SOK-biodiversity-en)

34 The Geneva Association (2024): Climate Change: What does the future hold for health and life insurance?: [genevaassociation.org](https://genevaassociation.org)

35 The Geneva Association (2020): An Investigation into the Insurability of Pandemic Risk: [genevaassociation.org](https://genevaassociation.org)

36 UNEP FI (2023): Health is Our Greatest Wealth: [unepfi.org](https://unepfi.org)

37 Ibid.

**Lifestyle choices are a key determinant for health and wellbeing**, and provide an opportunity for insurers to positively influence more sustainable and healthier lifestyle choices.<sup>38</sup> Lifestyle choices, such as diet and mobility, are significantly connected to impacts on health and nature. Insurers have an opportunity to assess the negative environmental externalities associated with their underwriting portfolios and insurance value chain. For example, overconsumption of meat and dairy increases health risks while placing significant pressure on nature.<sup>39</sup> Life & health insurers can incentivise healthier, more sustainable behaviours, such as adopting a planetary health diet and sustainable and active mobility. Awareness and wellness programmes encouraging physical activity and sustainable diets can reduce healthcare costs and environmental pressures. By integrating these practices, insurers can drive systemic change to support human and planetary health.<sup>40,41</sup>

**A life & health insurer's indirect nature-related impacts can extend across its entire value chain**, particularly in upstream activities such as pharmaceutical manufacturing and healthcare system operations. The pharmaceutical supply chain, especially in the sourcing and production of medicines in biodiversity-sensitive areas as well as its downstream impacts (e.g., waste generation and pollution, especially through the overuse of antimicrobials and other pharmaceutical products), can exert significant environmental pressures. Similarly, healthcare providers contribute to environmental pressures through their procurement processes and the substantial waste generated during operations (e.g., generation of medical waste and single-use plastics, improper disposal and overuse of antimicrobials and other pharmaceutical products). Addressing these indirect nature-related impacts tackles the factors driving critical health and environmental issues, such as antimicrobial resistance, which poses a growing threat to human health and wellbeing.<sup>42</sup>

**Restoring and conserving nature is vital for both planetary and human health.** The Global Action Plan on Biodiversity and Health highlights that conserving, restoring, and sustainably using biodiversity directly supports human health by safeguarding essential ecosystem services. Organisations that benefit from nature's genetic resources, such as pharmaceutical companies, should actively participate in the equitable sharing of benefits and contribute to ecosystem restoration and conservation.<sup>43,44</sup>

Nature-based solutions (NbS) can also deliver significant health benefits, particularly in urban areas. Green and blue spaces reduce stress, promote physical activity, and enhance resilience to environmental risks, underscoring the importance of integrating NbS into urban planning and healthcare systems. Increasingly, the physical and mental health benefits of time in nature are being recognised, with some healthcare professionals prescribing it as part of patient treatment plans.<sup>45</sup>

38 Farhud, D.D. (2015): Impact of Lifestyle on Health: [pmc.ncbi.nlm.nih.gov/articles/](https://pubmed.ncbi.nlm.nih.gov/articles/)

39 WWF, ZISL (2024): 2024 Living Planet Report. A System in Peril: [worldwildlife.org](https://www.worldwildlife.org)

40 Ibid.

41 UNEP FI (2023): Health is Our Greatest Wealth: [unepfi.org](https://www.unepfi.org)

42 Health Care Without Harm (2020). Sustainable Procurement in Health Care Guide: [greenhealthcarewaste.org](https://www.greenhealthcarewaste.org)

43 CBD (2022): The Kunming-Montreal Global Biodiversity Framework adopted in 2022: [cbd.int](https://www.cbd.int); Convention on Biological Diversity, 16th Conference of the Parties to the Convention on Biological Diversity (2024). Digital sequence information on genetic resources. Draft decision submitted: [cbd.int](https://www.cbd.int)

44 16th Conference of the Parties to the Convention on Biological Diversity (2024). Biodiversity and health. Draft decision submitted on 30 October 2024: [cbd.int](https://www.cbd.int)

45 WEF (2022). Health: What are green prescriptions and which countries offer them? [weforum.org](https://www.weforum.org)



<b>Biodiversity is fundamental to human health</b>	
<ul style="list-style-type: none"> <li>▪ Biodiversity underpins ecosystem functions that provide e.g., clean air, water, nutritious food, climate regulation, and pest and disease control</li> <li>▪ Biodiversity supports healthcare systems through medicine derived from natural resources and genetic information</li> </ul>	<b>70% of cancer drugs &amp; 75% of antimicrobials derived from natural resources</b>
<b>Loss of biodiversity and ecosystems and the impact to life &amp; health risks</b>	
<ul style="list-style-type: none"> <li>▪ Zoonotic diseases and antimicrobial resistance (AMR) are significant nature-related risks</li> <li>▪ Environmental pressures like air and water pollution directly harm human health while leading to ecosystem degradation driving nature-related risks</li> <li>▪ Nature-related risks can increase rates of illness, disease, physical harm, and mental health issues, increasing mortality, morbidity, hospitalisation rates, and insurance claims</li> </ul>	<b>75% of emerging infectious diseases are zoonotic</b>
<b>Insurability &amp; widening protection gap from nature-related risks</b>	
<ul style="list-style-type: none"> <li>▪ Nature-related risks could affect access, affordability, availability of life &amp; health insurance</li> <li>▪ Nature-related risks will disproportionately impact the most vulnerable populations</li> <li>▪ Preventative care and innovative, inclusive insurance can increase access to insurance and close the protection gap</li> </ul>	<b>Global health protection gap USD 941 bn in premium equivalent terms</b>
<b>Lifestyle choices as key determinant for health and environmental footprint</b>	
<ul style="list-style-type: none"> <li>▪ Lifestyles, diets, health and environmental impacts are closely linked, offering opportunities for insurers for positive influence</li> <li>▪ insurer's value chain contributes indirectly to nature loss through pharmaceutical supply chains and healthcare systems</li> </ul>	<b>Food system's hidden cost: USD 10–15 tr ann.</b>
<b>Nature restoration and conservation for planetary and human health</b>	
<ul style="list-style-type: none"> <li>▪ Nature conservation, restoration and sustainable use directly supports human health</li> <li>▪ Green and blue spaces reduce environmental exposure and improve health</li> <li>▪ Spending time in nature improves physical and mental health</li> </ul>	<b>Thousands of doctors prescribing time in nature</b>

**Figure 2: Overview intersection between life & health insurance**

# Defining insurance for a resilient nature-positive future

Responding to the escalating nature loss and increasing risks to communities and economies, this guide further builds on the concept of insurance for a resilient nature-positive future<sup>46</sup> and provides a concrete and practical set of possible actions that insurers can take to align with the aims and targets of the Global Biodiversity Framework (GBF).

At this early stage, it would probably be difficult for an individual financial institution—be it an insurer, a bank or an investor—to be able to claim that it is already nature-positive. However, a financial institution can definitely contribute to nature-positive outcomes. In this vein, in 2023, the PSI in its briefing paper, defined insurance for nature-positive as “risk management and insurance strategies, practices, products, services, and solutions that address nature-related dependencies, impacts, risks, and opportunities, while promoting economic, social, and environmental sustainability.”<sup>47</sup>

Furthermore, the definition includes the overarching aim to “actively contribute to the mission of the Kunming-Montreal Global Biodiversity Framework (GBF) by halting and reversing nature loss by 2030, and in alignment with its long-term vision of living in harmony with nature by 2050.”<sup>48</sup>

As shown above, insurance for nature-positive extends beyond responding to nature-related impacts. It encompasses risk management and insurance strategies that **address nature-related risks and opportunities**. This is in line with the GBF’s targets to enhance resilience through risk reduction and adaptation, leveraging ecosystem-based approaches and nature-based solutions.

Building on the definition of **insurance for nature-positive**, this guide outlines priority actions aimed at achieving **the following overarching goals for insurers**:

- **Avoid, reduce and manage negative impacts on nature, contributing to biodiversity gains, and transformation of value chains.**<sup>49</sup>
- **Contribute to preventing and reducing nature-related risks, and building resilience.**
- **Create opportunities for insurers to support a just transition towards nature-positive outcomes and to enhance insurability.**

It is recommended that insurers prioritise understanding and reducing the existing negative impacts within their portfolios. Avoiding biodiversity loss by 2030 is the most urgent priority. Throughout this guide, there is a focus on avoiding harm to nature as a first-order priority for insurers.

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46 The concept of “nature-positive,” as defined by the Nature-Positive Initiative (NPI), is a global societal goal rooted in the GBF’s mission to “halt and reverse biodiversity loss by 2030” based on a 2020 baseline, with the ultimate objective of achieving full recovery by 2050.

47 UNEP FI (2023): Nature-Positive Insurance: Evolving Thinking and Practices: [unepfi.org](https://www.unepfi.org)

48 Ibid.

49 UNEP FI and Finance for Biodiversity Foundation (2024). Discussion Paper Working Model Finance for Nature Positive: [unepfi.org](https://www.unepfi.org)

However, the overall economic transformation towards the nature-positive goal also requires supporting biodiversity conservation and restoration, as well as implementing solutions that transform value chains. It is not necessary to wait to start restoring nature until all negative impacts have been reduced to the greatest extent possible. What is key is that there should be a plan in place and there are active efforts towards avoiding harmful activities and reducing drivers of nature loss.

This guide is designed to support insurers in addressing nature-related risks in line with the insurance risk management continuum – from understanding, preventing, and reducing risk; to transferring risk (via insurance). The guide does not specifically address insurers' own nature-related financial risks such as underwriting or business risks. However, as recommendations in the guide focus on managing nature-related risks to help reduce insured losses, and to help improve the availability and affordability of insurance and insurability of assets and activities, these measures may also reduce underwriting risk for the insurer.

Furthermore, by aligning underwriting activities with nature-positive outcomes, insurers can potentially reduce their own nature-related transition risks, including reputational and legal risks.

**Insurers should recognise that environmental impacts of today can become significant financial risks in the future. Proactively responding to these impacts is ultimately sound risk management.**<sup>50</sup>

## Key enablers for insurers to take action on nature across the insurance value chain

This guide incorporates a theory of change that identifies key enablers across the insurance value chain. These key enablers should allow insurers, in their roles as **risk managers and risk carriers** to contribute to nature-positive outcomes and enhance resilience for communities and societies in the face of nature-related risks.

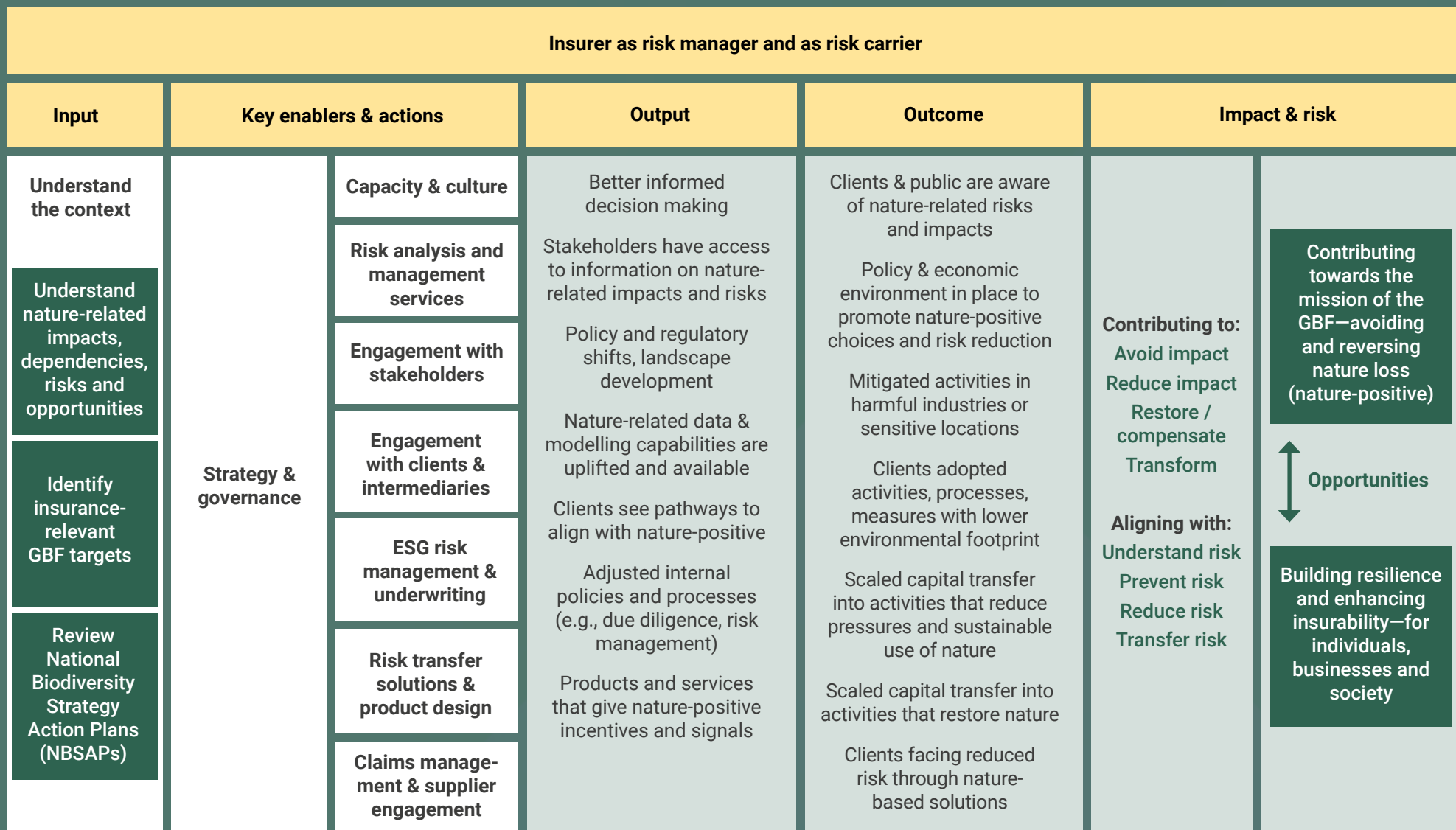
Actions have been defined for each of the key enablers, tailored to both **non-life insurance and life & health insurance** based on their distinctive business models.

The guide acknowledges the global diversity of insurers in terms of size, business models, and maturity regarding nature-related actions. It categorises actions into **general priority actions** (broad recommendations applicable to most insurers), **general considerations** (additional approaches and areas for exploration), and **company-specific actions** (relevant only for insurers offering applicable products and services, and relevant client categories).

These possible actions and considerations represent concrete and practical recommendations and are not prescriptive in terms of decision-making by individual insurance companies, including when and how they are expected to address nature-related impacts and risks. Each company should evaluate these actions based on its business model, geographical context, and regulatory environment, ensuring the adoption of actions that align with its specific strategy and objectives.

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50 UNDP SIF (2021): Nature-related Risks in the Global Insurance Sector: [sustainableinsuranceforum.org](https://sustainableinsuranceforum.org)



**Figure 3: Insurance for nature-positive—theory of change**



# Summary of cross-cutting general priority actions for non-life and life & health insurance business

While most general priority actions are tailored to non-life and life & health insurance business segments, the actions related to the key enablers—understanding the context, capacity and culture, strategy, and governance—are broadly applicable across both business segments, with minor adjustments in the detailed description of the priority actions.

The table below provides a summary of these cross-cutting general priority actions.

Insurer as risk manager and as risk carrier	
<b>Understand nature-related dependencies, impacts, risks and opportunities</b>	<ul style="list-style-type: none"> <li>Progressively analysing the underwriting portfolio for nature-related issues, applying double materiality approach</li> <li>Progressively disclosing in line with the internationally-accepted disclosure frameworks or standards (e.g., TNFD, ESRS, ISSB, GRI)</li> </ul>
<b>Capacity and culture</b>	<ul style="list-style-type: none"> <li>Training of key teams on nature-related issues and organisation-wide awareness raising</li> <li>Securing buy-in from Board and executive management</li> <li>Training and awareness programmes for clients, brokers, and agents</li> </ul>
<b>Strategy and governance</b>	<ul style="list-style-type: none"> <li>Embedding nature-related issues in the ESG risk governance framework</li> <li>Board oversight and clear responsibilities for senior management</li> <li>Integrating nature-related issues into sustainability strategy and transition plans</li> <li>Incorporating nature-related issues into key frameworks such as underwriting policies and risk management frameworks</li> </ul>

**Figure 4:** Summary cross-cutting general priority actions non-life insurance and life & health insurance

# The role of non-life insurers as risk managers and risk carriers in the transition to a resilient nature-positive future

Achieving the goals of the Global Biodiversity Framework will be difficult without the key role of insurers in managing risk, catalysing action, and serving as agents of change.

The guide for non-life insurers distinguishes actions between their roles as risk manager and risk carrier while explicitly addressing both nature-related impacts and risks.

**As risk managers,** insurers can assist individuals, communities and businesses in understanding, preventing, and reducing their nature-related impacts by leveraging risk research, data and analytics. For example insurers offer environmental sensitivity analyses to help businesses better understand their interactions with and potential impacts on nature. Additionally, insurers can engage in planning and advisory roles, particularly in biodiversity-sensitive areas, collaborating with policymakers on building regulations and land-use planning to prevent negative environmental impacts—such as avoiding construction in ecologically critical areas. Insurers can also provide insights on technologies and solutions that need to be scaled up, and can partner with stakeholders to advocate for sustainable practices and policy reforms that promote nature-positive solutions and reduce harmful subsidies.

Insurers can develop advanced nature-related risk models and can enhance their natural catastrophe risk models to assist clients and communities in assessing their exposure to these risks and provide advice on loss prevention measures. Insurers can also advocate for nature-based risk reduction strategies, such as incorporating rain gardens into urban landscapes or applying ecological forestry practices, and collaborate with policymakers, governmental agencies, and local communities to implement ecosystem-based disaster risk reduction initiatives, such as restoring mangroves for coastal resilience.

**As risk carriers,** insurers have the opportunity to avoid and reduce negative impacts on nature while supporting activities that deliver positive outcomes for nature. Insurers can establish underwriting policies, criteria and guidelines for activities in biodiversity-sensitive areas and high-impact activities and sectors on nature. By implementing environmental guidelines through due diligence, and policy terms and conditions, insurers can help ensure that the activities they underwrite avoid or reduce harm to biodiversity and ecosystems. Risk and impact-based pricing models enable insurers to incentivise sustainable behaviours by clients, such as undertaking biodiversity risk assessments or adopting measures to reduce their environmental footprint. Insurers can also support the technologies, solutions and business models associated with the transition to a nature-positive economy. NbS and restoration and conservation-driven projects also depend on insurance to catalyse greater financial and investment flows needed for their successful implementation.

Insurers also protect households, businesses and public entities by absorbing economic shocks related to nature-related risks, building both physical and economic resilience. They can provide insurance coverage for emerging nature-related risks, while harnessing nature's risk reduction capacity. Insurers can combine risk reduction efforts with risk transfer solutions, such as community-based insurance schemes and ecosystem-based disaster risk reduction.

Moreover, insurers can reduce their environmental footprint through sustainable claims management by offering green claims options, such as favouring repairs over replacements and integrating "build back greener" and more resilient approaches. Insurers can also engage with suppliers and repairers to avoid and reduce negative environmental impacts.

## **Summary of general priority actions for non-life insurance business**

General priority actions have been defined for non-life insurance business in the context of key enablers—risk analysis and risk management services, engagement with stakeholders, engagement with clients and intermediaries, ESG risk management and underwriting, risk transfer solutions and product design, and claims management and supplier engagement.

The table below provides a summary of these general priority actions.

As risk manager	As risk carrier
<b>Risk analysis and management services</b>	
<ul style="list-style-type: none"> <li>▪ Risk research, analytics and risk models</li> <li>▪ Data sharing with potentially affected parties</li> <li>▪ Risk management services for nature-related risks</li> <li>▪ Risk advisory in early stages of projects</li> </ul>	
<b>Engagement with stakeholders</b>	
<ul style="list-style-type: none"> <li>▪ Advocacy for policy reforms for a just transition to nature-positive, insurance role in NBSAPs</li> <li>▪ Stakeholder collaboration on risk reduction and building resilience through NbS</li> <li>▪ Cooperation with Indigenous Peoples &amp; Local Communities on global and local levels</li> <li>▪ Development of standards, methodologies and collaboration on research</li> </ul>	
<b>Engagement with clients &amp; intermediaries</b>	
<ul style="list-style-type: none"> <li>▪ Engagement in case of new projects or expansion of operations</li> <li>▪ Engagement on clients' nature-positive journey, build on net zero engagements</li> <li>▪ Engagement with client as part of "policy compliance"</li> <li>▪ Engagement as part of the claims process</li> <li>▪ Engagement with clients directly or via broker</li> <li>▪ Engagement programmes via associations for retail lines</li> </ul>	
<b>ESG risk management &amp; underwriting</b>	
<ul style="list-style-type: none"> <li>▪ Expectations on nature-related impact and risk prevention and reduction measures</li> </ul>	<ul style="list-style-type: none"> <li>▪ Risk assessment and due diligence for high-impact sectors and biodiversity-sensitive or material locations</li> <li>▪ Policies for high-impact sectors and biodiversity-sensitive and material locations</li> <li>▪ Integration of nature in underwriting strategies</li> </ul>
<b>Risk transfer solutions &amp; product design</b>	
<ul style="list-style-type: none"> <li>▪ Regular product review process on nature interface</li> <li>▪ Product design features to avoid harm &amp; moral hazards</li> <li>▪ Risk transfer solutions for mainstreaming nature</li> <li>▪ Risk transfer solutions for nature-positive outcomes</li> <li>▪ Risk transfer solutions for emerging nature-related risks</li> <li>▪ Product design to promote green and resilient choices</li> </ul>	
<b>Claims management &amp; supplier engagement</b>	
<ul style="list-style-type: none"> <li>▪ Claims process with circular economy principles</li> <li>▪ Adoption of build back greener and more resilient</li> <li>▪ Enhanced third party due diligence for key suppliers</li> <li>▪ Suppliers to ensure free, prior, informed consent from Indigenous People and Local Communities</li> </ul>	

**Figure 5:** Summary of general priority actions for non-life insurance business



# The role of life & health insurers as risk managers and risk carriers in the transition to a resilient nature-positive future

For life & health insurers, the contribution to a resilient nature-positive future aligns with the insurance risk management continuum of understanding, preventing, reducing and transferring risk. This first-of-its-kind global guide also examines the negative externalities relevant to life & health underwriting portfolios, leveraging the influence of life & health insurers on policyholders and key stakeholders within the healthcare value chain to reduce pressures on nature.

**As risk managers,** insurers can enhance awareness and understanding of nature-related risks among individuals, group policyholders, and public health officials through targeted education, awareness initiatives, and tailored programmes. This includes raising awareness of environmental footprints and their connection to health impacts through lifestyle choices. Insurers can also advocate for policies that improve environmental standards such as in the health care industry and that increase stewardship plans on nature-related risks for public health across different levels of policy making.

**As risk carriers,** insurers can promote risk prevention and reduction by offering preventative healthcare solutions and designing insurance products and services that incentivise healthier, more sustainable lifestyles. By developing innovative risk transfer solutions, insurers can address emerging nature-related risks and health impacts and help close the protection gap, particularly for communities most vulnerable to nature loss. Furthermore, insurers have an opportunity to collaborate with key actors along the healthcare value chain to mitigate environmental pressures from pharmaceutical practices and healthcare system operations.

## Summary of general priority actions for life & health insurance business

General priority actions have been defined for the life & health insurance business in the context of key enablers—engagement with stakeholders, engagement with clients, ESG risk management and underwriting, risk transfer solutions and product design and supplier engagement.

The table below provides a summary of these general priority actions.

As risk manager	As risk carrier
<p style="text-align: center;"><b>Engagement with stakeholders</b></p>	
<ul style="list-style-type: none"> <li>▪ Awareness raising on emerging nature-related risks</li> <li>▪ Advocacy for “one health” and “planetary health diet”, sustainable practices in healthcare</li> <li>▪ Collaboration and promotion of integration of nature-based solutions in urban areas</li> <li>▪ Collaboration to produce data on nature-related risks and mortality/morbidity rates</li> <li>▪ Engage with Indigenous Peoples, Local Communities and affected stakeholders</li> </ul>	
<p style="text-align: center;"><b>Engagement with clients</b></p>	
<ul style="list-style-type: none"> <li>▪ Expansion of existing education or awareness programmes (e.g., nutritional, fitness and mental health)</li> <li>▪ Client awareness programmes to promote understanding of how lifestyle choices impact nature and health risks</li> </ul>	
<p style="text-align: center;"><b>ESG risk management &amp; underwriting</b></p>	
<ul style="list-style-type: none"> <li>▪ Group insurance policies: integration of nature nature-related-issues in ESG due diligence processes</li> <li>▪ Investment-linked products: investment policies and criteria for high-impact sectors and biodiversity sensitive and material locations</li> <li>▪ Integration of nature-related issues into ESG risk management and underwriting framework</li> </ul>	
<p style="text-align: center;"><b>Risk transfer solutions &amp; product design</b></p>	
<ul style="list-style-type: none"> <li>▪ Innovative risk transfer solutions for emerging nature-related risks (e.g., parametric insurance air pollution)</li> <li>▪ Insurance solutions incentivising risk prevention and reduction (e.g., preventative healthcare, time in nature)</li> <li>▪ Insurance solutions incentivising more sustainable lifestyles (e.g., plant-based diets, active mobility)</li> </ul>	
<p style="text-align: center;"><b>Supplier engagement</b></p>	
<ul style="list-style-type: none"> <li>▪ Enhanced third party due diligence for key suppliers</li> <li>▪ Suppliers to ensure free, prior, informed consent from Indigenous People and Local communities</li> </ul>	

**Figure 6:** Summary of general priority actions for life & health insurance business

**UN**   
**environment  
programme**

**finance  
initiative**

UNEP Finance Initiative (UNEP FI) brings together a large network of banks, insurers and investors that catalyses action across the financial system to deliver more sustainable global economies.

For more than 30 years the Initiative has been connecting the UN with financial institutions from around the world to shape the sustainable finance agenda establishing the world's foremost sustainability frameworks that help the finance industry address global environmental, social and governance challenges.

Convened by a Geneva, Switzerland-based secretariat, more than 500 banks and insurers with assets exceeding USD 100 trillion are individually implementing UNEP FI's Principles for Responsible Banking and Principles for

[unepfi.org](https://unepfi.org)

Sustainable Insurance. Financial institutions work with UNEP FI on a voluntary basis to apply the sustainability frameworks within their industries using practical guidance and tools to position their businesses for the transition to a sustainable and inclusive economy.

Founded in 1992, UNEP FI was the first organisation to engage the finance sector on sustainability. Today, the Initiative cultivates leadership and advances sustainable market practice while supporting the implementation of global programmes at a regional level across Africa & the Middle East, Asia Pacific, Europe, Latin America & the Caribbean and North America.



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