ESG: Perception v’s Reality
The Insurance Impact

Exploring the Insurance use case of ESG scoring.
Content

• Perception
• Reality?
• Insurance Context

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Product leader Cyber PD | ESG strategic lead – MAP risk
We participate in the insurance of approximately 20% of the world's ocean-going trading tonnage and are the prominent leader of voyage and tow business in the London market.

With a dedicated ESG Lloyd's Syndicate.
Perception
Environmental, social and governance (ESG) is a term used to represent an organization's corporate financial interests that focus mainly on sustainable and ethical impacts.

Measuring and reporting ESG data is a way for companies to establish transparency, trust, and accountability in their environmental goals so that they can appeal to future investors, employees and customers.
Environmental, social and governance (ESG) is a term used to represent an organization's corporate financial interests that focus mainly on sustainable and ethical impacts.

Measuring and reporting ESG data is a way for companies to establish transparency, trust, and accountability in their environmental goals so that they can appeal to future investors, employees and customers.
The rise of ESG


Funds under management

Reality
Data, Data, Everywhere.....
It all comes out in the wash.....
Insurance Context
Climate Change: Risk and Responsibility

Climate Responsibility: Our business impact on climate change

Climate Risk: Climate change’s impact on our business
ESG in Underwriting

Impact Underwriting
ESG Syndicate
Supporting the transition

Risk Assessment
Portfolio performance

Risk Mitigation
Client Questions
Scenario Evaluation
Impact Underwriting - ESG Consortium & Syndicate 4321 overview

Only Lloyd's dedicated ESG capacity

Capitalised by Beazley Group and third party capital

A dedicated ESG product for Beazley clients

Embeds ESG into insurance program procurement

ESG through the value and supply chain

Cross-class appetite
Different Types of Events

Attrition Frequency

Systemic Event
Planning

*All figures are for illustrative purposes only*
Planning

*All figures are for illustrative purposes only*
### Assessed ‘ESG responsibility’ risk

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### Open Market Property

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### Climate risk assessment

- **Red**: Identified potential risk – complete in 2022
- **Amber**: There is potential risk but not as near term or as material aim 2022 review.
- **Green**: Secondary or low risk. Further climate risk assessment needed or it may be agreed it is too early.
- **Black**: No additional risk at present.

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**Beazley deterministic realistic disaster scenario (DRDS) approve and monitored**

**Underwriting questions developed for key lines of business**
Perception to Reality..

• Transparency;
• Regulation;
• Materiality.
Thank you

Contact us:

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