



Delivering on our ClimateWise commitment –

Second Year Report

The ABI's Response, June 2009

1 Background

Climate change is happening now and we need to tackle it – by taking steps to address the causes and consequences of climate change. Climate change threatens the basic elements of life for many people around the world - access to water, food production, health, and use of land and the environment. This is a global problem whose effects differ from region to region and country to country.

The insurance industry, through its expertise in risk management and analysis of the financial costs of more extreme weather, has a key role to play in the climate change debate.

The ABI has long recognised the challenges that climate change brings and has worked with government and customers to address these. In the ABI's Business Plan, climate change is identified as one of our priorities.

Together with the Prince Of Wales's Business and the Environment Programme we formed a working group of some of the largest companies in the insurance sector to develop a framework for companies worldwide to set out how they will build climate change into their business operations. This work resulted in the launch of the ClimateWise initiative in September 2007. Over 40 insurance companies and organisations have now joined ClimateWise and the initiative continues to grow internationally.

The ClimateWise initiative marks a new era in industry action and co –operation to tackle this global issue. Having facilitated the launch of this new initiative, we are now a full signatory to the ClimateWise principles. It is in this capacity that we are reporting back on the actions that have been taken on these principles during the second year of the initiative.

2 Highlights of the ABI's current climate change activities

The ABI's climate change work aims at reducing both on the cause and effects of climate change.

In January 2009 we launched our Adaptation Strategy 'Preparing the UK for a changing climate', which outlines ABI's current activities for reducing the threat of climate risks. This is built on two pillars:

1. Improve the understanding of current and future risks

The ABI is:

- Publishing new analysis on the financial costs of climate change.
- Ensuring industry data is made available to improve understanding and modelling of climate risk.
- Leading the debate about new climate data by hosting discussion amongst insurers, scientists and others on the latest research and developments.
- Working with the Environment Agency to ensure that more detailed flood risk information about all kinds of flooding is made publicly available and updated annually.

2. Protect people and businesses by managing the risks and securing Government policy reforms

The ABI is:

- Helping people do their bit to tackle climate risk by offering advice and tools, for example via information brochures and the ABI website.
- Providing advice to customers and policymakers on what needs to be done to ensure that insurance can continue to be affordable and cover climate risks in the future.
- Publishing new guidance for property developers on how insurers will assess whether new developments are climate-resilient.
- Supporting the drive to make high-risk homes more resilient to the changing climate, including through publishing new research on the cost of repairing flood damaged properties in a flood-resilient way.
- Outlining the legislative and funding requirements needed to tackle surface water management, based on new ABI research, to feed into the debate on the UK Flood and Water Management Bill.
- Campaigning for long-term Government targets for adapting to climate change backed up by long-term investment strategies.
- Promoting financial inclusion to make insurance more available.

Our efforts on reducing the causes of climate change are focused on the role of the insurance industry in the move to a low-carbon economy. We provide advice and guidance to our members on the risks and opportunities of new low carbon technologies such as Carbon Capture and Storage. Since Autumn 2008 the ABI has been engaged in activities to promote the understanding of risks linked to the new CCS technology and has worked with policy makers both in the UK and at European level to create an effective legal framework for the operation of CCS. Through our work with other stakeholders such as the CBI we ensure that the views and needs of the financial services sector are fed into the development of the UK's negotiating position for the UNFCCC climate change talks in Copenhagen at the end of 2009.

3 Report on progress

Below is a summary of activities that will help towards meeting the ABI's ClimateWise commitment. This report covers the twelve months from July 2008 to June 2009. Full details of all these and other activities can be found on our climate change website: <http://www.abi.org.uk/climatechange>

3.1 Lead in risk analysis

The ABI provides leadership on regulatory and policy issues bearing on the industry to shape and influence decisions made by the Government and other public authorities, within and outside the UK. The ABI Board has identified Climate Change as one of the key issues that the ABI must make a priority and has called for research, policy analysis and lobbying to secure an improvement in the legal and regulatory framework.

The ABI has been investigating climate risks for more than a decade. Insurers need to understand risk in order to offer sustainable solutions to our customers. We ensure that latest evidence held by the industry is shared and that we make advances in the level of forecasting and risk reporting. Over the last twelve months the ABI has been involved in a variety of activities in this areas such as:

- **Surface Water Research:** ABI appointed Hyder Consulting to conduct a major research project looking at surface water flood risk in England. The aim of the research was to highlight the challenges likely to be faced by Local Authorities in preparing surface water flooding strategies and to give an indication of the measures and costs involved in tackling surface water flooding in a typical local area. The research was part of ABI's work on the draft Floods and Water Bill and the results were fed into our political campaign for better flood legislation in England. The results were launched at a Parliamentary Reception on 28th April 2009. The full report is available online: "Urban surface water management planning - Implementation issues" <http://www.abi.org.uk/BookShop/ResearchReports/20090423%20SWMP%20report13.pdf> (CW principles 1.1 and 1.5)
- **Research sharing:** ABI presented its recent research findings on climate change at various national and international conference and events such as 'Connecting Delta Cities Workshop' in New York (June 2009), King's College Risk Symposium (June 2009), ClimateWise's Climate Risk Research Sharing event (May 2009), CIWEM Southwest Annual Meeting (May 2009), Copenhagen Climate Science Conference (March 2009), Insuring Future Climate Change- A European conference for the insurance sector in Oslo (November 2008), Insurance Institute's Lecture (October 2008). (CW Principle 1.5)
- **Financial Risks of Climate Change Research Project:** In May 2009 ABI appointed cat modelling firm AIR and the Met Office to conduct research into the financial risks of climate change. This project follows on from the 2005

'Financial Risks of Climate Change' project (please see http://www.abi.org.uk/Display/File/Child/552/Financial_Risks_of_Climate_Change.pdf) and will specifically look at climate risks in the UK and China. The results will be launched in November 2009. (CW principles 1.2 and 1.3)

- **Co-operation with the Environment Agency to improve flood risk data:** The ABI continued its close cooperation with the Environment Agency on flood risk information available for insurers. Several working group meetings took place throughout the autumn and the winter 2008. On the 27th January ABI hosted a seminar for insurers on flood risk data, where the Environment Agency presented on the soon-to-be-released new Nafra data and advised on changes to the risk mapping approach. (CW principles 1.2 and 1.3)
- **Geological Storage of Carbon Dixon – Carbon Capture Storage (CCS):** Following discussions with the UK Government about proposed liability provisions for CCS processes the ABI hosted a roundtable discussion with insurers and the Carbon Capture & Storage Association about the development of insurance solutions for CCS operations. We are currently awaiting feedback from the Carbon Capture & Storage Association about the idea of setting up a working group to focus on insurance issues related to CCS. To promote the position of the industry and to foster a knowledge exchange ABI participated on behalf of the CEA in the 'CCS Roadmap Meeting – Financing, Legal & Regulatory and Public Awareness Issues' organized by the International Energy Agency in Paris, February 2009. (CW principle 1.4)
- **European Space Agency project 'Corporation's adaptation to climate change and their need for geo spatial information and risk scenarios':** ABI has joined a research project run by ESA to understand the climate change data needs of insurance companies. The project was launched in early 2009. (CW principles 1.2 and 1.3)
- **Insurance Geographic Focus Group:** ABI is involved in the scoping phase of a new Insurance Geographic Focus Group, which aims at promoting the effective use of geographic information within the insurance industry. The project is being led by Ordnance Survey. (CW principles 1.1, 1.2 and 1.3)
- **Defra's Steering Group for National Climate Change Risk Assessment:** ABI has joined this new steering group to oversee the UK's first National Climate Change Risk Assessment and Cost-Benefit Analysis, which Government has to produce under the Climate Change Act. The group met for the first time in July 2008. (CW principles 1.2 and 1.5)

3.2 Inform public policy making

Our key role as an industry association is to speak out on issues of common interest; help to inform and participate in debates on public policy issues; and act as an advocate for high standards of customer service in the insurance industry. The ABI is a recognized and highly respected contributor to public policy thinking on climate change. Our aim is to ensure that the ABI is seen as a leader increasing the resilience to climate events, reducing risk and emergency planning both through its

public policy positions and internal facilities management and planning. Recent initiatives in this area include:

- **Flood Insurance Agreement with Government:** In July 2008 the ABI and the Government reached agreement that ensures flood insurance remains widely available now and in the long term. The Statement of Principles agreement outlines the actions that both Government and the industry will take over the long term. These include:
 - Improving understanding of flood risk.
 - Government putting in place a long-term investment strategy, which will set out strategic flood prevention aims and assess future policy options and funding needs
 - Ensuring that the planning system prevents inappropriate development in flood- risk areas.
 - Raising awareness in areas where flood risks are significant, encouraging property owners to take sensible precautions, and providing more information about how to obtain flood insurance.
 - Promoting access to home insurance for low-income households.Implementing these steps should lead to a competitive flood insurance market, without the need for the Statement of Principles, which will therefore end in 2013. Until then, insurers will continue to:

- Make flood insurance for homes and small businesses available under household and commercial insurance, where the flood risk is no worse than a 1 in 75 [1.3%] annual risk.
- Offer flood cover to existing domestic and small business customers at significant flood risk, providing there are plans to reduce the risk to an acceptable level within five years.

Similar agreements have been reached with Governments in Scotland and Wales; discussions with authorities in Northern Ireland are still ongoing. Details of continuing work and commitments can be found at: www.abi.org.uk (CW principle 2.1)

- **Future of flood risk management – Parliamentary Reception in April 2009:** On 28th April ABI hosted a Parliamentary reception on future flood risk management. The event was well attended by MPs, key stakeholders and ABI members. The Flooding Minister and his shadow counterpart both agreed on the importance and urgency of a new approach to preventing floods in this country. Our comments on the draft Flood & Water Management Bill were well received and we will work with MPs throughout the legislative process to ensure that this remains a political priority. Our current position on the Bill is summarized in the policy paper “ABI Proposals for the Flood and Water Management Bill” (please see <http://www.abi.org.uk/Members/circulars/viewAttachment.asp?EID=22777&DID=17677>)
The ABI has also set up an internal Flood Bill working group to develop ABI’s response to the draft Bill consultation. We are hosting a range of

discussions with other stakeholders on specific topics raised by the Bill. (CW principles 2.1, 2.2, 2.4 and 2.5)

- **Royal Commission on Environmental Pollution (RCEP):** ABI responded to the RCEP's inquiry into adaptation in October 2008 and gave oral evidence to the Commission in May 2009. The written response is available at http://www.abi.org.uk/Document_Vault/RECP_full_inquiry_ABI_response_171_01.pdf (CW principles 2.2 and 2.4)
- **ABI joins Defra's Adaptation Stakeholder Board:** ABI accepted an invitation from Lord Hunt, Defra's Adaptation Minister, to join the new Adaptation Partnership Board. The launch event took place in March 2009 in London. The aim of this new stakeholder group is to provide informal advice to Government on the development of the Cross-Whitehall Domestic Adaptation Programme and on developing approaches to wider stakeholder engagement. (CW principle 2.1)
- **Discussions with UK Climate Change Negotiators:** ABI participated in a series of meetings between UK climate change negotiators and business representatives, hosted by the CBI's International Climate Change Working Group. The meetings focused on business expectations in the run up to the UNFCCC negotiations in Copenhagen later this year. (CW principle 2.3)
- **Climate Change session at ABI' Biennial Conference:** ABI, supported by ClimateWise and Ordnance Survey, hosted a climate change breakout session at the ABI's Biennial Conference in June 2009. The session 'Climate change and the current financial crisis' was chaired by Andrew Torrance, Climatewise Chairman and CEO of Allianz UK. A panel of industry representatives, policy makers and scientists discussed the implications of the economic downturn for climate change policies. (CW principles 2.2 and 2.3)
- **ABI launches Adaptation Strategy:** In January 2009 ABI hosted a public seminar on adaptation, launching ABI's new Adaptation Strategy, outlining efforts to reduce climate risks in the UK. At the event, the adaptation minister Lord Hunt applauded ABI's work and outlined Government policy in the area of climate risk management. (CW principles 2.1, 2.2 and 2.4)
- **Labour Party Conference:** ABI hosted a fringe meeting on 'How to manage the risk to the economy from climate change' in September 2008 at the Labour Party Conference. The speakers included Rt. Hon. Hilary Benn MP, Secretary of State, DEFRA; Dr. Paul Leinster, Acting Chief Executive, Environment Agency; Sir David King, Director, Smith School of Enterprise & Environment; and Stephen Haddrill, Director General. (CW principles 2.1 and 2.4)
- **Adaptation evidence session at the London Assembly:** ABI provided evidence to the London Assembly's Environment Committee in October 2008. The session focussed on The Mayor's Draft Climate Change Adaptation Strategy. While ABI welcomed the Adaptation Strategy, we recommended the inclusion of subsidence into the strategy and expressed our concerns about the tidal flood risk assessments quoted in the study based on the Environment Agency's findings on the Thames Estuary 2100 project. (CW principles 2.1 and 2.4)

- **Consultation on Adaptation in Scotland:** In April 2009, ABI attended the launch of the Scottish Government's "Preparing for a Changing Climate - Second Consultation to Inform Scotland's Climate Change Adaptation Framework". At the event ABI commented on the consultation: "Climate change and its impacts are of particular importance to the insurance industry in Scotland and the rest of the UK because we are one of a very few countries where the private sector fully protects people against the costs of flooding, a standard part of insurance cover. Almost everywhere else in the world, that cost falls on the taxpayer. So adaptation is vital for our customers and us. The Association of British Insurers, as the voice of the insurance and investment industry, believes the predicted changes in the climate pose a threat to the economy and to our way of life. Taking action now will be more cost-effective than taking action later. Our own research shows that adaptation investment can be very cost effective: for example flood defence expenditure in the UK has a cost-benefit ratio of 7:1, much higher than for other public sector capital investments. We welcome the Scottish Government's efforts on adaptation and will continue to work with all stakeholders to make Scotland more resilient." ABI will respond to the consultation, closing date is 20th July. (CW principles 2.1 and 2.4)
- **Climate Change Reporting:** Throughout the autumn 2008 ABI has engaged with MPs and other stakeholders on the issue of mandatory carbon reporting as part of our work on the Climate Change Bill to outline the position of institutional investors. (CW principles 2.3 and 2.4)
- **ClimateWise Adaptation statement at UNFCCC meeting in Posnan:** ABI has been directly involved in the drafting of ClimateWise's Adaptation Statement, which was delivered to policy negotiators in Posnan in December 2008. The statement calls for measures to strengthen climate change adaptation frameworks so that insurers can play as full a role as possible in reducing the climate risks faced by people around the world. (CW principles 2.1, 2.2, and 2.4)
- **Engagement on climate change at European level:** We have been involved in meetings and discussions in the run-up to the EU Commission's publication of the EU White Paper on Climate Adaptation (published in April 2009). We continue to work with the CEA to ensure that our views are reflected in CEA's policy position. As a member of CEA's climate change task force and Sustainable Non- Life steering group we are providing direct input into CEA's climate change work at European level and through the liability committee we have been forming CEA's views on Carbon Capture and Storage. ABI is currently involved in re-writing CEA's Climate Change report, with the updated version due for publication in late 2009. (CW principles 2.1 and 2.3)
- **Low Carbon Economy Summit:** ABI attended the summit, hosted by Gordon Brown, Lord Mandelson and Ed Miliband, in March 2009 in London. The summit focused on a new industrial policy to build a low carbon future and participants discussed the Government's task to create the conditions in the UK for a transformational shift, across the whole economy, to a low carbon future. (CW principle 2.3)

- **Local Government Association:** ABI presented on the role of the insurance industry at the LGA's conference on developing successful low carbon local economies in October 2008. (CW principle 2.3)
- **Presentations on emergency preparedness and resilience:** ABI presented at the EU Conference on Disaster Risk Reduction "From past natural disasters to the challenge of climate change in Europe" in Paris in November 2008 and at UK Resilience 2008: Contributions to Resilience, Royal United Services Institute in October 2008. (CW principle 2.5)
- **Consultation responses:** From July 2008 to June 2009 ABI has responded to the following public consultations (CW principle 2.1 and 2.2):
 - Defra's consultation on property level flood resilience measures.
 - Scottish Government's first consultation on adaptation.
 - Welsh Assembly's Planning for Climate Change consultation, deadline 3rd October 2008
 - Defra's consultation on Adaptation Sub-committee.
 - EU Commission's consultation on post 2012 Climate change agreement
 - The Environmental, Food and Rural Affairs Committee New Inquiry: The Draft flood and Water Management Bill, May 2009
 - The Environmental Audit Committee Inquiry into the Pre-Budget-Report 2008, January 2009
 - National Assembly for Wales Sustainability Committee Enquiry into Flooding, June 2009 (submission and oral evidence)
 - Scottish Government Consultation on Scottish Planning Policy, June 2009
 - Scottish Parliament, Transport, Infrastructure and Climate Change Committee's call for views on the Climate Change (Scotland) Bill - February 2009
 - Ofwat consultation on At Risk Register, January 2009
 - Welsh Assembly Government Climate Change Strategy Consultation, February 2009

4 Support climate awareness amongst our customers

We aim to reduce the key risks affecting customers and therefore contribute to reducing claim frequency and cost over time: we do this through producing proposals and research as necessary on how government policy, other key stakeholders and customers can reduce the key risks that generate claims and have wider economic and social costs. To further this, the ABI organizes each year a number of conferences, seminars and other events for the insurance industry. It also publishes research reports and policy document and contributes to the public debate through speeches and presentations. Recent climate change-related initiatives include:

- **Building a sustainable future - ABI publishes guidance on insurance for new developments:** In January 2009 the ABI published guidance to help developers ensure their properties are as flood-proof as possible and

insurable. The guidance also helps buyers make the right choice. The 'Guidance on Insurance Issues for New Developments' highlights the vulnerability of buildings to climate change and urges the property industry to take action to ensure that future developments are both climate resilient and energy efficient. ABI presented the new guidance at a British Property Federation/City Property Association breakfast seminar on flood risk in February and has since hosted a range of discussion with property developers to raise awareness. (CW principles 3.1 and 3.2)

- **Economic incentives for retrofitting homes:** Through our membership of the London Climate Change Partnership ABI has been engaged in the LCCP's study into economic incentives schemes for retrofitting London's existing homes for climate change impacts. ABI is a member of the project steering group. Results are expected to be launched shortly. (CW principle 3.2)
- **Green credentials on insurance comparison websites:** ABI is currently exploring options for adding more information about insurer's climate change credentials to insurance comparison websites, as a way to inform customers about insurer's climate activities at the point of sale. (CW principle 3.2)
- **Resilient Repair Research:** To inform our work on how to promote property-level flood protection and flood resilience the ABI conducted a research project into the cost of resilient repair. The results were launched at a Parliamentary Reception on 28th April 2009. The full report "Resilient Reinstatement - The cost of flood reinstatement of domestic properties" is available at [http://www.abi.org.uk/BookShop/ResearchReports/20090423%20RR%20Report14%20\(2\).pdf](http://www.abi.org.uk/BookShop/ResearchReports/20090423%20RR%20Report14%20(2).pdf) (CW principle 3.3)
- **ABI and CII publish 'Thinkpiece' on how insurers can promote climate adaptation in the UK:** The latest edition of CII's Thinkpiece provides an overview of the insurance industry's recent work promoting climate change adaptation. The paper explores efforts to improve understanding of current and future risks, protect homes, businesses and communities, and develop risk management solutions for climate risks and making the market work for adaptation. The paper is available online at http://www.cii.co.uk/downloaddata/TP18_Surminski_Adaptation_20May2009.pdf (CW principles 3.1 and 3.2)
- **PRCA Award for media campaign on flood risk:** ABI received the PRCA Media Relation award 2008 for our media and public information strategy on flood risk in the UK. (CW principle 3.1 and 3.2)
- **Transformational Change Model:** ABI has been involved in the review process of University of Cambridge's project on "Transformational Change - Achieving a Low Climate Risk Economy" and participated in a panel debate at the launch of the transformational change model in April 2009. (CW principle 3.2)
- **Advising insurance customers:** ABI has been presenting on climate change to a wide cross-section of insurance customers both nationally and internationally, including :
 - the International Disaster and Risk Conference in August 2008 in Davos,

- the 2degrees conference "Understanding and Managing Climate Change Risk" in May 2009 in London,
- the Huw Moseley seminar on sustainability in the City at Lloyd's Library in October 2008,
- the Prince's Foundation conference "A changing climate: The business of smart growth" in November 2008 at Kensington Palace,
- the FTSE / Chatham House conference on Corporate Responsibility 2009 - Building a New Corporate Agenda.

In addition we have been involved in a range of sectoral meetings and discussions to promote climate change awareness amongst businesses and individual customers, such as TUC, CBI, Water UK, OfWat, British Property Federation. (CW principle 3.1 and 3.2)

- **International Climate Insurance Solutions:** ABI is working with the Munich Climate Insurance Initiative to facilitate an industry-wide discussion of the role of insurance under the proposed UNFCCC adaptation regime. We are engaged in ClimateWise's and CEA's efforts to host mini-consultation on the current proposals amongst industry players. The focus is on the development of climate insurance solutions for developing countries. (CW principle 3.4)

5 Incorporate climate change into our investment strategies

The ABI is a Trade Association funded by annual subscriptions and does not maintain an investment portfolio of its own. Neither is it our role to instruct our members on their own investment strategies. However, through ABI Investment Affairs we actively engage with the fund management function of the insurance industry on a variety of issues, including climate change, with the aim of encouraging responsible Corporate Governance in our members' investment activities. Through our publication 'Guidelines on Responsible Investment Disclosure' the ABI provides a list of disclosures, which institutional investors would expect to see included in the annual report of listed companies. The Guidelines require companies to identify and manage material environmental, social and governance risks to the long and short-term value of the business, including Climate Change where appropriate. The Company's disclosures should include information on how the Board considers these risks and the policies, procedures and verification systems in place to manage them (the full Guidelines can be found at www.ivis.co.uk).

The ABI has advised its Pension Fund Trustees that it supports the ClimateWise principles and suggested that this should be taken into account when considering investment decisions.

To contribute to the discussion about climate change and investment ABI participated in ClimateWise's Members' Investment Workshop in April 2009 and presented at a UK Sustainable Investment and Finance seminar on 'The Economic Impacts of Climate Change Adaptation' on March 5th 2009 at the Investment Bank

Schroders in London. The presentations are available at:
http://www.uksif.org/resources/events_conference/adaptation.

6 Reduce the environmental impact of our business

The ABI is the head lessee of an 84,600 square foot building. We occupy 33,800 square foot ourselves and the balance is rented out to sub-tenants. As head lessee we manage the plant and the equipment that provides the building services such as air conditioning and lifts.

In August 2007 we began our efforts to measure and reduce ABI's carbon footprint and our wider environmental impact. ABI is taking advice from the Carbon Trust and has been involved in discussions with property owners and property investors about the upcoming Carbon Reduction Commitment, the new mandatory emissions trading scheme that will affect most insurers and other large organisations. On 18th September ABI hosted a workshop for ABI members on the Carbon Reduction Commitment regulation.

Our internal activities to reduce the environmental impact of our operations have progressed and led to the following results:

- **Energy use**

Building on efficiency improvements made in 2007 the ABI has approved further investment into energy saving and efficiency in 2009. During the second half of 2009 and into 2010 we plan on making further improvements. Some items of plant e.g. boilers, chillers are near the end of their economic life and their efficiency has decreased. They will be replaced with new technology that is more energy efficient and we expect these improvements to reduce our energy consumption for these items by between 10% and 20%.

In September 2008 ABI switched Energy suppliers and moved to a Green tariff.

- **Paper**

75% recycled paper (which is 100% chlorine free) is used for printing all ABI publications. We are actively seeking to reduce the amount of printed material we generate by, where possible, publishing in electronic format only. Our letterheads are now produced on Conqueror Recycled CX2 paper and we now use 100% recycled paper for all internal printing and photocopying.

- **Water**

Water usage has been reduced due to the installation of water saving measures in all lavatories in the building.

- **Waste**

We have increased the range of our recycling activity to include cardboard, plastics and glass as well as all forms of paper. As part of this project we have

provided each staff member with a personal paper-recycling bin. New recycling points have been established throughout the ABI office. Due to a change of contractor in the Autumn 2008 no up-to-date statistics are available at this stage. But initial estimates show that the level of recycling has been increased. We continue to alert and remind ABI staff on the importance of recycling.

- **Carbon Footprint**

Last year's report included the results of ABI's first ever carbon footprint assessment. Based on advice from the Carbon Trust these figures for the twelve months to December 2007 were revised in the Autumn 2008. This new approach produced much more detailed and reliable figures. The updated result for the twelve months to December 2007 was 838 tonnes. Based on this new calculation method the footprint for the twelve months to December 2008 was 815 tonnes, a year-on-year reduction of 23 tonnes.

The ABI's carbon footprint for the twelve months to December 2008 is made up of our share of the gas and electricity used to provide the building services (779 tonnes) and employee travel funded by the ABI (35 tonnes). This calculation does not include emissions from our supply chain and logistics, emissions from the waste we create or from employee commuting.

Based on the Carbon Trust calculator the estimated carbon footprint of the fossil fuel and electricity used in the entire building is 1918 tonnes. This includes the ABI's 779 tonnes reported above.

Following our earlier employee engagement activities the ABI is planning new measures to inform and motivate staff to support efforts to reduce our carbon footprint for the second half of 2009. We continue our discussions with our tenants about energy efficiency and recycling matters and are encouraging them to join us in reducing the overall carbon footprint of the building.

7 Report and be accountable

The ABI has developed a reporting framework that allows the greatest degree of transparency while providing detailed information to fellow signatories, ABI members and the general public:

- ABI is not obliged to publish Annual Reports, but in our Yearbook 2009 we outline our commitment to ClimateWise and our overall climate change public policy position under the heading 'Climate Change – time for the talking to stop', p 28 – 30. See <http://www.abi.org.uk>
- The annual publication of the progress report 'The ABI's ClimateWise commitment'

The ABI Board and the General Insurance Committee take regular interest in climate risks and are actively steering our work in this area.

ABI has also been actively involved in the recruitment of new ClimateWise signatories, promoting the initiative to insurance companies in the UK and internationally. ABI presented on ClimateWise to the heads of several European insurance associations at the CEA General Assembly meeting in early 2009.