

ESG considerations & insights from the drafting process of the ESG guide

Re-use
Re-manufacturing the maritime sector
Re-evaluate
Re-assess the impact
Re-act in a Responsible way

Re_ism



TIME FOR ACTION

**How do we respond to the
change at American Hellenic Hull?**

Sustainable Underwriting Criteria

- IACS class
- White listed flag
- Fleets average age up to 15 years
- Sanction exclusion (US, EU, UN)
- Broker produced
- Independent pen





Sustainable Claims & Risk Management

- Speedy and diligent handling
- Top professionals
- Risk management mechanisms

We are the power of more





Education

- MoU signees with World Maritime University
- Cooperation with national & international universities
- Internal training by industry leaders

Institutional Co-operations

AHHIC & United Nations Environment Programme Finance Initiative, Principles for Sustainable insurance (UNEPFI – PSI)

- Signees of the United Nations (UN) agenda since June 2019
- First marine underwriter to support the UN agenda
- Team members of the first global insurance guide to tackle sustainability issues, as the only marine insurance company participating in this initiative
- Exclusive marine underwriter to support the Sustainable Blue Economy initiative

PSI Project Team

Co-Leads



Team Members



Managing ESG risks – Heat Map

CRITERIA	THEME	RISK CRITERIA	RISK MITIGATION EXAMPLES & GOOD PRACTICE	Agribusiness	Property	Liability	Product Liability	Worker Compensation	Construction & Engineering	Credit & Surety	Cyber	Directors' & Officers' Liability	Financial Lines	Marine Hull	Protection & Indemnity	Aviation	Cargo	PRINCIPLES			
																		SDGs	UNG	PSI	PPI
Environment	Climate change	Air pollution, greenhouse gas emissions, and transition risks	Disclosure of climate-related emissions in operations and/or products (e.g. CO2, CH2, N2O, HFCs, PCFs, SF6)															13	8	4	6
			Breakdown of fuel/material/carbon intensity mix relevant to the client or transaction (e.g. power generating mix or by economic sector intensity)															7, 12	7, 8, 9	1, 2, 3	3
			Environmental & social impact assessment (ESIA) covering negative health impacts, mitigation and decommissioning where relevant															3.1	7, 8, 9	1, 2, 3	1, 5
			Decarbonisation transition plan/targets, customers fitting new emission mitigation technology, TCFD disclosures															7	7, 8, 9	1, 2, 3	1, 5
	Environmental degradation	Physical risks (e.g. heat, wildfire, extreme precipitation, flood, windstorm, tropical cyclones, sea level rise, water stress)	Nature-based solutions (e.g. sustainable flood or coastal defence management, broader climate resilience adaptation plans)															9, 13	7, 8, 9	1, 2, 3	2
			Exposure to unconventional mining practices (e.g. mountain top removal, riverine tailings dumping, deep sea mining)															7, 9, 12, 13	7, 8	1, 2	2, 5
			Deforestation or controversial site clearance (e.g. palm oil on peatlands or fragile slopes, illegal fire clearance/logging, biodiversity loss, dam construction)															12, 15	7, 8	1, 2	4, 5, 6
			Soil pollution															3.1	7, 8	1, 2, 3	1.5
	Protected sites/ species	Impacts on World Heritage Sites or other protected areas	Water management practices (e.g. tackling quality, scarcity, overconsumption). Effective ESIA process covering water pollution. External audits/certification															6, 13	7, 8	1, 2, 3	3, 6
			ESIA that covers impacts on endangered species and sites including mitigation. Specialist lists: Ramsar, UNESCO World Heritage Sites. PSI-WWF-UNESCO guide to protect World Heritage Sites															11, 15	7, 8	1, 2, 3	2, 5
	Unsustainable practices	Impacts on species on IUCN Red List of Threatened Species	ESIA that covers impacts on endangered species and sites including necessary mitigation measures															14, 15	7, 8	1, 2, 3	2, 5
			Various energy initiatives: IPIECA, IFC EH&S Guidelines, Energy & Biodiversity Initiative for Oil & Gas, Arctic Council, Oil Sands Leadership Initiative															9	7, 8, 9	1, 2, 3	4
		Illegal fishing vessels, controversial fishing practices or aquaculture techniques	PSI-Oceana guide on illegal, unreported & unregulated (IUU) fishing, IUU fishing lists, Aquaculture/Marine Stewardship Council certification															12, 14, 17	7, 8	1, 2, 3	5, 6
	Animal welfare/ testing	Plastic pollution	PSI guide on the risks of plastic pollution, marine plastic litter and microplastics to the insurance industry															3, 6, 12, 14	7, 8, 9	1, 2, 3	1, 2, 3
			Live transport over 8 hours or poor conditions or illegal/exotic animals (dead or alive)															2, 12, 15	7, 8	1, 2, 3	2
		Controversial living conditions or use of chemicals/medicines (e.g. overuse of antibiotics)	Relevant certification for farming or ethical animals treatment during clinical treatments															12, 15	7, 8	1, 2, 3	2, 5
			Compliance with Guiding Principles on Replacement, Reduction & Refinement															12, 15	7, 8	1, 2, 3	2, 5
	Social	Human rights	Use of wild subjects or Great Apes in testing															12, 15	7, 8	1, 2, 3	2, 5
			Child labour															4, 8, 10, 12	1, 2, 5	1, 2, 3	2, 3, 5
			Human trafficking															8, 10, 12	1, 4	1, 2, 3	2, 3, 5
			Forced labour															8, 10, 12	1, 4	1, 2, 3	2, 3, 5
			Forced resettlement (including land/water rights for native people, land grabbing)															3, 16	1, 2	1, 2, 3	6
			Poor worker safety record (e.g. worse than sector average record on accidents)															3, 12, 16	1, 3	1, 2, 3	2, 3, 5
			Violation of worker rights (e.g. discrimination, collective bargaining)															8, 10, 12	1, 4	1, 2, 3	2, 3, 5
		Misconduct of security personnel (e.g. physical harm to people, human rights abuses)	Whistle-blower channel to report such violations															3, 16	1	1, 2, 3	6
Governance	Controversial weapons	Controversial weapons exposure (e.g. UN conventions)	Anti-Personnel Mine Ban Convention, Convention on Cluster Munitions															11	1	1, 3, 4	2, 3
	Bribery & corruption	Illegal and unethical payments	Code of conduct and anti-bribery training programme for all employees. Whistle-blower channel to report cases of bribery & corruption															16, 17	10	4	3, 4
	Poor corporate governance	Anti-competitive practices, violations of antitrust laws, unethical conduct, unethical tax approach	Code of conduct that outlines compliance with antitrust laws															10, 16, 17	10	4	2, 5
	Poor product safety & quality	Unethical conduct or negative health impact on customers																3, 16	1, 7	1, 2, 3	2, 5

ESG risks marine H&M insurance

UNEPFI – PSI's publications

Top ESG risks for Marine

Hull

Illegal fishing vessels, controversial fishing practices or aquaculture techniques

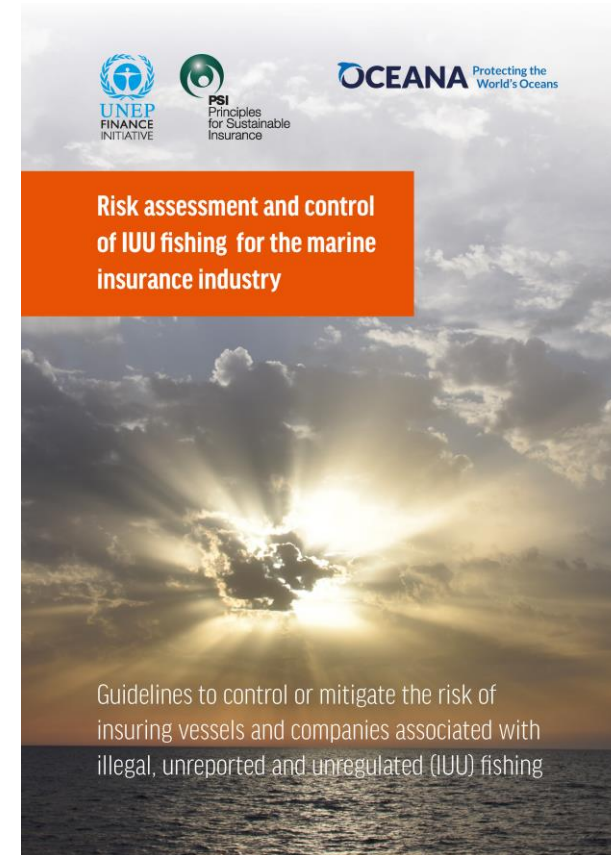
Plastic pollution

Air pollution, greenhouse gas emissions, and transition risks

Water pollution / over consumption

Impacts on World Heritage Sites or other protected areas

Controversial weapons exposure



Key facts of claims cases attributable to fouling



5% of H&M Claims
are related to pollution at sea

USD 21,869,624
Total Claims Cost



RIO+20
United Nations
Conference on
Sustainable
Development



**SUSTAINABLE
DEVELOPMENT GOALS**

17 Sustainable Development Goals (SDGs)

Inequality

Environmental

Poverty

Peace and Justice

Climate Change



**American
Hellenic Hull**
Insurance Company

Thank you



We are the power of more

