

Actuaries Summit

Think Differently



**Actuaries
Institute**

21-23 May 2017 • Grand Hyatt Melbourne





Climate Change Adaption and Funding Mechanisms

Kelly Christodoulou
**Environmental, Social, Governance
Manager, Investments**
AustralianSuper

Meet Sam

AustralianSuper:

- AUD110bn
- Members: over 2.1m
- Mix: in-house & external management

Asset class	Weight
Australian equities	24%
International equities	31%
Direct property	9%
Infrastructure	10%
Private equity	4%
Credit	10%
Fixed interest	7%
Cash	5%



ESG Framework

ESG Integration - Choosing our investments

Equities

Property &
Infrastructure

Fixed Interest

Stewardship - Using our influence

Voting

Engagement

Class Actions

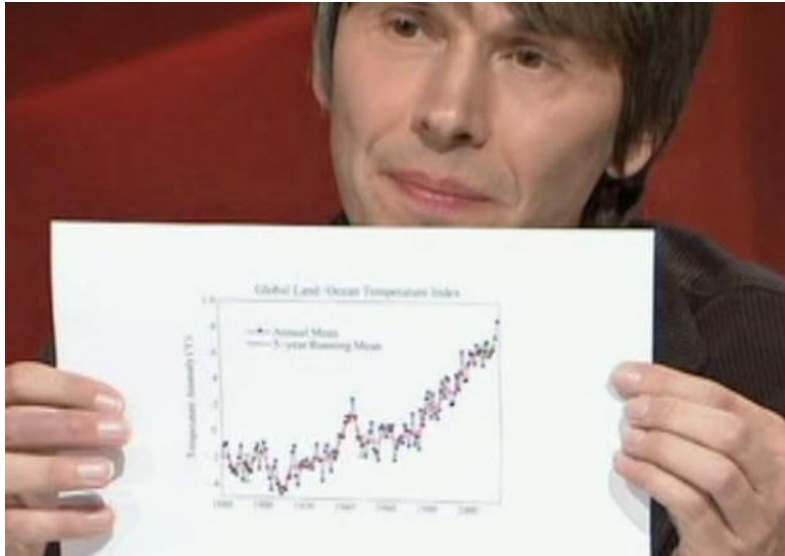
Providing choice

Socially Aware

Screening Position

Supporting Activities: Projects, Collaboration, Reputation Management

Not climate scientists...



Investment issues



Physical impacts





Climate Change Adaption and Funding Mechanisms

Jon Harwood Suncorp

Flood mitigation in action

What a levee in Roma means for HOME INSURANCE PREMIUMS



SINCE 2008 SUNCORP HAS PAID OUT OVER
700 HOME CLAIMS
FROM FLOODING AND EXTREME
WEATHER IN THE TOWN OF ROMA
AT A COST OF \$50 MILLION+

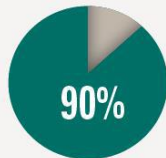
TOTAL PUBLIC AND PRIVATE SECTOR
REPAIR BILL FOR ROMA SINCE 2005
\$500 million



COST TO BUILD LEVEE IN ROMA

\$20 million+

NUMBER OF
PROPERTIES
IN ROMA NOW
CONSIDERED
TO HAVE NIL
FLOOD RISK



CUSTOMER
PROPERTIES
AT FLOOD RISK
- AVERAGE
PREMIUM
REDUCTION

60%



Properties protected by levee
and previously at highest risk
of flooding will see premiums

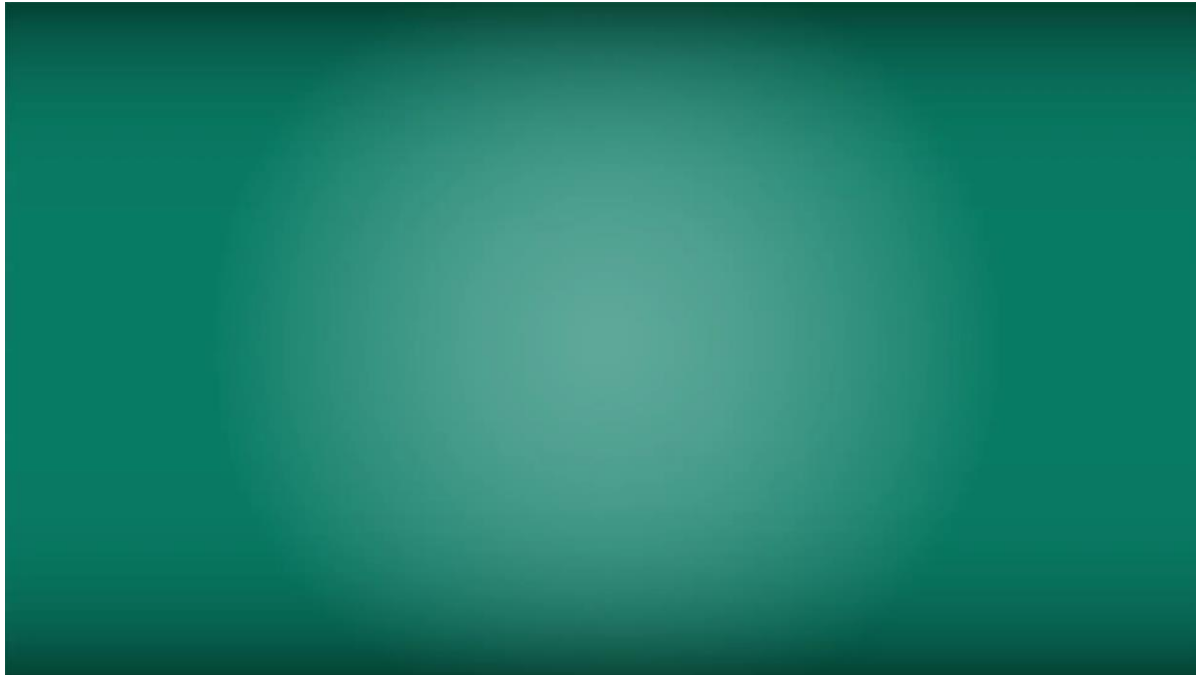
DROP BY 90%

MODELLING SHOWS A TYPICAL \$400K HOME
THAT PREVIOUSLY WAS AT RISK OF FLOODING COULD
SAVE UP TO \$7000 EACH YEAR





Cyclone Resilience Benefit



Flood mitigation in action

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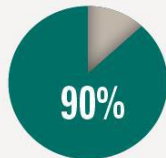
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Suncorp Resilience Loans

- Unsecured loan available to existing Suncorp customers to perform cyclone resilience works on their properties
- Interest rate set at 4.99% and all fees waived
- Customers then eligible for up to 20% insurance premium reductions through Cyclone Resilience Benefit

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Understanding Behavior Change

