
The New GREEN World:

How Sustainability Efforts Can Positively Impact Your Insurance Program

Lenka Perron
Risk Services and Solutions

**Fireman's
Fund[®]**

A company of Allianz 



How Did Insurance “Get Green”?

- Global climate change, economic meltdown, carbon footprints, “green economy,” inconvenient truths---*it’s everywhere!!*
- Climate change poses tremendous risks. Green buildings reduce Greenhouse Gas (GHG) emissions.



Allianz Reacts

- Allianz/WWF Climate Change Report addresses this issue in depth.
- Hurricane
- Flood
- Drought
- Wild Fire
- Changing weather patterns



What we've done: What we're still doing

- **Fireman's Fund and Allianz Green Actions**
- Rebuild homes destroyed in October fires as Green
- Commitment to reduce CO2 footprint
- Allianz investment in wind farms
- Allianz and Fireman's Fund Organization
 - Allianz Climate Solutions
 - Climate Change Centre of Competency
 - Fireman's Fund Green Common Ground

Why are we doing this?

- Building's impact on the environment
- Practical steps to help our customers:
 - Save \$\$\$
 - Positively impact employee/tenant/customer relations
 - Reduce environmental impact of building operations
 - Stay ahead of regulatory requirements
- Enhances FFIC's reputation as a leader in providing comprehensive Risk Management solutions that impact our customer's profitability

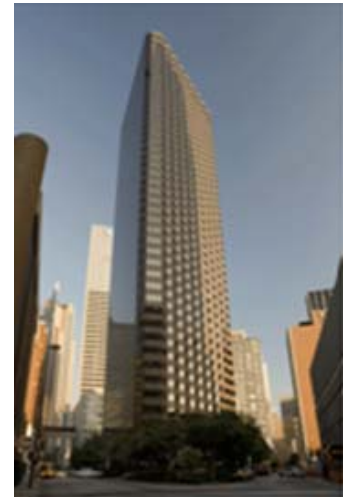


More Reasons Why Our Insureds Should Go Green

- **Customer needs and green:**
 - **Protect and grow asset value:**
 - 7.5% avg. increase in bldg values
 - 6.6% better ROI
 - <2% upfront construction cost investment -> 10X savings

 - **Protect & build NOI (Net Operating Income):**
 - 30% reduction in energy use = 5% increase in NOI
 - Lower operating expenses (less energy & water usage)
 - Higher revenue, rents, occupancy rates, faster lease out

 - **Attract & retain quality tenants:**
 - 15% absenteeism reduction
 - 16% productivity gains
 - 40% retail sales increases
 - Companies like FFIC, Wal-Mart, etc. looking for green spaces

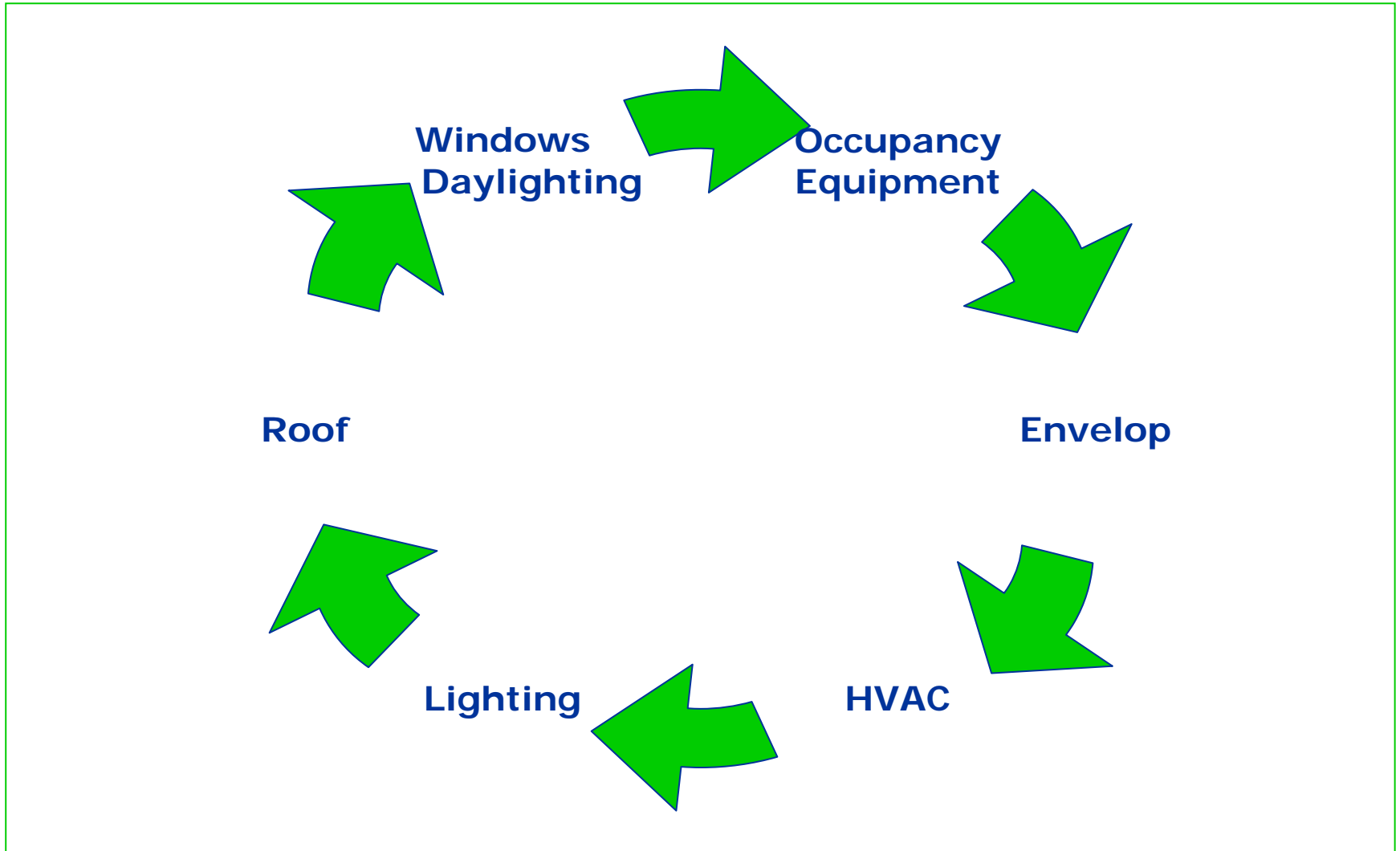


What We See in Green Businesses

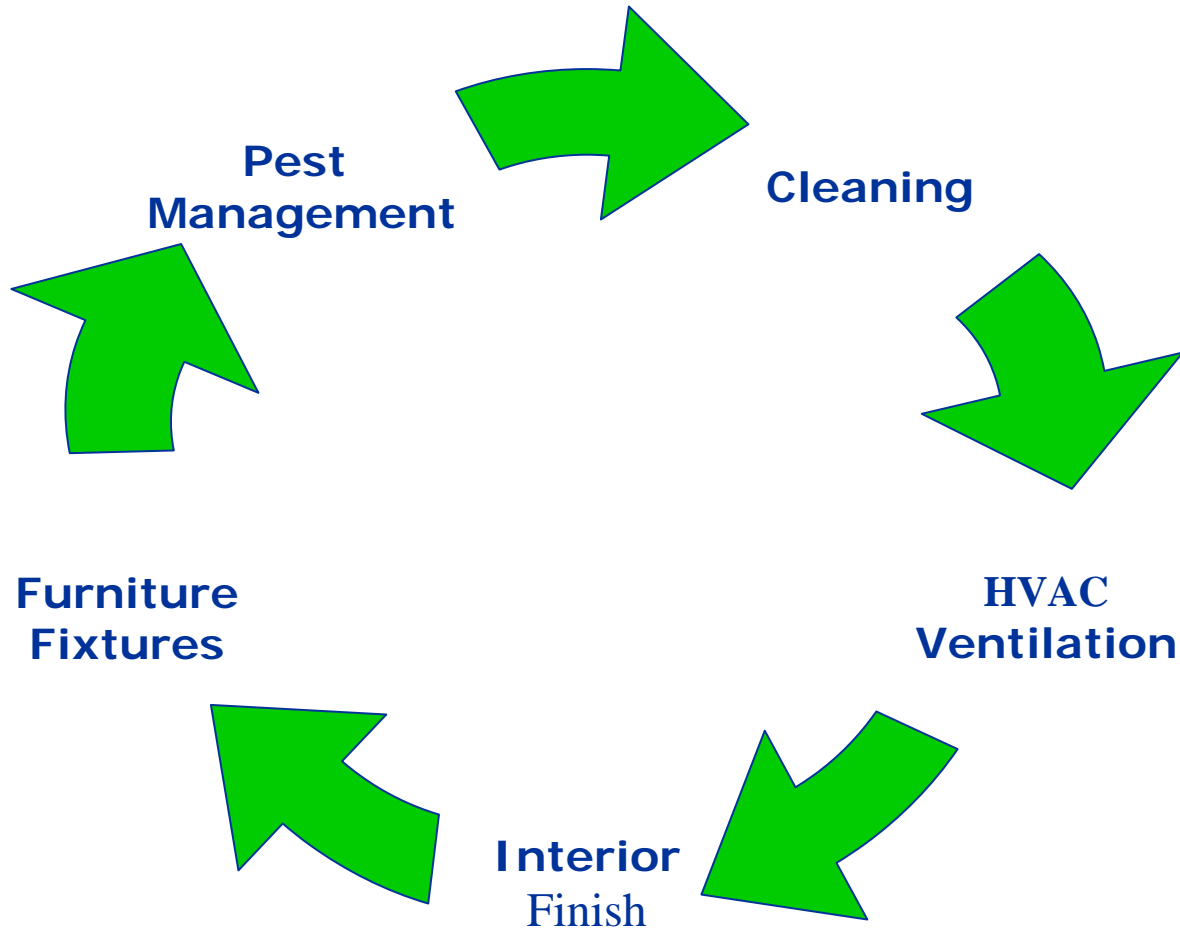
- **Risk Management**
- Traditional Risk Management: Process to identify and manage situations and exposure that can severely impact the organization
- Being green or NOT being green impacts:

Physical
Financial
Legal

Firemans Fund Green Consulting: Buildings



Firemans Fund Insurance Green Consulting: Operations



Building Sustainable Business Cultures One Step at a Time

- Focus on no- and low-cost green building solutions tailored to customer needs.
- Follow premier set of green best practices: **LEED for Existing Buildings (LEED-EB)**

Target:

- Energy & water conservation
- Indoor environmental quality
- Materials & resources
- Building & site maintenance

Sustainable Building Practices Assessment—Sustainable Sites				
Sustainable Building Practice	Benefits	Cost Estimate	Resource(s) / Strategy(s)	Comments/Action(s)
Modern regular roof inspections and debris removal	Prevent 20%+ moisture, reduces possibility of water penetration & mold development.	\$	Check out the benefits of roof work. http://www.roofing.com/roofing/roofing.html "Overlook Water Damage: Why It's Not Obvious." http://www.understandwater.com/understandwater/understandwater.html	
Follow green building practices: recycle green water, conserve water, reduce energy, reduce energy from building to reduce mold, fire damage	Reduced labor, water and material costs. Lower heating expenses and degradation. Less exposure to workers' compensation claims from fire/injury. Green recycling, composting and mulching reuses valuable organic material to soil, increases water holding capacity of soil, reduces erosion & conserves water.	\$	Green Building Practices Fact Sheet. http://www.greenbuilding.com/greenbuilding.html Integrated Pest Management Information. http://www.pestmanagement.com/pestmanagement.html	Many building maintenance contractors follow sustainable building practices.
Minimize application of pesticides or fungicides on chlorine-releasing chemicals	Less odorless in plants, chlorine, chlorine and hydrochloric acid from sodium or calcium chloride products. Good environmental impact of using deicing chemicals can be further reduced by timely removal of snow using shovels, snow blowers or plows before its application.	\$	University of Idaho. http://www.pestmanagement.com/pestmanagement.html	
Test rainwater	Identify how plants require less water. Use environmental, toxic, chemical fertilizers and lower pesticides.	\$	University of Idaho. http://www.pestmanagement.com/pestmanagement.html	Identify how agricultural or urban areas or other plant systems for rainwater can be used in your area.
Install rainwater capture systems and designed and positioned properly to give the water only, where it is needed	Save water, money and maintain run-off.	NBC		
Install water-efficient watering systems	Save water, money and maintain run-off.	\$-\$\$		Micro-irrigation, drip irrigation and a color-coded system are examples. Time expenditure for early morning and evening operations to maintain irrigation.

- Include green building practices, key benefits, strategies and resources
- Building a Sustainability Committee in your company

Firemans Fund Green Products

- **Fireman's Fund Sustainable Products Preview**
- Residential Green Coverage
- Sustainable Manufacturing
- Green Auto Upgrade
- Sustainable Building Practices Consulting
- Risk Management iCustomer
- Public Advocacy

**“When the winds of change blow, some
build walls . . . others build windmills.”**

--- Chinese Proverb



Questions?

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