

# Financial Institutions unite to urge UN Member States to accelerate progress on Tobacco Control

57 leading financial institutions with over \$2,9 trillion Assets under Management, spanning 10 countries launch a financial sector statement to calling upon Member States to accelerate implementation of the of the World Health Organization Framework Convention on Tobacco Control (WHO FCTC). These financial institutions, including banks, pension funds, insurers, asset owners, and asset managers, are committed to raising awareness about the multifaceted benefits of tobacco control, spanning not only health and environmental concerns but also the significant negative economic impact of tobacco-related issues. Signatories include Achmea, BNP Paribas AM, Australian Super, Länsförsäkringar, NN Group and Cardano.

The Statement is officially launched during a high-level side event at United Nations Headquarters in New York, on the sidelines of the 2023 UN General Assembly. The statement was officially handed over to Dr. Li on behalf of the WHO FCTC secretariat by Annette van der Krogt, Head Responsible Investment, Achmea IM. The 57 Financial institutions work in close collaboration with Tobacco Free Portfolios, a non-governmental organization with a global footprint.

The WHO FCTC is a landmark global health treaty that was adopted by the World Health Assembly in 2003 and entered into force in 2005. The Treaty has been ratified by 182 countries, making it one of the most widely embraced treaties in United Nations' history. The launch of the Statement is timely, with Panama hosting the 10<sup>th</sup> Conference of the Parties of the WHO FCTC in November, a global tobacco control conference where Member States that have ratified the WHO FCTC will review their progress and determine next steps. The WHO FCTC and its complementary MPOWER measures represent a comprehensive approach to tobacco control, encompassing **M**onitoring tobacco use, **P**rotecting people from tobacco smoke, **O**ffering help to quit tobacco use, **W**arning about the dangers of tobacco, **E**nforcing bans on tobacco advertising, promotion, and sponsorship, and **R**aising taxes on tobacco products.

## Why do Financial Institutions make this Statement?

Financial Institutions around the world recognize the importance of the WHO Framework Convention on Tobacco Control and its MPOWER measures for several compelling reasons:

1. **Public Health Impact:** Tobacco use is the leading cause of preventable deaths globally. The WHO FCTC and its MPOWER measures continue to be instrumental in reducing tobacco-related diseases and saving lives, which ultimately benefits society and the economy.

2. **Economic Productivity:** Tobacco addiction not only harms individual health but also leads to reduced workforce productivity due to illness and premature death. Financial Institutions recognize that promoting tobacco control measures can enhance the well-being of employees and contribute to a more productive workforce.
3. **Environmental and Climate Considerations:** Tobacco cultivation and production have severe environmental consequences, including deforestation, hazardous waste, and plastic pollution. By promoting tobacco control, financial institutions align their goals with broader environmental and climate protection efforts, including Net Zero ambitions
4. **Healthcare Cost Reduction:** The enormous costs associated with treating tobacco-related illnesses strain healthcare systems and divert resources from other critical healthcare needs. Financial Institutions believe that controlling tobacco use can free up funds for more effective and sustainable healthcare investments.
5. **Social Responsibility:** Financial institutions are increasingly scrutinizing the social impact of the companies in which they invest, to ensure alignment with client and member expectations regarding Environmental Social and Governance (ESG) standards. Supporting tobacco control measures reflects a commitment to authentic responsible and sustainable investment.
6. **Global Health Equity:** The WHO FCTC promotes equitable access to tobacco control measures, addressing disparities in tobacco-related health outcomes and ensuring that the benefits of tobacco control reach all populations.

The 57 financial institutions behind this Statement on Tobacco Control are determined to make a meaningful contribution to a tobacco-free future, recognizing that this endeavor aligns with public health, environmental, and financial goals.

*“Tobacco control isn’t just a health imperative; it’s a financial one too. The cost of tobacco-related healthcare and productivity losses is staggering. By supporting the Investor Statement, Achmea IM is making a statement: we believe that through tobacco control safeguarding people’s health, optimizing economic productivity and a net-zero world go hand in hand. Together with our peers, we are taking a stand for a tobacco-free world that benefits individuals and economies worldwide alike and call upon the member states of the WHO FCTC to accelerate the implementation of this ground-breaking treaty.”*

Rogier Krens, CIO Achmea Investment Management.

*“As a founding signatory of Tobacco Free Portfolios in 2018, the BNP Paribas Group adopted a policy to end its financing and investment activities related to tobacco companies, while in the same year BNP Paribas Asset Management became one of the first global asset managers to exclude tobacco investments from its sustainable and mainstream investment funds, in line with the UN Global Compact. As a responsible investor we acknowledge the urgent need to take action to reduce the significant health and economic costs associated with tobacco, as well as its impact on the environment and links to human rights abuses. We are therefore pleased to add our voice to this call to Member States to intensify their efforts to implement the Framework Convention on Tobacco Control.”*

Guy Davies, CIO, BNP Paribas Asset Management

*“Cardano, as a responsible institutional investor, is proud to support this statement. Accelerating the implementation of the WHO Framework Convention on Tobacco Control aligns with our sustainability beliefs, promoting public health being beneficial to both investments and society”.*

Marie Payne, Responsible Investment Officer, Cardano

*“We’re thrilled to see Signatories of the Tobacco-Free Finance Pledge recommit to addressing the issue of tobacco by signing the 2023 Investor Statement on Tobacco. The Statement acknowledges the ongoing threat of tobacco to people and the planet and recommits investors to use their influence for good - to help shape a tobacco-free world. “*

Dr Bronwyn King, CEO Tobacco Free Portfolios