

Chubb Corp.

2022

Proposal: Measure, Disclose & Reduce GHG Emissions Associated with Underwriting

Lead Filer: As You Sow

WHEREAS: Insurance companies have a critical role to play in meeting the Paris Agreement’s 1.5 degrees Celsius (1.5oC) goal, requiring net zero greenhouse gas (GHG) emissions by 2050. Projections have found that [limiting global warming](#) to 1.5 degrees versus 2 degrees will save \$20 trillion globally by 2100, while [exceeding 2 degrees](#) could lead to climate damages in the hundreds of trillions. The [U.S. insurance industry](#) is under increasing pressure to address its contributions to climate change from its underwriting, insuring, and investing activities.

These financial activities contribute to systemic portfolio risk to the global economy, investors, and insurers’ profitability. The U.S. Commodity Futures Trading Commission recently acknowledged that climate change could impair the productive capacity of the national economy and recommended that state insurance regulators require insurers to assess how their underwriting activity and investment portfolios may be impacted by climate-related risks.

This growing public pressure for the insurance industry to account for its climate related risks and impacts is exemplified by [legislation recently passed in Connecticut](#) requiring regulators to incorporate emissions reduction targets into their supervision of insurers.

Shareholders are concerned that Chubb is not adequately reducing the climate footprint of its underwriting, insuring, and investing activities. This failure creates significant risk. [Chubb reported](#) pretax catastrophe losses of \$1.15 billion in Q3 2021, with \$806 million of that figure attributable to Hurricane Ida. This follows a larger global trend: [insured losses from natural disasters](#) reached \$42 billion in the first six months of 2021, a ten year high.

[Chubb is a climate laggard](#) in the global insurance sector, ranking in the bottom half in a survey of the 30 largest global insurers, due largely to its lack of restrictions on oil and gas underwriting and investments. In contrast, [peers are beginning to address](#) the GHG emissions associated with their underwriting and investment activities. Thirteen global insurers have also joined the United Nations’ Net Zero Insurance Alliance in which they commit to transition their emissions from insurance and reinsurance underwriting portfolios to net zero by 2050.

Chubb does not measure or disclose its financed emissions, including those attributable to underwriting, insuring, and investments, nor has it adopted targets aligned with the Paris Agreement’s 1.5oC goal for such emissions.

BE IT RESOLVED: Shareholders request that Chubb issue a report, at reasonable cost and omitting proprietary information, addressing whether and how it intends to measure, disclose, and reduce the GHG emissions associated with its underwriting, insuring, and investment activities in alignment with the Paris Agreement’s 1.5oC goal, requiring net zero emissions.

SUPPORTING STATEMENT: Shareholders recommend the report disclose, at board discretion:

- Whether Chubb will begin measuring and disclosing the emissions associated with the full range of its operations and by when, and
- Whether Chubb will set a Paris aligned, net zero target, for its full range of emissions. and on what timeline