Whereas: The Intergovernmental Panel on Climate Change (IPCC) reported that global greenhouse gas emissions must reach net-zero by 2050 in order to limit a global temperature increase to 1.5 degrees Celsius, thereby averting the worst impacts of climate change.

Experts (and Chubb) agree that weather-related natural catastrophes are tied to the upward trend of insured losses. Last year marked the fourth time in five years global insured losses exceeded $100 billion from weather related disasters alone.

Chubb acknowledges that climate change poses an "existential" risk but continues to underwrite new risks for the fossil fuel industry. For example, Chubb is a major insurer of Brazil's national oil company, which intends to increase its oil production 40% by 2026.

According to scientific consensus, limiting warming to 1.5 degrees Celsius means that the world cannot develop new oil and gas fields or coal mines beyond those already approved for exploration and development. Existing fossil fuel supplies are sufficient to satisfy global energy needs, and developing new oil and gas fields would not produce in time to mitigate energy market turmoil resulting from the Ukraine War.

Without a policy to phase out underwriting new fossil fuel exploration and development, Chubb may be subject to material risk related to:

- Climate: Fossil fuel emissions drive stronger and more frequent natural catastrophes challenging insurers' abilities to cover claims or offer policies in existing markets.[1]
- Transition: Without early action toward an orderly transition to a low-carbon economy, availability of capital for the insurance industry could drop precipitously.[2]
- Competition: Twelve global insurers now restrict underwriting conventional oil and gas projects and/or companies, signaling responsiveness to climate risk.[3]
- Reputation: Campaigns targeting Chubb's climate policies bring negative attention to the Company, and may adversely affect its ability to attract customers and employees.[4]

Investors remain concerned that despite Chubb's stated support for a transition to a net-zero economy, the Company's efforts are not sufficiently aligned with the IPCC's 1.5 degrees Celsius no/low overshoot pathways, which describe the trajectories of greenhouse gas emissions reductions needed to stabilize the global climate.

RESOLVED: Shareholders request that the Board of Directors adopt and disclose a policy for the timebound phase out of Chubb's underwriting risks associated with new fossil fuel exploration and development projects, aligned with the IPCC's recommendation to limit global temperature rise to 1.5 degrees Celsius.

---

[1] https://www.mckinsey.com/industries/financial-services/our-insights/climate-change-and-p-and-c-insurance-the-threat-and-opportunity

[2] https://www.iaisweb.org/uploads/2022/01/210930-GIMAR-special-topic-edition-climate-change.pdf

[3] https://us.insure-our-future.com/fidelis-becomes-first-north-american-insurer-to-restrict-support-for-the-oil-and-gas-industry/

[4] https://us.insure-our-future.com/2021-9-10-chubb-at-the-us-open-climate-hypocrisy/

Supporting Statement: The board and management, in its discretion, should define the scope, time frames and parameters of the policy, with an eye toward:

- the well accepted definition that new fossil fuel exploration and development projects include exploration for and/or development of oil, gas, and coal resources or reserves beyond those fields or mines that have already been permitted;
- the pathways and time frames set forth by the International Energy Agency's Net Zero by 2050 scenario or the IPCC's low/no overshoot scenarios.