CHUBB®

Company Profile: CHUBB (CB)

Resolutions on the proxy ballot:

- ☑ As You Sow I Portfolio Alignment with 1.5°C
- ☑ Domini Impact Investment I Evaluating Human Rights Risks & Impacts

Estimated Fossil Fuel Premiums (annual)[1]	**500-800 million USD**
Fossil Fuel Investments[2]	**$3.11 billion USD**

Policy to limit underwriting coal, oil, and gas expansion projects?	**PARTIAL**	**Has pledged to achieve net-zero emissions across its business lines?**	**NO**	**Has published interim emissions reduction targets?**	**NO**
Disclosure of Human Rights Screens in Underwriting?	**NO**	**Policy on Free, Prior, and Informed Consent (FPIC)?**	**NO**		

Fossil Fuel Underwriting

Chubb adopted a policy to restrict coal underwriting in 2019 but hasn't updated it since to close loopholes and match best practice across the industry. In 2022, Chubb disclosed new criteria limiting coverage for tar sands oil extraction. In March 2023, Chubb announced new standards to restrict underwriting oil and gas extraction based on conservation and methane emissions criteria. Chubb will not insure oil and gas extraction projects that are located in specific protected areas or do not have evidence-based plans to reduce methane emissions.

While Chubb's recent announcement represents a major step forward, its policies are still incompatible with a 1.5˚C pathway and remain far from global best practice in the insurance industry. Chubb can continue underwriting many new oil and gas projects, as well as companies exploring for and developing new fossil reserves:

- Chubb can insure new oil and gas fields outside of conservation areas as long as they are properly managing methane emissions, which is the industry standard for new projects.
- Our research has linked Chubb to Arctic drilling in the National Petroleum Reserve in Alaska and expansion of offshore oil drilling in Brazil, and it does not appear that this policy will significantly impact Chubb's business in those two regions as they do not fall into the strict conservation criteria.
- Beyond oil and gas drilling, Chubb hasn't ruled out insuring new oil and gas midstream or downstream infrastructure, such as the oil pipelines (e.g. the East African Crude Oil pipeline) or liquefied natural gas (LNG) export terminals (e.g. Sempra's Port Arthur LNG).

Stakeholder Pressure

In 2022, investors mounted an unprecedented challenge to Chubb's climate record and issued an unequivocal mandate for stronger climate action. As You Sow's resolution on emissions reporting and Green Century Funds' on fossil fuel expansion received approximately 72% and 19% of shares voted. Investor advocacy firm Majority Action filed an exempt solicitation recommending votes against Mr. Greenberg and Olivier Steimer, Chair of the Risk and Finance Committee, for failing in their oversight responsibilities to address climate change. Greenberg and Steimer were among the least supported directors, receiving 91.9% and 95.4% respectively.

Chubb has faced increasing public pressure over its underwriting of fossil fuels, with dozens of organizations calling on Chubb to step up climate action, as well as direct actions targeting Mr. Greenberg at Chubb-sponsored events and his residence.

[1] *Data from 2021 compiled by Insuramore, commissioned by Insure Our Future*
[2] *Data from California Department of Insurance, as of 2019*