SEC refuses to block Chubb shareholder vote on GHG emissions reporting

The decision comes after the agency refused to block a climate related vote at Travelers.

The US Securities and Exchange Commission has rejected Chubb's bid to exclude a shareholder proposal that would require it to disclose climate emissions associated with its underwriting, insuring and investment activities.

The decision marks what appears to be the second time it has greenlit a climate-related proposal against an insurance company during the second Trump administration.

In a letter obtained by *Insurance Insider US*, the SEC said the proposal cannot be excluded from its upcoming annual shareholder voting because it "does not seek to micromanage the company".

The agency added that Chubb's existing climate-related disclosures don't already satisfy the proposal.

Chubb had argued in a no-action letter in January that it already provides "extensive" details on its climate strategy and how climate risk is incorporated into its business decisions.

The company also said there is "no scientifically sound methodology" for it to calculate emissions related to its insuring and investment activities, which are also known as Scope 3 emissions.

The proposal is the latest example of the insurance industry facing questions about its exposure to climate change risk. Recent reports suggest that climate risk is already contributing to increased non-renewals across the country, which could threaten broader economic stability, but critics say the industry is still supporting the fossil fuel companies driving climate change.

The group behind the proposal, Green Century Funds, has brought similar proposals to Chubb's shareholders in years past. Last year, the proposal received 28% approval.

Green Century shareholder advocate Giovanna Eichner said in a statement that the SEC's decision reinforces that the proposal "does not interfere with the company's business, but rather directly addresses the threat climate change poses to it".

"Investors should be able to better understand and weigh in on the issue of how the companies that are supposed to protect us from climate disasters are also enabling them," Eichner said.

The SEC's decision in the Chubb case is at least the second time that a climate-focused shareholder proposal has been allowed to proceed during the Trump administration.

It has come as a surprise to some experts who said changes to SEC guidelines could make it more difficult for such proposals to proceed.

Chubb did not immediately respond to a request for comment on Friday.