Statement In Support of the US Insurance Industry Limiting Fossil Fuel Investments and Underwriting

As members of the business community, we the undersigned, are deeply concerned by the economic, social, and environmental impacts of climate change and we recognize the grave consequences of allowing a global temperature increase to surpass 1.5°C. This includes a projection by the US government that, unabated, global warming will shrink the US economy by as much as ten percent by the end of the century.

We are therefore committed to assessing our operations to ensure that they are in line with our commitment to sustainable business practices. Given the growing recognition of the role that the insurance industry plays in the fossil fuel economy, this includes the insurance we purchase.

The insurance industry is underwriting and investing in fossil fuels which we now know are the key drivers of climate change. The decision to continue to support the fossil fuel sector is in direct contradiction to the action necessary to mitigate the climate crisis and to the economy’s long term financial stability.

As insurance customers, we are therefore expressing our desire for insurance coverage in the US market that isn’t tied to supporting fossil fuels and actively supports renewable energy.

We applaud the decisive action that some of the world’s largest insurance and reinsurance companies have taken to restrict underwriting of and investments to the fossil fuel sector. Over 20 carriers based in Europe and Australia have divested from fossil fuel companies, and 17 have stopped or limited fossil fuel underwriting. So far, just two major US insurers have taken such action. These companies have done so recognizing global warming’s increasing cost and acknowledging the urgent need to accelerate the transition to a clean energy economy by redirecting financing from fossil fuels to renewable energy as quickly as possible.

We recognize the opportunity this presents for the US insurance industry to join their global peers. We would therefore strongly support similar or stronger efforts from US insurers to address their own underwriting and investments in fossil fuels.

Aligning our insurance procurement policies with our climate goals makes good business sense and is a tangible solution from the corporate sector. We look forward to the US insurance industry joining us in this effort.

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