

Global insurance and reinsurance leaders establish alliance to accelerate transition to net-zero emissions economy

Net-Zero Insurance Alliance committed to join Glasgow Financial Alliance for Net Zero and UN Race to Zero; plus Net-Zero Banking Alliance and Net-Zero Asset Owner Alliance announce updates

- Eight of the world's leading insurers and reinsurers have established the UN-convened Net-Zero Insurance Alliance (NZIA) as founding members, committing to transition their insurance and reinsurance underwriting portfolios to net-zero greenhouse gas (GHG) emissions by 2050.
- As risk managers, insurers and investors, the insurance industry has a key role in supporting the transition to a net-zero economy. NZIA members will individually set science-based intermediate targets every five years and independently report on their progress publicly and annually to contribute to achieving the goals of the Paris Climate Agreement, in cooperation with the respective competition authorities.
- All eight NZIA founding members are part of the UN-convened Net-Zero Asset Owner Alliance (NZAOA) established in 2019, where they are already individually setting science-based 2025 decarbonisation targets for their respective investment portfolios in line with a net-zero transition pathway.
- The NZIA has committed to join the Glasgow Financial Alliance for Net Zero (GFANZ). Chaired by Mark Carney, UN Special Envoy on Climate Action and Finance, GFANZ brings together the leading net-zero financial alliances within the UN's Race to Zero campaign, representing over \$88 trillion assets, to work together to accelerate the transition of the financial sector and the global economy to net-zero emissions.

Geneva/Venice, 11 July 2021—As the G20 gathers in Venice for its Climate Summit, eight of the world's leading insurers and reinsurers make a historic commitment to play their part in accelerating the transition to a net-zero emissions economy, as required by the Paris Agreement.

The companies have established the Net-Zero Insurance Alliance (NZIA), convened by [UNEP Finance Initiative's Principles for Sustainable Insurance \(PSI\)](#), and have committed to transition their insurance and reinsurance underwriting portfolios to net-zero greenhouse gas (GHG) emissions by 2050, consistent with a maximum temperature rise of 1.5°C above pre-industrial levels by 2100. Each company decides how it will achieve this objective.

The eight founding members of the NZIA are AXA (NZIA Chair), Allianz, Aviva, Generali, Munich Re, SCOR, Swiss Re and Zurich Insurance Group. They are building on their climate leadership as investors through their membership in the [UN-convened Net-Zero Asset Owner Alliance \(NZAOA\)](#) established in 2019, where all eight NZIA founding members are already individually setting science-based 2025

decarbonisation targets for their respective investment portfolios in line with a net-zero transition pathway. Equally, based on the [NZIA Statement of Commitment](#) launched today, these global insurers and reinsurers will individually set science-based intermediate targets every five years and independently report on their progress publicly and annually. They will also advocate for and engage in governmental policies for a science-based and socially just transition of economic sectors to net zero.

["Through the Net-Zero Asset Owner Alliance launched in 2019, insurers and reinsurers are already working towards decarbonising their investment portfolios in line with climate science and the Paris Agreement,"](#) **said Thomas Buberl, CEO of the AXA Group, which chairs the NZIA.** ["With this new Net-Zero Insurance Alliance, we are raising our climate ambition further by using our underwriting, claims, and risk management practices to help ensure and enable the transition to a resilient net-zero global economy."](#)

The commitments that the Alliance members announced today include concrete approaches that they can take to achieve their net-zero ambition on an individual basis. These include setting underwriting criteria and guidelines for the most GHG-intensive activities within their underwriting portfolios, engaging with clients and potential clients with the most GHG-intensive activities on their decarbonisation strategies and net-zero transition pathways, developing and offering insurance and reinsurance solutions for low-emission and zero-emission technologies and nature-based solutions that absorb GHG emissions, improving claims management in an environmentally sustainable manner, and integrating net-zero and decarbonisation-related risk criteria into their risk management frameworks.

["For generations, the insurance industry has served as society's early warning system and risk manager by understanding, reducing, pricing and carrying risk. As we approach COP26 in Glasgow, the risks posed by global heating are escalating and the world is a long way from meeting the promises made when the Paris Climate Agreement was forged nearly six years ago,"](#) **said Inger Andersen, Executive Director of the UN Environment Programme (UNEP).** ["Along with governments, the insurance industry and wider financial sector have the power and responsibility to drive progress towards a net-zero economy and a sustainable future for all. Guided by science, I am pleased to see leading insurers embed the net-zero ambition in their core insurance business. I urge the rest of the global insurance industry to respond to the climate emergency and urgently follow the example set by the founding members of this pioneering alliance."](#)

The NZIA Statement of Commitment is a comprehensive framework and considers the latest available scientific knowledge and associated social impacts, as well as findings of recognised reports such as those by the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency's (IEA) *Net Zero by 2050* report. It includes supporting the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), considering emerging frameworks such as the Task Force on Nature-related Financial Disclosures (TNFD), supporting the UN Sustainable Development Goals (SDGs) and the Post-2020 Global Biodiversity Framework, and signing the UN Principles for Sustainable Insurance (PSI). The Statement also recommends that insurers transition their investment portfolios to net-zero GHG emissions and join initiatives such as the NZAOA for a total balance sheet approach to net zero.

["Having a global financial system where every professional decision takes climate change into account requires harnessing the full role of the insurance industry as risk managers, insurers and investors for](#)

climate action," said Mark Carney, the UN Special Envoy on Climate Action & Finance, the UK Prime Minister's Finance Adviser for COP26, and Chair of the Glasgow Financial Alliance for Net Zero. "By committing to join the gold standard alliance for net zero, the Net-Zero Insurance Alliance will ultimately make underwriting contingent on underlying companies having credible net-zero transition strategies."

In the run up to COP26 this November, the NZIA membership is expected to grow to include insurers, reinsurers, brokers and insurance market bodies from across the globe. The NZIA is now getting ready to join the UN Race to Zero campaign in order to become officially part of the Glasgow Financial Alliance for Net Zero (GFANZ) chaired by Mark Carney. GFANZ brings together the leading net-zero initiatives across the financial system.

All GFANZ initiatives, including the NZIA, must be accredited by the UN Race to Zero campaign, and are committed to the highest standards to reach net-zero emissions, including covering all emission scopes, individual interim 2030 targets, and commit to transparent reporting and accounting in line with the Race to Zero criteria. The NZIA will immediately start working with the UN Race to Zero conveners to fulfil their accreditation criteria.

The [Net-Zero Banking Alliance \(NZBA\)](#), established in April 2021 by 43 founding banks, and also convened by UNEP Finance Initiative, has now grown to 53 banks from 27 countries with US\$ 37 trillion in total assets – representing almost a quarter of banking assets worldwide¹. 10 additional members have joined since launch: ABANCA, AIB, Banco Bradesco S.A., Caixa Geral de Depósitos, Crédit Agricole, Crédit Mutuel, Groupe BPCE, MUFG, Nationwide Building Society and Swedbank.

The Net-Zero Asset Owner Alliance (NZAOA), jointly convened by the Principles for Responsible Investment and UNEP Finance Initiative, which was launched in September 2019 with 12 insurers and pension funds, now has 46 members representing nearly US\$ 7 trillion in assets.

Further resources

[Visit](#) the UN-convened Net-Zero Insurance Alliance website.

[Download](#) the NZIA Statement of Commitment.

Notes to editors

Quotes from CEOs of other founding members of the NZIA

"As a founding member of this strong network, Allianz strives to accelerate the urgently needed transformation to a 1.5-degree economy. We are pleased to bring in our expertise and join forces to extend the net-zero ambition to the entire insurance market."

Oliver Bäte, CEO, Allianz SE

"Our whole economy depends on insurance, so a net-zero insurance industry is a fundamental part of helping shift the economy towards protecting the planet. Aviva is proud to be a founding member of this Alliance as part of our own ambition to be net zero by 2040. It takes partnerships like these to tackle the big challenges facing us to build a sustainable future for everyone."

Amanda Blanc, Group CEO, Aviva plc

"At Generali, we want to actively support a fair and inclusive transition to a net-zero emissions economy. The UN-convened Net-Zero Insurance Alliance allows us to join forces with institutions and our peers which share this commitment to achieve a greater and longer-lasting impact. United we are stronger!"

Philippe Donnet, Group CEO, Generali

"Munich Re has set ambitious climate targets in 2020 that include the liability side of our business. Being a founding member of the Net-Zero Insurance Alliance underlines our climate commitment. As a leading global re- and primary insurer we will continue to support the transition to net zero through our pioneering risk solutions and pursuing science-based decarbonisation targets."

Dr. Joachim Wenning, Chairman of the Board of Management, Munich Re

Collective action is the only way we can address the grand challenge of our time: climate change. SCOR is proud to be a founding member of the NZIA, working alongside other industry leaders to support the transformational changes that are critical to society. In doing so, we commit to accelerating the race to net zero and furthering our long-term mission.

Laurent Rousseau, CEO, SCOR

"By co-founding the Net-Zero Insurance Alliance, Swiss Re can work with other reinsurers and insurers to build on its commitment to transition to a low-carbon economy, through its underwriting expertise. We see sustainability as a long-term value driver and the NZIA is an important and logical next step in the race to net zero."

Christian Mumenthaler, Group CEO, Swiss Re

"Net-zero underwriting is a critical step and furthers Zurich's climate efforts beyond our own operations and investments. It reinforces our deep commitment to continue to engage with our customers to deliver solutions as we navigate together the transition to a low-carbon world, benefiting future generations."

Mario Greco, Group CEO, Zurich Insurance Group

About UNEP Finance Initiative and its Principles for Sustainable Insurance

The United Nations Environment Programme Finance Initiative (UNEP FI) is a partnership between UNEP and the global financial sector to mobilise private sector finance for sustainable development. UNEP FI works with more than 400 members—banks, insurers and investors—and over 100 supporting institutions—to help create a financial sector that serves people and planet while delivering positive impacts. We aim to inspire, inform and enable financial institutions to improve people's quality of life without compromising that of future generations. By leveraging the UN's role, UNEP FI accelerates sustainable finance. [Read more.](#)

Endorsed by the UN Secretary-General and insurance industry CEOs, the Principles for Sustainable Insurance (PSI) serve as a global framework for the insurance industry to address environmental, social and governance (ESG) risks and opportunities—and a global initiative to strengthen the insurance industry's contribution as risk managers, insurers and investors to building resilient,

inclusive and sustainable communities and economies on a healthy planet. Developed by UNEP FI, the PSI was launched at the 2012 UN Conference on Sustainable Development (Rio+20) and has led to the largest collaborative initiative between the UN and the insurance industry. [Read more.](#)

About the Glasgow Financial Alliance for Net Zero

The Glasgow Financial Alliance for Net Zero (GFANZ), chaired by Mark Carney, brings together over 250 financial institutions across Race to Zero initiatives from 32 countries, representing over US\$88 trillion in assets. These institutions include: 128 asset managers from 21 countries representing US\$43 trillion in assets under management; 53 banks from 27 countries with US\$37 trillion in assets; and 70 asset owners and insurers from 16 countries with over US\$8 trillion in assets under management. Each entity has made its own net-zero commitment with potential overlap across initiatives, institutions and assets. [Read more.](#)

The current members of GFANZ are:

UN-convened Net-Zero Asset Owner Alliance: www.unepfi.org/net-zero-alliance

UN-convened Net-Zero Banking Alliance: www.unepfi.org/net-zero-banking

Net-Zero Asset Managers Initiative: www.netzeroassetmanagers.org

Paris Aligned Investment Initiative: www.parisalignedinvestment.org/

About the UN Environment Programme

The UN Environment Programme (UNEP) is the leading global voice on the environment. It provides leadership and encourages partnership in caring for the environment by inspiring, informing and enabling nations and peoples to improve their quality of life without compromising that of future generations. [Read more.](#)

Footnote

1. Global banking assets source: [FSB Global Monitoring Report 2020](#)