# AG Reyes Asks Insurance Group to Disclose ESG Commitments

**SG Commitments**

May 16, 2023

Today, Utah Attorney General Sean D. Reyes, along with Louisiana Attorney General Jeff Landry and 21 other states, sent a letter to members of the Net-Zero Insurance Alliance, requesting documents and information relating to legal concerns brought about by commitments to collaborate with other insurers in order to advance an activist climate agenda.

All these insurers are members of the Net-Zero Insurance Alliance (NZIA) and some also are members of the Net-Zero Asset Owner Alliance (NZAOA), each of which is an UN-convened group working to implement the Paris Agreement’s climate change goals through the financial system, including the insurance industry. By joining one or both of these organizations, these insurers have committed to using their global influence to “transition [their] insurance and reinsurance underwriting portfolios to net-zero greenhouse gas (GHG) emissions by 2050.”

Membership in these two Alliances comes with numerous requirements or protocols, which is the focus of the attorneys general communication. The attorneys general have serious concerns about whether the requirements square with federal law, as well as the laws of their states. The statutes apply to private actors, including federal and state-equivalent antitrust laws and prohibitions on insurers altering insurance terms for reasons not reasonably related to the risk or expense of providing the insurance.

General Reyes issued the following statement: *“The ESG movement has spread to every corner of the world’s financial and energy sectors, and unsuspecting Americans are paying the price. Insurers have an obligation to protect the interests of their clients, not to advance a radical environmental agenda. Utah is taking a stand against these efforts to stop the increased prices and other harms these horizontal agreements will cause.”*

In presenting their concerns about the potentially unlawful activism from the insurers in the Alliance, the attorneys general write: “These actions have led to serious detrimental effects on the residents of our states. The push to force insurance companies and their clients to rapidly reduce their emissions has led not only to increased insurance costs but also to high gas prices and higher costs for products and services across the board, resulting in record-breaking inflation and financial hardships for the residents of our states.”

The attorneys general also point to two cases of insurance companies leaving the NZIA: “Other insurance companies appear to be realizing just how problematic membership in these groups can be. According to recent media reports, both Zurich Insurance Group and Munich Re have withdrawn from NZIA despite being two of the eight founding members of the organization. Notably, Munich Re’s official statement announced its determination that any opportunities to collaborate without ‘exposing’ the company to ‘material antitrust risks’ were so limited that it was more advisable to work individually.”

Read the letter [here](https://attorneygeneral.utah.gov/wp-content/uploads/2023/05/2023-05-15-NZIA-Letter.pdf).