

(Re)insurers have a role in ensuring an orderly transition to a low carbon economy and we want to play our part. Hiscox has a Group-wide exclusions policy, effective from 1 January 2022, when we intend to:

- no longer provide new insurance cover to thermal coal-fired power plants, thermal coal mines, Arctic¹ energy exploration activities, oil sands or controversial weapons;
- no longer reinsure portfolios where 30% of the premium base derives from thermal coal-fired power plants or thermal coal mines, Arctic1 energy exploration activities, oil sands or controversial weapons;
- not directly invest into securities of companies that generate more than 30% of revenues from thermal coal extraction or power generation, Arctic1 energy exploration activities, oil sands or controversial weapons.

Ultimately our ambition is to phase out (re)insurance of thermal coal-fired power plants and thermal coal mines, Arctic1 energy exploration activities and oil sands by 2030, in line with the 2015 Paris Agreement and UN Sustainable Development Goals.

This policy has been designed to contribute to the insurance industry's role in supporting the transitioning economy, and aligns to the Lloyd's ESG ambitions published in December 2020. It supports our wider ESG activity, including our annual cycle of carbon reporting and offsetting, and our emissions reduction programme. For more information, visit www.hiscoxgroup.com/responsibility.

¹Arctic National Wildlife Refuge (ANWR) region.