



**Transition
plan**



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A MESSAGE FROM OUR CHIEF RISK OFFICER

The transition to a low carbon and climate resilient economy is reshaping the risk environment for insurers, investors, and the customers we protect. As climate-related events grow in frequency and severity, our sector has a vital role to play in supporting resilience, enabling adaptation and directing capital toward sustainable economic progress.

Our transition plan sets out how we intend to navigate this evolving landscape with clarity and accountability. It outlines the near-term actions we are taking across our investments and operations, as well as the innovative ways we are adapting our products for the longer term. It also includes the governance required to strengthen our risk management capabilities, reduce exposure to climate-related risks, support opportunities arising from the

transition and innovate for our customers. We also recognise the dependencies inherent in this journey, including the decarbonisation of the real economy, technological developments and the broader policy environment in the markets where we operate. We alone cannot solve the issues we face, therefore working with our industry partners and in collaboration with our stakeholders is key to our success in the longer term.

We have aligned our approach with recognised best practice, including the principles of the UK Transition Plan Taskforce (TPT), and with emerging standards across the insurance industry. Our aim is to provide a credible and transparent plan that demonstrates how we will build long-term resilience, contribute to a just transition and continue supporting the customers, colleagues,

markets and communities we serve. Thank you for taking the time to review our plan. It represents an important milestone in a multi-year pathway, and we welcome ongoing engagement as expectations, regulation and market dynamics evolve.

Fabrice Brossart
Group Chief Risk Officer



INTRODUCTION

Climate change presents a material and escalating risk to the insurance and reinsurance sectors. As a global insurer, we are acutely aware that the increasing frequency and severity of climate-related events such as floods, wildfires, and storms directly impact our core business of underwriting risk and protecting customers. Ensuring the long-term availability and affordability of insurance coverage depends on our ability to respond proactively to these challenges.

Our transition plan reflects a strategic commitment to support the global shift toward a low-greenhouse gas (GHG) emissions, climate-resilient economy. This

is not only essential for safeguarding our business and the communities we serve, but also for reinforcing the resilience of the broader insurance industry. We aim to continue integrating climate and nature considerations into our operations, investment decisions, and product design. However, we cannot do this alone, we rely on many third parties, partners and the companies that we invest in and underwrite to join this journey with us.

Finally, we recognise that the path to net zero must be equitable. As we reduce our GHG emissions, we are committed to ensuring that our actions do not disproportionately affect regions

and communities that have yet to fully benefit from industrial development. Our approach to transition goes beyond environmental metrics; it encompasses social and governance dimensions, with a focus on inclusive growth, access to insurance, and responsible business practices. We are actively monitoring and improving our performance across key ESG indicators to ensure our transition is both fair and holistic. We also report climate-related information through our TCFD report in our Annual Report and Accounts and other reports and policies are held on our **Group website**.





OUR AMBITION

Our strategic sustainability ambition is to be a long-term partner to our customers, colleagues, and communities, operating sustainably. We recognise that climate change is reshaping the risk landscape, and as a global insurer, we have both a responsibility and an opportunity to lead in adapting to and mitigating these impacts.

To achieve this ambition, we are embedding sustainability into the core of our operating model. This includes integrating climate considerations into underwriting and investment decisions, and risk management practices. Our long-standing expertise in natural catastrophe modelling and our commitment to insuring those who are most vulnerable to climate-related risks, positions us to continue developing in this space.

Our progress centres around a comprehensive sustainability strategy that reflects the evolving expectations of our stakeholders including customers, brokers, investors, regulators and the realities of a growing and increasingly complex business environment. The strategy is structured around five strategic pillars:

- people – fostering an inclusive, resilient, and future-ready workforce;
- customers – delivering exceptional experiences and climate-conscious solutions;
- governance – upholding ethical, transparent, and responsible business practices;
- risk adaptation – evolving our capabilities to address emerging climate risks;
- impact – contributing meaningfully to the net-zero transition.

Each pillar is supported by targeted initiatives and overseen through embedded governance structures under the leadership of our Group Executive Committee (GEC). This ensures accountability, transparency, and continuous progress.

To drive commitment and guide our own transition efforts, we have developed GHG emissions reduction targets. As signatories to the Paris Agreement, we have been reporting our emissions for over a decade and have adopted methodologies from the Science Based Targets initiative (SBTi) to set credible and measurable goals. These targets span both our operational footprint and our investment activities, with ongoing work to expand coverage to our underwriting portfolios.

Our current targets include:

- reducing Scope 1 and Scope 2 emissions by 50% by 2030, against a 2020 adjusted baseline;
- reducing operational Scope 3 emissions by 25% per FTE by 2030, against a 2020 adjusted baseline;
- transitioning our investment portfolios to net-zero GHG emissions by 2050, with interim milestones:
 - 25% of our corporate bond portfolio (by invested value) to have net-zero or Paris-aligned targets by 2025;
 - an additional 25% AUM coverage every five years, aiming for 100% portfolio alignment by 2040;
- engaging with our supply chain:
 - 45% of our suppliers to be assessed via our third-party agency ratings in 2025;
 - 75% of spend assessed via our third-party ratings agency over the following three years.

These targets are designed not only to mitigate environmental impact but also to capture long-term value, avoid adverse outcomes for stakeholders, and safeguard the natural environment. We aim to lead with integrity, innovate with purpose, and contribute meaningfully to a climate-resilient future.

OUR BUSINESS

The Hiscox Group has evolved from its origins as a niche Lloyd's underwriter into a diversified international specialty insurance group, headquartered in Bermuda. Our business model is built on delivering high-quality growth across a range of specialty lines, supported by a strong balance sheet, a trusted consumer brand, and a disciplined approach to underwriting. This diversification enables us to navigate the insurance cycle effectively, reducing reliance on any single business unit and enhancing resilience across the Group.

We are embedding sustainability into our operations, governance, and decision-making processes to ensure that climate-related risks and opportunities are addressed holistically. This includes adapting our underwriting practices, investment strategies, and supplier relationships to align with our transition goals.

Sustainability is integrated across the organisation through a federated model that ensures subject matter expertise is embedded within each business function.

Our Group Chief Risk Officer chairs the Sustainability Steering Committee (SSC), which includes senior leader membership and attendance from underwriting, investments, claims, procurement, property, exposure management, risk management and other key areas. This structure enables cross-functional collaboration and ensures that sustainability is not siloed but actively informs broad business decisions.

To support capability building, we are investing in upskilling our teams with both mandatory annual training for all employees and specific annual Group Executive Committee and Board training. Our full-time Head of Sustainability plays a central role in coordinating initiatives, managing stakeholder relationships, and ensuring progress against our strategic targets and regulatory obligations. Our value chain is critical to our ability to deliver on our sustainability commitments. It includes customers, employees, brokers, investment managers, reinsurers, suppliers amongst others, all of whom play a role in shaping our impact and resilience.

We engage regularly across these stakeholder groups to understand their expectations and to foster collaboration on sustainability-related initiatives – see the 'Our engagement' section for more information.

As we continue to implement our transition plan, we anticipate further evolution in our business model and operational business growth. These changes are designed to capture long-term opportunities, minimise adverse impacts on stakeholders and society, and safeguard the natural environment.







KEY ASSUMPTIONS AND EXTERNAL FACTORS

Achieving our strategic ambition to support the transition to a low-GHG emissions, climate-resilient economy depends on a number of key assumptions and external factors. These influence both the pace and effectiveness of our transition efforts across underwriting, investments, operations, and stakeholder engagement.

Geopolitics, regulatory market and economic assumptions

Changes in governmental priorities often have an impact on the stability of climate and nature and biodiversity initiatives, in the same way that stable macroeconomic conditions such as manageable inflation, interest rates, and economic growth support investment returns and underwriting profitability. These conditions also impact the levels of interest in climate-resilient insurance offerings and willingness to pay for sustainable claims options. An example of where we have seen this play out is in the current US Government enhancing their fossil fuel agenda, versus China becoming a global leader in renewable technology. In addition, there is a dependency on governments remaining signatories to the Paris Agreement and their commitment on the prioritisation of net zero; deviation or delay from governments may impact our ability to transition, decrease engagement from investors and increase the risk of litigation or green hushing claims.

As a global insurer, our operations span multiple jurisdictions, each with its own regulatory landscape. Divergent policy directions can create complexity and friction in implementing consistent sustainability practices. Policies such as the California solar mandate, which requires rooftop solar installations on new homes, exemplify how regulation can drive market-wide change and facilitate progress across the value chain. Accelerated and harmonised government action on decarbonisation would significantly support our attempts to transition and enable us to reduce our

operational footprint more effectively, however, we are aware we cannot rely on governments aligning to meet our own targets.

Technological innovation and data quality assumptions

The industry is at the earliest stages of advancements in climate risk modelling, with an assumption there will be continued improvements in catastrophe modelling, predictive analytics, and AI to better assess and price climate-related risks. As well as the digital infrastructure and tools to support ESG data integration, emissions tracking, and customer engagement, Hiscox is beginning to utilise new technology within the London Market space leveraging data providers and risk analysis for pricing (e.g. Bellwether, Veridian). There are opportunities to increase the coverage of these services and look to new technologies to support developing concerns. While technology is developing we may be at risk of inaccurate or imperfect solutions, ensuring that we are transparent in our disclosures will help to mitigate this risk.

Linked to this, a foundational assumption in our transition planning is the availability of reliable, decision-useful data. Like many in the industry, we rely on external data providers to assess ESG factors across our supply chains, underwriting and investment portfolios. However, coverage remains limited, particularly for privately held entities, resulting in gaps, inconsistencies, and potential for double counting. We follow the Greenhouse Gas (GHG) Protocol to measure our emissions and track progress toward net zero. Scope 1 and 2 emissions data are sourced from our landlords during biannual reporting cycles, reviewed by external consultants for quality assurance, and verified by independent third parties. Whilst these processes are robust, we acknowledge the potential for human error and data limitations. We operate on the principle that waiting for perfect data is not a viable strategy; instead, we

prioritise continuous improvement and transparency, which is a practice shared across the industry.

Stakeholder engagement and value chain dependencies

Our transition plan assumes continued engagement and collaboration across our value chain, which includes customers, employees, brokers, investment managers, reinsurers, and suppliers. We depend on these stakeholders to support and participate in sustainability initiatives, and we actively engage with them to understand their expectations and challenges with the aim to innovate and encourage where possible.

Increased costs

Our landlords are the key to unlocking our progress within our Scope 1 and 2 targets, changing current energy tariffs to renewable or installing renewable energy technology in the buildings they own. In many cases we are not the only occupier in the building so using occupier influence is key. However, to meet our targets we may need to consider moving to more renewable offices, which would incur a cost and essentially leave behind the emissions, our priority is to reduce or remove the emissions where possible using energy efficiency actions.



OUR IMPLEMENTATION PLAN

Business operations

As a global insurer, our operational footprint spans offices across Europe and North America. We have developed a comprehensive process to capture emissions data across all locations, enabling us to monitor and manage our environmental impact in alignment with our strategic ambition to transition to a low-GHG emissions, climate-resilient economy.

Europe: Amsterdam, Berlin, Birmingham, Bordeaux, Brussels, Colchester, Cologne, Dublin, Frankfurt, Glasgow, Guernsey, Hamburg, Lisbon, London, Luxembourg, Madrid, Maidenhead, Manchester, Milan, Munich, Paris, Stuttgart, York.

North America: Atlanta, Bermuda, Chicago, Los Angeles, Miami, New York, Scottsdale, West Hartford.

Our GHG inventory is as follows:

<p>Scope 1 Direct emissions occur from sources owned or controlled by the Company.</p>	<p>S1-1 Stationary combustion of fuels S1-2 Mobile fuel consumption S1-3 Fugitive emissions</p>
<p>Scope 2 Indirect emissions are from the generation of purchased energy. The emissions resulting from the production of grid electricity are accounted for under Scope 2.</p>	<p>S2-1 Stationary electricity consumption – location-based S2-1 Stationary electricity consumption – market-based S2-2 Mobile electricity consumption – location-based S2-2 Mobile electricity consumption – market-based S2-3 Purchased heat, cooling and steam</p>
<p>Scope 3 Indirect emissions are a result of an organisation’s operations but are not owned or controlled by the Company.</p>	<p>S3-1 Purchased goods and services (non-operational) S3-2 Capital goods S3-3 Fuel and other energy related activities S3-4 Upstream transport and distribution S3-5 Waste generated in operations S3-6 Business travel S3-7 Commuting and teleworking S3-13 Downstream leased assets</p>
<p>Financed emissions.</p>	<p>Category 15 investments</p>



OUR IMPLEMENTATION PLAN

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Emissions reduction activity:

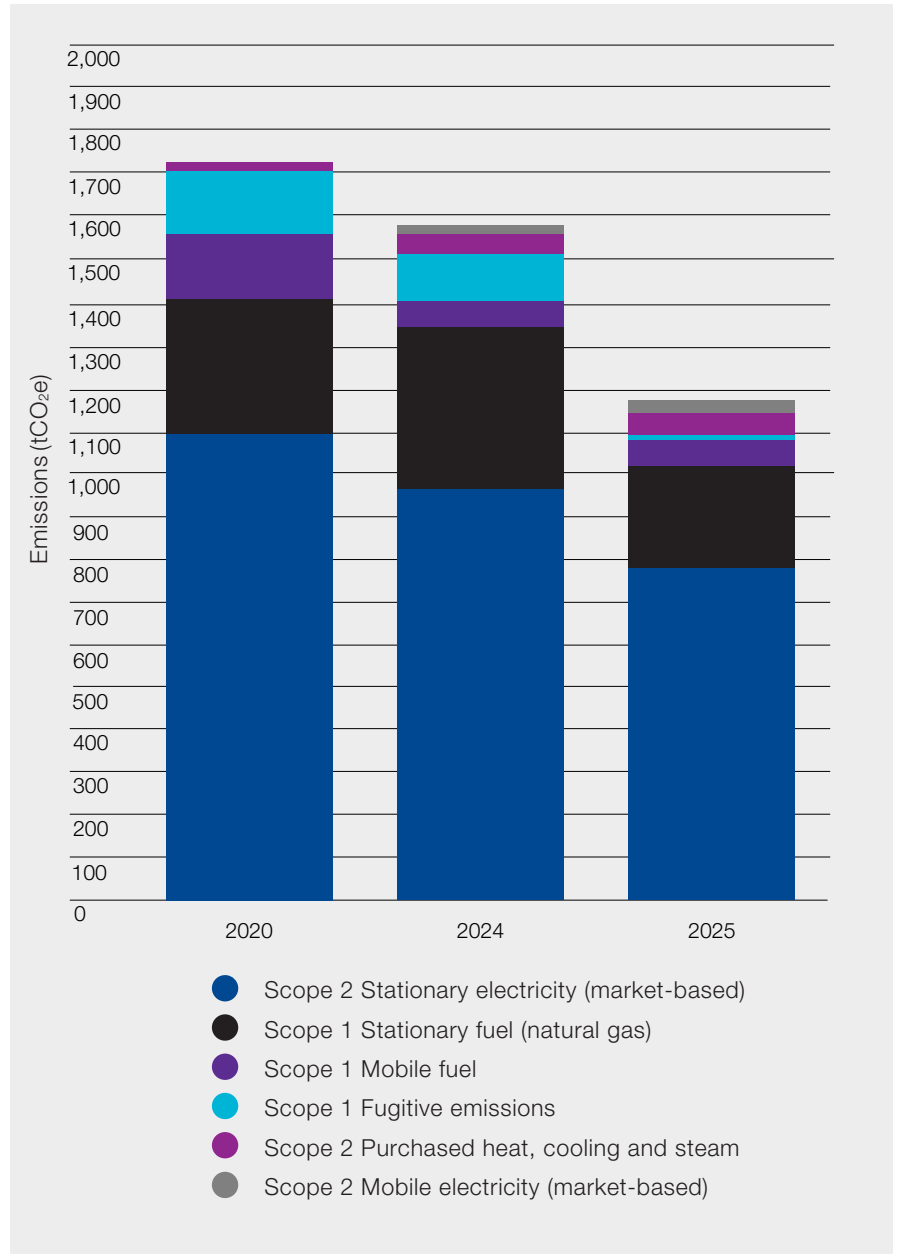
Addressing our own emissions is an important factor in reducing our footprint as it is an area we can, for the most part, control ourselves, acknowledging that we have a reliance on our landlords to also take action to reduce their own emissions. We seek to engage with the landlords and use our position and influence to ensure the buildings are improved rather than removing them from our portfolio and passing the emissions on to others.

Operational emissions reduction activities

We have implemented a range of initiatives to reduce our operational emissions, particularly those within our direct control:

- **renewable energy:** our London, York, and Colchester offices now operate on renewable electricity, covering the majority of our UK electricity usage. We also have a few offices in Europe that have renewable energy tariffs;
- **energy efficiency:** adjustments to heating or cooling schedules, server room temperature settings, and baseload reductions, by way of examples, have led to measurable decreases in energy consumption across our offices;
- our sourcing of new office space has included high environmental conditions as standard.

In 2025, we achieved a notable reduction in Scope 1 and 2 market-based emissions, driven by targeted energy efficiency measures across our UK offices, which we aim to replicate in our global offices in 2025. Scope 1 and 2 data has been volatile over the past few years due to improved capture of data. A rebaselining exercise may be required ahead of the next transition plan publication.



OUR IMPLEMENTATION PLAN

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Progress to target:

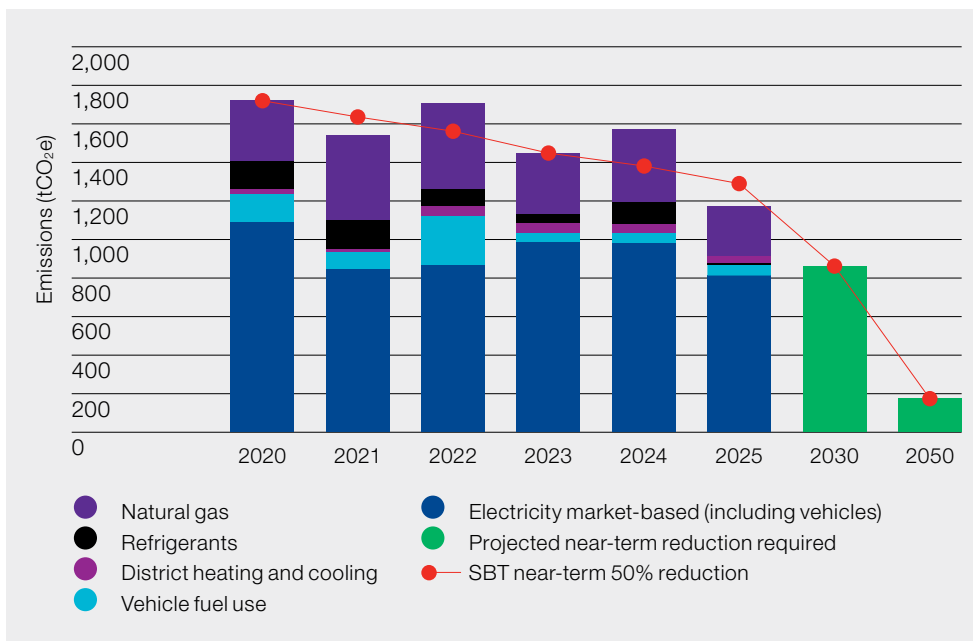
For our Scope 1 and 2 target, which is reduction of 50% by 2030 and net zero by 2050, we are heavily dependent on landlords and the type of energy used to power the offices we lease. In 2024, we updated our contracts to include certain contractual terms to encourage landlords to make the switch to renewable energy contracts and sources. In recent years, this has potentially been difficult for landlords as the energy and financial crisis has made renewable energy less of a priority and sourcing cheaper forms of energy more attractive. The green leasing terms will support us in ensuring we do not return to non-renewable energy sources in any of the buildings we lease.

Our plan to reach net zero involves the following actions:

- Short term: 0 – 2 years
- Medium term: 2 – 5 years
- Long term: 5+ years

Our plan to reach our near-term 50% reduction target involves the following actions and aims:

Reduction activity	Time frame	Dependencies	Potential reduction (tCO ₂ e)
Electricity: switch to renewable electricity tariffs for our remaining UK, European and main US site between 2026 and 2030.	Medium	Landlord engagement and government policy	500
Heating electrification: switching 10% of gas demand to be provided by heat pumps by 2030.	Medium	Landlord engagement and government policy	31
Fuel efficiency: reducing gas usage by 5% by 2030 using high efficiency boilers and thermal insulation.	Medium	Landlord engagement	16
Energy efficiency: electricity consumption reduction of 10% by 2030 by changing lighting, BMS optimisation, insulation, HVAC controls.	Medium	Landlord engagement	27
Total			574



SBT reduction pathway

To map our required plan to meet our targets we have assumed a 1% annual growth rate in GHG emissions year on year and aim to achieve a 5% decrease in emissions year on year, in line with SBTi's 1.5°C reduction pathway.

The 1% growth rate for GHG emissions is a conservative estimate based on the assumption of limited near-term changes in site operations or energy use. It serves as a baseline scenario to evaluate the effectiveness of planned decarbonisation initiatives.

Although we have not signed up to SBTi and validated our targets, we are using the methodology and where applicable data, as well as monitoring changes in science and guidance provided by SBTi.



OUR IMPLEMENTATION PLAN

(CONTINUED)

Scope 3 operational

As many will testify, Scope 3 is harder to quantify than Scope 1 and 2 given its proximity to our business and our ability to directly control. Where we have direct control, we have taken action to ensure on going reductions. Some highlights are:

- **IT equipment recycling:** redundant equipment is recycled through specialist providers, contributing to circular economy goals particularly in the UK and European offices. Any equipment that cannot be recycled is donated as standard practice;
- **global recycling practices:** most offices across Europe, the USA, and Bermuda now have waste sorting and recycling systems in place.

We monitor the effectiveness through our biannual emissions accounting process and have regular meetings with site managers. Some of our offices have more automated systems that we can review more regularly but this is not equal across all sites;

- our London site is now zero-waste-to-landfill, contributing to a significant increase in the UK recycling rate. We receive monthly reports that can be assessed to consider improvements;
- **business travel:** actions to control the class, reason and number of flights are in place and we conduct ad hoc reviews of effectiveness to seek improvements;

— **employee emissions:** our employees (dependent on location) have access to a cycle to work scheme, electric vehicle scheme and the opportunity to direct their pension contributions toward responsible investments.

Other areas of Scope 3 are heavily reliant on our value chain reducing their own emissions. Therefore, our initial focus for this scope of emissions over the coming years will be on improving our data collection processes and coverage and engaging with third parties to support a reduction in their own emissions.

Our operational Scope 3 GHG breakdown is as follows:

Scope 3 category	Coverage
Category 1: purchased goods and services (operational)	Includes operational suppliers required for day-to-day activities where Hiscox has greater influence (office-related, IT and computer services, business support consultancy fees).
Category 2: capital goods	Assets and equipment purchased and used by Hiscox – defined as capital investments and predominantly covers IT equipment.
Category 3: fuel and energy related	Upstream emissions from the extraction, production and transportation of fuels and energy use, plus transmission and distribution losses from electricity.
Category 5: waste generated in operations	The treatment and disposal of waste produced by Hiscox activities.
Category 6: business travel	Employee travel for business purposes, this includes air travel, rail, car rentals, taxis and hotel stays.
Category 7: employee commuting	Employee travel from homes to offices. Also includes the optional calculation of GHG emissions from home workers.

We also have Scope 3 GHG emissions for non-operational purchased goods and services spend, this includes external third parties for marketing, accounting, taxation and finance advisory support. As well as GHG emissions from upstream transportation and distribution and downstream leased assets.

In the past few years, we have seen an increase in our operational Scope 3 emissions, driven in part by an increase in operational emissions from purchased goods and services, in line with heightened overall spend. However, this is also partly due to the way in which we currently calculate our emissions from

our supply chain. The calculation used to understand our supply chain emissions is currently based on spend rather than the emissions of each supplier, which shows increased spend aligned to business growth and therefore increasing the carbon footprint of our supply chain. To manage this increase we engage with our suppliers to ensure they are making the required progress to net zero in line with our targets. During 2023, we onboarded a third party to support our suppliers in reporting their emissions, this has enabled us to get more detailed emissions information, understand which suppliers are making progress to net zero as part of their strategic development and prioritise

suppliers based on this information. In 2024, we developed engagement targets to support the increase of suppliers reporting emissions data through our third party. We have superseded our first target and are making progress towards the following targets. This effort is key to improving our understanding of our supply chain emissions.

- 45% of our suppliers to be assessed via our third-party agency ratings in 2025;
- 75% of spend assessed via our third-party ratings agency over the next three years.

OUR IMPLEMENTATION PLAN

(CONTINUED)

There is often volatility in our data and the outputs we see, this reflects our improved data collection processes and data availability. Often we move from being reliant on estimates in previous years to receiving actual data. We will continue to look for opportunities to improve and adapt as we develop our Scope 3 practices.

Scope 3 financed: investment portfolio

We maintain a relatively small in-house investment team, which oversaw financial assets and cash totalling \$9.2 billion as of 31 December 2025, investing mainly in bonds, cash and equities on behalf of the Hiscox Group. The majority of Hiscox's investments are in debt and fixed income (86% at the end of 2025) with a smaller proportion in cash (9%), and the smallest in equity and investment funds (5%). While bond holders do not generally have a vote, primary bond issues provide essential short- to medium-term financing to businesses, and bond investors such as us can have a meaningful, active engagement approach with issuers. Where possible, we expect our investment managers to engage with portfolio companies on our behalf.

Short- to medium-term bond investments typically have low direct correlations with the longer-term issues of climate change risk. However, we believe that ESG issues and issuers' approaches to managing climate risks and opportunities should still be key considerations in the evaluation of each issuer, including the sustainability of issuers' business models and cash flow generation abilities. Although it is harder for asset owners to influence ESG issues for government bonds, we expect our managers to understand ESG threats and opportunities across all securities in which they invest on our behalf. Within risk assets, including equities, Hiscox typically invests indirectly through commingled funds.

Our ESG considerations are embedded in our investment strategy and activated when selecting funds. Our investment

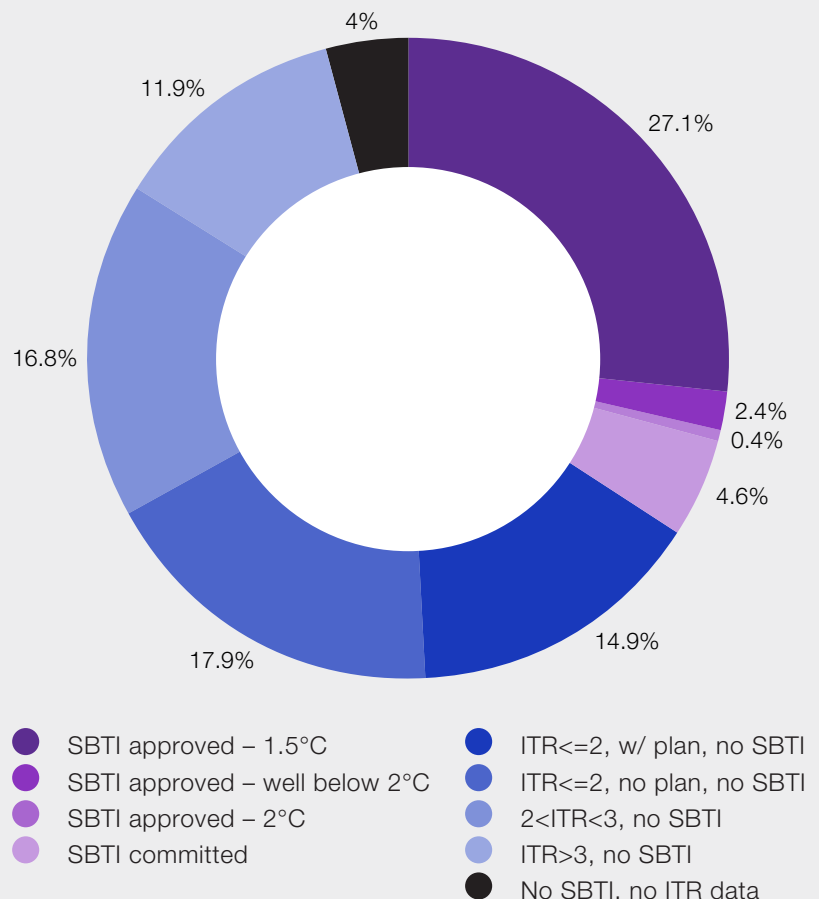
managers are engaged to support us to meet our committed aims. Our exposures are monitored via an investment dashboard that covers a range of metrics that help us in our progress tracking, from our exclusions through to nature and biodiversity impact and United Nations Global Compact (UNGC) alignment.

At the core of our investment strategy are the following targets:

Transition our investment portfolios to net-zero GHG emissions by 2050:

- we aim for more than 25% of our corporate bond portfolio, by invested value, to have net-zero/Paris-aligned targets by 2025;
- we are targeting an additional 25% by AUM coverage every five years as we aim to be on a linear path to 100% portfolio coverage by 2040.

Paris/net-zero alignment of the corporate bond portfolio, by invested value (%)



OUR IMPLEMENTATION PLAN

(CONTINUED)

We met the first of our interim targets a year ahead of schedule and have now exceeded it with approximately 30% of our corporate bond portfolio having net-zero/Paris-aligned targets at the end of 2025. A further 5% of the corporate bond portfolio are committed to setting such targets in future. Another 15% of this portfolio have published climate transition plans and are aligned with a warming outcome of two degrees or less, as seen above.

Progress

As a result of our action to reduce our exclusions revenue limit from 30% to 10%, in 2024, we were able to reduce our financed emissions by more than 22,000 tCO₂e. However, we have seen an increase in our financed emissions

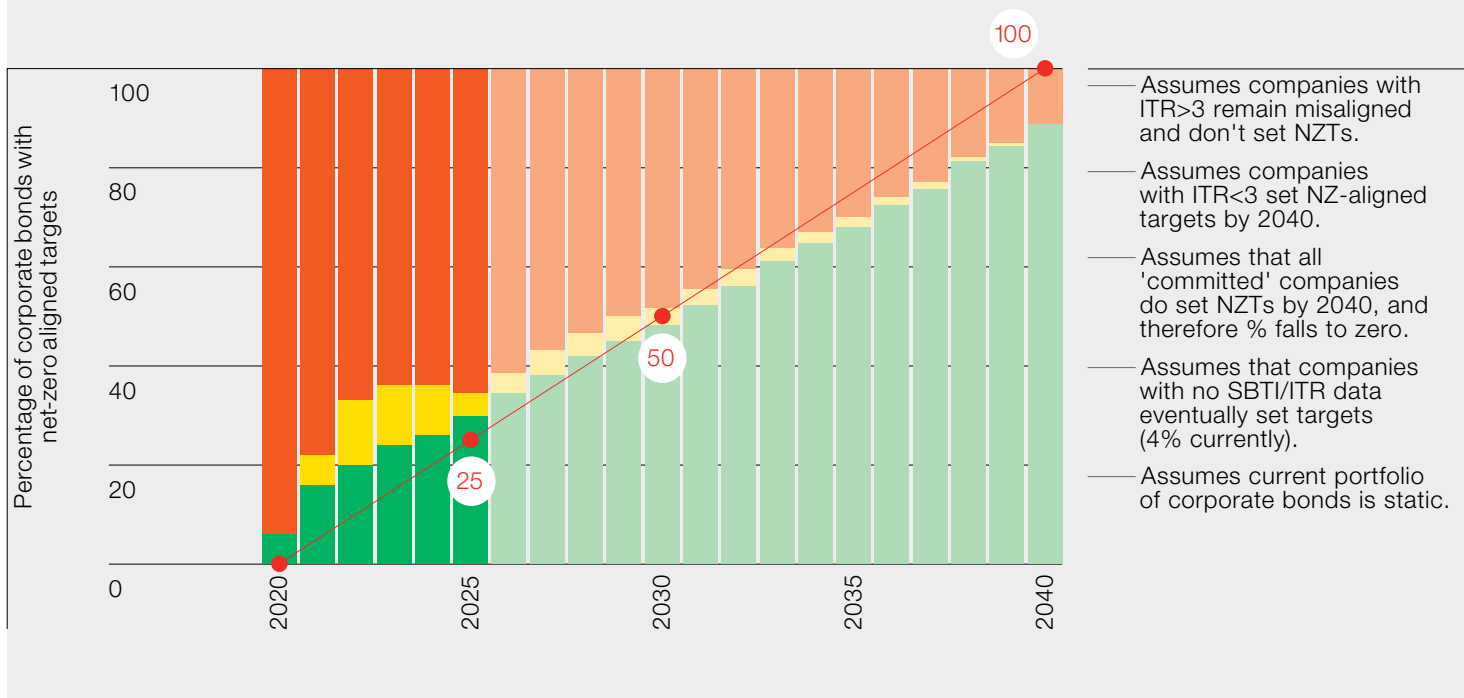
in 2025, due to an increase in asset growth and a higher allocation towards transitioning sectors. We will continue to monitor this growth and look for opportunities to balance the outcomes.

Planned activity

We will continue to engage with our managers on further net-zero plans and action, in order to reach our next target of 50% portfolio coverage by 2030. The below image shows our current projections to 2040.

Hiscox's net-zero/Paris-alignment, smooth trajectory

● Approved targets ● Committed ● Misaligned — Target





OUR IMPLEMENTATION PLAN

(CONTINUED)

Our products and services supporting the transition

To support our strategic ambition of being here for the long term for our customers and operating in a sustainable way, we are actively evolving our product and service portfolio to meet the changing needs of our customers and the broader risk landscape. Our approach is tailored across business areas and geographies, with a focus on innovation, accessibility, and climate resilience.

— **Flood insurance accessibility:** in the UK, our participation in the Flood Re scheme enables us to offer affordable flood insurance to customers in high-risk areas. In the USA, we provide homeowners and business owners with comprehensive flood protection through our big-ticket London Market offering, FloodPlus. This award-winning product delivers higher limits to ensure full indemnity in the event of a loss and broader coverage than the National Flood Insurance Program (NFIP), the US government-backed scheme. FloodPlus also incentivises proactive risk management by offering premium discounts to those who take steps to reduce their flood exposure. Our pricing approach reflects the true risk of each individual property, supported by advanced modelling capabilities that combine in-house expertise with external data sources to deliver a sophisticated view of flood risk, including pluvial, fluvial and coastal surge. This enables accurate, location-specific pricing and reinforces our position as a leader in private flood insurance.

— **Sustainability-focused professional indemnity (PI):** in our UK retail business, we have launched a tailored PI product for sustainability and environmental professionals. This product protects consultants and advisors working in ESG-related fields against claims arising from professional negligence and includes bespoke cover for risks linked to climate incentives, environmental certifications, and sustainability advisory services.

— **Development of our parametric reinsurance solutions:** in our reinsurance business we are expanding our parametric solutions to cover broader geographical areas and new types of climate disaster risks that support the most vulnerable nations, working closely with the Insurance Development Forum, Non-governmental organisation (NGOs), world leaders and through partnerships like Humanity Insured.

— **Product evolution based on claims insights:** we are continuously reviewing and refining our product offerings based on claims data, customer feedback, and emerging risks. The evolution of our green consultants PI product into a broader sustainability and environmental PI offering reflects this commitment to relevance and responsiveness.

— **Expansion of ESG-positive insurance capacity:** in 2023, we launched ESG 3033, a sub-syndicate of Lloyd's Syndicate 33, to provide additional capacity for clients with strong ESG credentials. This initiative is industry-agnostic and supports coverage for ESG-positive risks such as renewable energy projects (e.g. wind and solar farms), as well as companies with positive ESG progress. In 2025, the sub-syndicate has supported 159 risks.

Potential opportunities:

— **Climate-resilient product development:** we are committed to developing new products that

address emerging climate risks, including those related to biodiversity loss, water stress, and transition risk. This may include parametric insurance solutions, coverage for nature-based solutions, and products that support adaptation and resilience in vulnerable sectors;

— **integration of ESG metrics into underwriting:** over the long term, we aim to further embed ESG performance indicators into underwriting criteria, enabling more granular risk assessment and incentivising sustainable practices among insurers.

Our product strategy is designed to capture opportunities, support customer resilience, and contribute meaningfully to the transition. We will continue to engage with stakeholders, monitor market developments, and adapt our offerings to ensure they remain relevant, inclusive, and aligned with our sustainability goals.

OUR IMPLEMENTATION PLAN

(CONTINUED)

Our supporting governance

To support the delivery of our strategic ambition and ensure consistent progress toward our climate transition goals, we have embedded a robust governance framework underpinned by a suite of policies and conditions. These policies guide both internal operations and external relationships, ensuring alignment with our sustainability principles across the value chain.

All policies are publicly available on [hiscoxgroup.com](https://www.hiscoxgroup.com) and are regularly reviewed to reflect evolving regulatory, environmental, and stakeholder expectations.

Key policies supporting our transition plan

Group exclusions policy

This policy outlines our commitment to steadily reduce, and eliminate by 2030, our (re)insurance and investment exposure to high-impact sectors including thermal coal, oil sands, Arctic energy exploration (starting with the ANWR region), and controversial weapons. The policy is owned by the SSC with oversight from underwriting and investment committees.

Hiscox responsible investment policy

This policy sets expectations for our in-house investment team and external asset managers, covering ESG integration, stewardship, and impact investing. It ensures that our capital allocation supports companies with sound ESG practices and contributes to long-term value creation. This policy is owned by the investment team with oversight from the Group Investment Committee.

Hiscox Group environmental policy

This policy governs our approach to managing the environmental impact of our operations, including office energy use, waste generation, and resource consumption. It commits us to minimising our footprint and complying with relevant environmental legislation. It includes our

targets and progress to them, including our newly established green leasing terms. The policy is owned by the Chief Operations and Technology Officer with oversight from the SSC.

Hiscox Group supplier code of conduct

This policy extends our values and sustainability commitments to our suppliers and their subcontractors. It covers fair selection, diversity, legal compliance, human rights, environmental responsibility, and anti-corruption. Any supplier that has any commercial dealings with Hiscox, including brokers, coverholders, third-party administrators, outsourced service providers and specialists, and any of their subcontractors must state compliance with this code of conduct. The policy is owned by the Group procurement team with oversight from the SSC.

These policies are integral to our transition plan, ensuring that our operations, investments, and partnerships are aligned with our climate goals. They also provide a framework for accountability, transparency, and continuous improvement across the Group. Future developments will be considered as the need arises.

OUR IMPLEMENTATION PLAN

(CONTINUED)

Financial planning

The financial impacts of our transition plan are managed through a combination of centralised sustainability budgeting and decentralised business unit planning. While not all financial impacts are separately identifiable at this stage, we continue to improve our tracking and forecasting capabilities to better understand the implications across our financial position, performance, and cash flows.

Resourcing the transition

Our sustainability strategy is supported by an annual budget allocated to:

- ESG-related data and IT licences;
- research and development of new processes;
- external initiatives and memberships;
- internal capability building and training;
- potential opportunities.

This budget is managed centrally by the sustainability function, within the Group risk team, and reviewed annually to ensure alignment with strategic priorities and regulatory expectations.

In addition, business-led initiatives such as sustainable product development, operational decarbonisation, and investment stewardship are resourced through individual business unit budgets. As part of our broader risk management, we continue to monitor and respond to the volatile macroeconomic environment through maintaining and enhancing processes focused on reviewing our key assumptions against emerging experience and explicitly allowing further reserve margins for uncertainty. All financial impacts are integrated into broader financial planning cycles, ensuring that sustainability is embedded in core decision-making.

Short-term financial effects (0–2 years)

- Operational investments in energy efficiency (e.g. HVAC optimisation, lighting upgrades) and renewable energy procurement.
- IT and data infrastructure costs to support emissions tracking, data sourcing and supplier engagement.

- Membership fees for sustainability alliances and reporting frameworks that support industry collaboration.
- Limited impact on profitability, with costs absorbed through existing budgets and offset by operational efficiencies.

Medium-term financial effects (2–5 years)

- Increased capital expenditure for building upgrades and moves, heating electrification, and potential on-site renewable energy installations.
- Product innovation costs associated with developing and refining climate-resilient insurance offerings.
- Potential shifts in underwriting profitability as climate risks are repriced and ESG factors are integrated into risk selection.
- Investment portfolio rebalancing, with potential implications for returns and asset allocation.

Long-term financial effects (5+ years)

- Strategic repositioning of underwriting and investment portfolios to align with net-zero targets.
- Reduced exposure to high-carbon sectors, potentially impacting premium volumes and investment yields.
- Enhanced brand value and customer loyalty, contributing to long-term revenue growth.
- Improved risk resilience, reducing claims volatility and supporting financial stability.

We are committed to transparently reporting the financial implications of our transition plan as our data and modelling capabilities mature. This includes ongoing work to quantify the cost-benefit of sustainability initiatives and to integrate climate-related financial metrics into our performance management framework.



OUR ENGAGEMENT PLANS

Engagement is a core component of our transition plan and sustainability strategy. We believe that meaningful progress toward a low-GHG emissions, climate-resilient economy requires collaboration across our value chain and consistent dialogue with our stakeholders. Our approach is designed to embed sustainability into everyday business processes and decision-making.

Stakeholder engagement

- **Board of Directors:** regular engagement through sustainability training, strategic updates, and formal submissions to ensure oversight and alignment with climate-related goals.
 - **Colleagues:** sustainability is promoted through internal communications, green teams, and learning opportunities. These initiatives foster awareness, ownership, and innovation across the organisation.
 - **Underwriters and brokers:** engagement occurs through product development processes, with a focus on integrating ESG considerations into underwriting criteria and risk selection. Further engagement regarding ESG matters occurs at the new policy or renewal stages predominantly in our London Market portfolio.
- Customers**
- **Customer insights programme:** we gather feedback on sustainability-related preferences and expectations to inform product development and service delivery.
 - **Content and education:** blog posts and other communications help raise awareness of climate-related risks and the role of insurance in building resilience.
 - Engagement with retail policyholders is ongoing through product innovation, claims processes, and educational content. We aim to support customers in understanding climate-related risks and incentivise risk mitigation through product features such as premium discounts for flood resilience measures.

Suppliers

Our supplier code of conduct outlines expectations around environmental responsibility, human rights, diversity, and anti-corruption. It is shared during procurement and annual supplier review processes.

Since 2023, we have enhanced our supplier engagement by introducing an independent ESG ratings assessment for new and existing suppliers.

- New material suppliers are required to complete ESG questionnaires via third-party platforms, enabling us to monitor and measure their sustainability performance.
- New targets announced in 2024 include increasing coverage of suppliers reporting emissions data via our third party to 45% in the current year and 75% in three years. We are currently exceeding our first target at 46%.

Investment managers

We engage with our investment managers at least annually on ESG matters, with more frequent dialogue on broader investment strategy.

- Investment mandates include ESG criteria to ensure alignment with our responsible investment policy.
- Managers are expected to engage with portfolio companies on our behalf, particularly around climate risk and net-zero commitments.



OUR ENGAGEMENT PLANS

(CONTINUED)

Industry engagement

Collaborating with industry peers and participating in sector-wide initiatives is central to our transition strategy. These engagements allow us to share insights, contribute to collective progress, and align our practices with emerging standards and expectations. We actively participate in several industry bodies and networks that support the insurance sector's response to climate change and broader ESG challenges.

Association of British Insurers (ABI)

Hiscox is a member of the ABI, which represents over 90% of the UK insurance market. Through this membership, we contribute to public policy discussions, respond to industry surveys, and support initiatives aimed at improving service standards and ethical conduct across the sector.

ClimateWise

As a founding member of ClimateWise, a global insurance industry network hosted by the University of Cambridge Institute for Sustainability Leadership (CISL), we are committed to improving climate-related disclosure and action. We participate in the annual public review of member disclosures, helping to benchmark industry progress. Our UK Chief Executive Officer sits on the CISL Insurance Advisory Council, and we are active members of the ClimateWise working group.

Lloyd's of London

Hiscox has deep roots in the Lloyd's market and continues to play an active role in its sustainability initiatives. We are members of the Sustainable Markets Initiative (SMI), which promotes sustainable finance and insurance practices and participate in the Lloyd's Disaster Risk Facility (DRF), a consortium of seven syndicates providing up to \$445 million in pooled resources to support disaster relief financing for vulnerable countries. Where possible, we contribute

to Lloyd's research and analysis on emerging global risks, including climate-related threats.

Global frameworks and alliances

We are signatories and supporters of several global initiatives that shape our strategic direction and reporting practices:

- Principles for Responsible Investment (PRI);
- Principles for Sustainable Insurance; (PSI), and the PSI working group for nature
- Paris Agreement;
- Task Force on Climate-related Financial Disclosures (TCFD) – with disclosures included in our Annual Report and Accounts.

These partnerships and memberships enable us to stay at the forefront of industry developments, contribute to collective climate action, and ensure our transition plan is informed by best practice and global standards.



OUR ENGAGEMENT PLANS

(CONTINUED)

Engagement with public sector, communities and civil society

Hiscox is a leading (re)insurer in climate and disaster risk finance and insurance providing cover to developing nations to combat climate and disaster risks. We chair the Disaster Risk Facility at Lloyd's and are an active member of the Insurance Development Forum (IDF). As part of our work with the IDF we are helping develop parametric insurance products:

- a national agriculture insurance scheme in Tanzania, a sovereign risk transfer scheme to protect key public services against cyclones in Madagascar, and provincial government parametric flood insurance product in Nepal;
- we are a leading reinsurer of the major Sovereign Risk Pools, providing capacity to some of the highest risk areas affected by natural catastrophes such as flood risk in Laos, drought, flood and cyclone risk across more than 20 African nations and earthquake risk in the Caribbean and Latin America.

We also work closely with NGOs, examples include:

- helping pioneer and leading the insurance of the Red Cross's Disaster Response Emergency Fund (DREF);
- supporting the United Nations Children's Fund (UNICEF) by providing parametric insurance to protect against cyclone events in eight vulnerable countries;
- alongside Aon, we have engaged with the START Network to design a reinsurance for their START ready fund, which provides anticipatory action financing NGOs to support disaster response in climate vulnerable countries;
- in 2024, Hiscox partnered with Humanity Insured, a non-profit organisation launched in September 2024, with initial funding provided by Hiscox along with six other insurance companies. By subsidising insurance premiums, Humanity Insured makes insurance accessible to climate vulnerable communities;
- during 2025, the team worked with the UN's World Food Programme

(WFP) in Syria on a new parametric insurance contract; an innovative policy using satellite data to trigger payouts when drought conditions threaten staple crops;

- the team also played a key role in supporting the Caribbean Catastrophe Risk Insurance Facility (CCRIF), a risk pool that provides coverage for earthquakes, tropical cyclones, and excess rain to Caribbean governments. Following Hurricane Melissa in October, the team facilitated payouts to Jamaica and Haiti within a week of the event, demonstrating the power of parametric insurance to deliver fast, reliable support where it is most needed.

With regards to our communities, the Hiscox Foundation was established in the UK in 1987 and is funded by an annual donation from the Hiscox Group. The Foundation operates as separate entities in the UK and USA and focuses its resources where it can make the greatest impact. Each Foundation's Board of Trustees meet quarterly and must consider each funding request made, including whether it aligns with our chosen areas of focus, and makes a funding decision accordingly.

The Hiscox Foundation UK divides its approach to charitable giving into three main pillars: social mobility and entrepreneurship, protecting and preserving the environment, and causes our people are passionate about; and charities aligned with these areas of focus are encouraged to apply. The US Foundation focuses primarily on ensuring children are prepared for school, ensuring supplies and readiness.

Hiscox Gives is an employee-led initiative which supports charities chosen by local employees for offices across the Group and aims to raise awareness and encourage volunteering among staff.





METRICS AND TARGETS SUPPORTING OUR PROGRESS

Governance, engagement, business and operational metrics and targets

Sustainability KPIs are monitored quarterly through the SSC and relevant business units' Management committees, then where required disclosed via our annual reporting cycles. A Group-wide climate risk appetite dashboard is shared regularly with the SSC which is monitoring our progress and any increase or decrease to associated risks. This is also shared with the Group Risk and Capital Committee.

In our UK legal entities, we have appointed senior managers with overall regulatory responsibility for managing the financial risks from climate change, in line with the UK's Senior Managers Certificate Regime (SMCR). As climate becomes further embedded in our business, and regulatory requirements continue to evolve, we may consider whether a similar approach is required in other parts of the business in the future.

GHG metrics and targets

We have been capturing and reporting our emissions data for many years. We request Scope 1 and 2 data directly from landlords but often have to rely on estimates and assumptions. In an attempt to mitigate this, we have implemented green leasing in our contractual terms with landlords ensuring we receive timely, useful data. During 2025, we have invested in software to support improved collection, measurement, governance and audit of our emissions accounting.

In developing our targets and trajectory to net zero, we have used SBTi to ensure our targets reflect the latest science. We will continue to review the process regularly to ensure our methodologies continue to align with the latest requirements. SBTi recommends absolute targets for Scope 1 and 2 and then intensity targets for all other emissions categories.

Our baseline year is 2020 with 2019 data supplemented to adjust for Covid in categories such as business travel.

GHG emissions summary

Calculated according to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition).

Scope	2025 (tCO ₂ e)	2024 (tCO ₂ e)	2023 (tCO ₂ e)	2022 (tCO ₂ e)	2021 (tCO ₂ e)	2020 (tCO ₂ e)	2025 vs. 2020 baseline
Scope 1	312.0	549.4	408.9	786.6	677.5	615.1	-49%
Scope 2 (market-based)	858.8	1,029.4	1,043.1	926.1	866.2	1,111.0	-23%
Total Scope 1 and 2	1,171	1,578.8	1,452.0	1,712.7	1,543.7	1,726.1	-32%
Scope 3 (operational)	20,744	22,612.1	24,462.0	19,298.1	17,116.2	20,347.9	1.9%
Scope 3 (operational) per FTE	6.07	6.47	6.94	5.83	5.80	6.13	-1.0%
Total operational footprint	21,915	24,190.9	25,914.0	21,010.8	18,659.9	22,047.0	-0.7%
Scope 3 (non-operational)	10,253	12,948.7	10,233.8	9,862.2	8,458.0	8,635.7	18.7%
Investments	169,994	126,997.0	129,526.0	127,497.0	125,156.0	135,275.0	25.7%

Our Scope 1-3 emissions (excluding investments) are independently verified to a reasonable assurance level. A limited level of assurance has been attained for investments emissions. Emissions are calculated for the period 1 November 2024 to 31 October 2025. A copy of the verification statement can be found at hiscoxgroup.com/responsibility/environment.



METRICS AND TARGETS SUPPORTING OUR PROGRESS

(CONTINUED)

Scope 1 and 2

Our target is an absolute target as guided by SBTi and the GHG protocol. In most cases emissions are calculated and measured as follows.

Annual activity data is collected e.g. fuel use, kWh consumed, which is multiplied by the relevant GHG emissions factors to calculate total GHG emissions from Scope 1 and 2 activities. Data sources and the scope of activities are outlined below.

Scope 1 – direct emissions

— Natural gas fuel combustion:

- based on actual meter readings, billed consumption, or occupancy invoices;
- estimated using average cost per unit if only financial data is available.

— **Mobile fuel combustion (company cars):** includes fuel use from company-owned vehicles, if fuel use data is unavailable, distance travelled data is provided.

— Fugitive emissions (refrigerants):

- based on actual refrigerant top-up data;
- estimates use equipment inventory, refrigerant type, charge capacity, and usage duration.

Scope 2 – indirect emissions from purchased energy

— Electricity consumption:

- dual reporting: location-based and market-based methods;
- data sourced from meter readings, invoices, or estimated using partial year data or previous year if required.

— District heating is used in our Germany, Luxembourg, and New York offices. Emissions data is based on invoices where available. For some sites, only the whole building consumption is available; therefore, usage is apportioned based the Hiscox floor area.

Emission factors are updated annually from consistent sources including the UK Government’s GHG Conversion Factors for Company Reporting, the IEA, and the GHG Conversion Factors for Company Reporting, IEA, and US EPA.

Where we cannot obtain information on the office emissions due to recent office moves or lack of landlord response we estimate based on previous years data, adjusting where possible for any broader global impacts. An example of this is our Bermuda office where there is not a clear emissions factor that includes the import of energy, so we have created one to better reflect our emissions calculations.

Scope 3

Scope 3 emissions represent the largest share of our footprint and arise from activities across our value chain, including business travel, purchased goods and services, capital goods, fuel- and energy-related activities, operational waste, and the financed and insured emissions associated with our investment and underwriting portfolios.

The calculation used to understand our supply chain emissions is currently based on spend rather than the emissions of each supplier, which with increased spend will increase the carbon footprint of our supply chain. We work with a third party to support our suppliers in reporting their emissions, and this has been successful in moving us from zero to 47% coverage of our portfolio as well as in helping us to understand the ESG factors of our supply chain.

We recognise that Scope 3 data especially for insured and invested emissions will evolve as standards mature.

Our plan includes:

- strengthening supplier engagement and contract provisions to improve primary data availability;
- continuing to align with best

practice standards across the insurance sector;
— periodically updating emission factors and modelling methodologies.

Carbon credits

Hiscox has been operationally carbon neutral since 2014. To ensure we are purchasing enough offsets to cover our operations, we calculate our operational footprint and then purchase the offsets. Where possible we have purchased offsets for multiple years and in this case overestimated our carbon footprint to ensure compliance with our carbon neutrality status.

Our offsets are verified by an external third party and the certificate can be located on www.hiscoxgroup.com. As we begin to reduce our emissions we will reduce our reliance on carbon offsets.

GOVERNANCE

Board oversight and reporting

We have an established and embedded governance structure for climate-related matters, with robust and rigorous processes for identifying, measuring, monitoring, managing and reporting climate-related matters (including climate-related risks and opportunities) across the Group. This spans from an operational level up to the SSC, the Risk Committee of the Board, and the Board itself see our Task Force for Climate-Related Disclosures Report (TCFD) for an overview of the structure, membership, roles and responsibilities and frequency of meetings, including Management’s role in assessing and

managing climate-related risks and opportunities.

The UK government has committed to mandating that UK-regulated financial institutions (including banks, asset managers, pension funds and insurers) and FTSE 100 companies develop and implement credible transition plans, and a consultation has recently closed on how to implement this policy. Our transition plan follows the alignment of the Transition Plan Taskforce (TPT).

Management roles, responsibility and accountability

Climate-related responsibilities are embedded across Board and Management committees, and where appropriate within job roles. The Board has oversight, with the Group Chief Executive Officer holding ultimate accountability. This ensures that climate and nature related action and ambition are driven by the Group’s senior leaders. While this structure also covers broader sustainability matters, climate-related matters are an important component of this and as such are regularly debated and discussed. Examples of climate-related discussions include:

- discussion and approval at the SSC of the ambitions and initiatives to enact our strategy;
- discussion and approval of our transition plan and reduction activities;

- annual review of the Group exclusions policy and the responsible investment policy, coordinated by the sustainability working group;
- meetings with catastrophe model vendors to discuss latest modelling developments, led by our catastrophe modelling team, which contribute to the work of the Natural Catastrophe Exposure Management Group by constantly evolving our climate modelling approach;
- defining the Group’s most material sustainability risks and opportunities, including climate-related risks and opportunities as part of the development of a double materiality assessment for the Group;
- development of ‘climate action plans’, which are a standing agenda item at the SSC to ensure full governance oversight.

We report our sustainability progress through our commitment to TCFD in our Annual Report and Accounts, also through our Climate Report following the ClimateWise Principles and the following initiatives:

2025: B grade
2024: B grade



2025: 59%
2024: 54%*



*2024 reporting reflects a change in the ClimateWise reporting principles.

2025: AAA grade
2024: AAA grade



2025: 21.0
2024: 26.4
Risk reduction score



OUR CULTURE

Our sustainability ambition drives us to want to be here for the long term for our customers, colleagues and communities, operating in a sustainable way for the future. This aligns with our business values:

Human
Clear, fair and inclusive.

Connected
Together, build something better.

Integrity
Do the right thing, however hard.

Ownership
Passionate, commercial and accountable.

Courage
Dare to take risk.

Our employees are passionate about sustainability and reducing their environmental impact. During 2025, alone we have seen:

- 400+ employees answering our sustainability engagement survey, with many employees saying they are either passionate or very passionate;
- 30+ new members join our green teams with a newly established green team in Europe;
- over 30 employees received long-service awards which included a tree planted for every year of service.

We have a number of employee networks (ENs) across Hiscox, each of them open to all employees who wish to join. We currently have eight ENs with 18 chapters across the Company spanning women, race, ethnicity and disabilities.

Our green teams

We care about the environment and support a range of causes that in some way increases resilience to climate variability, enhances biodiversity or

improves the local environment where our people and customers live and work. Through initiatives such as our network of employee-led country green teams, our people love getting involved to care for their natural environment from beach clean-ups to weeding in their local park.

In 2025, through funding or volunteering we supported charities such as Ocean Generation, London and York Wildlife Trust, The Green UK, Eco Active amongst many more. Our global green teams came together in aid of World Cleanup Day and organised clean-up activities in eight different locations across five different countries.



CLOSING STATEMENT

The transition to a net-zero and climate resilient economy is a generational shift that requires sustained focus, credible planning, and a commitment to transparency. While uncertainties remain, our direction is clear: we will continue to reduce our impact, strengthen our risk management capabilities, support innovation across our underwriting and investment portfolios, and work collaboratively with partners to enable meaningful progress.

We recognise that delivery will depend on factors beyond our direct control including technological developments, regulatory landscapes, and the pace of decarbonisation across the markets in which we operate. Nevertheless, we remain committed to aligning our strategy with science-based pathways, integrating climate and nature considerations into decision making, and reporting openly on our progress.

Our ambition is to build a business that remains resilient, competitive and responsible in a rapidly changing world, to enable us to be here for the long term for our customers, colleagues, markets and communities we serve. We are grateful for the engagement of our stakeholders and will continue to evolve this plan as the transition unfolds.

Hannah May
Global Head of Sustainability



TPT framework			Page location
Ambition	Foundations	1.1 Strategic ambition	4
		1.2 Business model and value chain	5
		1.3 Key assumptions and external	6
Action	Implementation strategy	2.1 Business operations	8–13
		2.2 Products and services	14
		2.3 Policies and conditions	15
		2.4 Financial planning	16
	Engagement strategy	3.1 Engagement with value chain	18
		3.2 Engagement with industry	19
		3.3. Engagement with government, public sector and civil society	20
Accountability	Metrics and targets	4.1 Governance, engagement, business and operational metrics and targets	22
		4.2 Financial metrics and targets	22
		4.3 GHG metrics and targets	23–24
		4.4 Carbon credits	24
	Governance	5.1 Board oversight and responsibility	25
		5.2 Management roles, responsibilities	25
		5.3 Culture	25
		5.4 Incentives and remuneration	N/A
		5.5 Skills, competencies and training	Included throughout

CLOSING STATEMENT

(CONTINUED)

Cautionary statements

The climate metrics, projections, forecasts and other forward-looking statements used in this transition plan should be treated with special caution, in particular as they are more uncertain than, for example, historical financial information, and given the wider uncertainty around the evolution and impact of climate change, in addition to wider sustainability considerations.

Our understanding of climate effects, data, metrics and methodologies, its impact and wider sustainability impacts continues to evolve. Accordingly, both historical and forward-looking climate metrics are inherently uncertain and, therefore, could be less decision-useful than metrics based on historical financial statements.

Data sourced for our Scope 1 and 2 is either direct or based on historical data and industry estimates. This variability in data quality can cause a difference in annual emissions outcomes. We expect data to continue to improve over time as methodologies and processes continue to be audited and improved. To ensure we are publishing the most accurate view of our emissions we obtain third-party verification of our emissions.

Modelling issues specific to financed emissions raise additional challenges, particularly around allocating emissions to the wide range of invested assets, insured emissions and financed activities. Climate-related data may not be generally available for the companies within our portfolio or, if available, it is generally variable in terms of quality and, therefore, may not be complete, standardised, accurate, verifiable, reliable, consistent

or comparable. There is a risk that the judgement exercised, or the estimates or assumptions used, may subsequently turn out to be incorrect. Other considerations that may lead to errors are:

- data is less readily available for some invested asset types and there may also be data gaps, particularly for private companies, that are filled using ‘proxy’ or other data, such as sectoral average, again developed in different ways;
- there is no single, global, cross-sector data provider that adequately and consistently covers the needed scope for data to analyse emissions and assess physical and transition risks across operations and investment portfolios, as well as wider sustainability impacts;
- while some regulators and standard setters mandate additional disclosure of verified climate-related data by companies, such standards are still developing, and not as widely standardised, across sectors and markets as those for financial reporting, and there are potential gaps between needed and available data;
- significant data gaps in sectors, sub-sectors and across invested asset classes are impeding not only climate risk management, but also the development of mitigation actions and adoption of strategies, as well as aspects of operations, credit and market risk and investment analysis that depend on data-informed processes.

This transition plan should be read in conjunction with the other documents linked throughout the plan.

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