

# UNIQA Sustainability Strategy in Corporate Business

**Metrics  
and  
Targets**

This document describes dedicated sustainability-related metrics and targets for the UNIQA Corporate Business, including insurance-associated CO<sub>2</sub> emissions performance and metrics used to monitor our progress in respect of climate and engagement commitments of the Group.

For details on the strategic background please see the “Sustainability Strategy for Corporate Business” on our [Group homepage](#).

# 1 Core metrics

On its sustainability journey, UNIQA Corporate Business sets the following climate-related targets:



## 1.1 Net-zero emissions in the underwriting portfolio

We aim that the insurance-associated CO<sub>2</sub> emissions of our corporate underwriting portfolio reach net-zero by 2040 in Austria and 2050 in the CEE region, with 5-year interim targets, based on the 1.5° C Paris climate pathway. In January 2024, in support of our net-zero emissions ambition, we have set targets to reduce the insurance-associated emissions of our underwriting

portfolio (absolute scope 1 and 2 emissions of corporate clients) by 60% by 2040 compared with a 2022 baseline on a net basis for the Austrian portfolio, and by 50% by 2050 compared with a 2022 baseline for the international portfolio. We monitor our progress using the key metrics described further below.

### Targets for insurance-associated emissions

	2022	2025	2030	2035	2040	2045	2050
<b>UNIQA Austria</b>	Base year	-5 %	-20 %	-40 %	-60 %	-	-
<b>UNIQA International</b>	Base year	-5 %	-15 %	-25 %	-40 %	-45 %	-50 %

Our calculations and targets are based on the current economic activities' structure of the portfolios, current structure of the premium share split between the markets and existing national decarbonisation commit-

ments. We understand that crucial processes and developments, driven by governments, society and businesses are not within our control. We commit to spare no effort to adjust our measurements and activi-

ties accordingly to keep the decarbonisation ambition level high enough to be in line with the 1.5°C Paris Agreement commitment.

The following non-lifelines of Corporate Business were included in the calculation of the insurance-associated CO<sub>2</sub> emissions in 2022 and 2023: Property, Engineering and Liability. Those three lines of business are the most material ones for the Corporate Business. We plan to enlarge the scope of calculation coverage by other lines of business in the year 2024. The calculation values will be adjusted backwards. The data available for the calculation of the insurance-associated emissions in 2022 and 2023 is defined as limited and imprecise, and it will be subject of significant improvement during the period of our targets' fulfilment.

Insurance-associated emissions are calculated upon the PCAF<sup>1</sup> (Partnership for Carbon Accounting Financials) methodology, using external data for CO<sub>2</sub> emission intensity per million-euro revenue for each industry, based on the industrial classification codes. The result is expressed in tons CO<sub>2</sub> equivalent and is annually reported in the UNIQA Group Sustainability Report.

Interim targets are composed of the weighting of the share of market's premium in the total premium (for the international portfolio) and the local ambition level in % of CO<sub>2</sub> emission decrease, which is the combination of national long-term strategies<sup>2</sup> to meet their Paris Agreement commitments, structure of the corporate portfolios in the sense of economic activities and ambitions to grow share of renewable energy business.

## 1.2 Stepping-out of fossil fuel

UNIQA commits to step out fossil fuel business (coal/crude oil/natural gas), according to the decarbonisation commitment's time-plan. Details can be found in the "Statement of Decarbonisation" on our [Group homepage](#) and a summary is given in the table of Metrics & Targets at the end of this document.

We introduced the monitoring of the premium share of fossil fuel related business back in 2019 for coal related clients. We monitor all UNIQA Group coal/crude oil/natural gas share of net annual premium starting with the data collection of the year 2022.

The following non-life lines of business are included in the calculation of fossil fuel business analysis for the years 2022 and 2023: Property, Engineering and Liability.

We enlarge the scope of the analysis with other lines of business in 2024.

Together with the premium share from fossil fuel-related business and gradual step-out of insurance for those clients, we monitor the climate targets and sustainability strategies of the existing clients of those industries and engage with them in case of insufficient information. The number of clients, representing fossil fuel business according to the definition given in the Green Finance Alliance (GFA) Handbook<sup>3</sup>, and grouping them by the factor of presence/absence of climate targets compatible with the Paris Agreement, are annually reported in the UNIQA Group Sustainability Report starting with the reporting year 2023.

## 1.3 100% of big clients with climate targets

As a member of GFA, UNIQA commits as well to follow the climate goals of corporate clients, that are subject to non-financial reporting, according to the NFRD<sup>4</sup>. Our goal is that all such clients in our portfolio must have set their climate targets based on a 1.5°C Paris climate target path by 2040.

According to the target definition in the GFA Handbook, we measure and report our progress annually in the UNIQA Group Sustainability Report:

- Ratio between the number of insured companies that are subject to NFRD reporting which have set climate targets based on a 1.5°C Paris target path for their core business and the total number of insured companies that are subject to NFRD reporting
- Ratio between the annual premiums<sup>5</sup> of insured companies that are subject to NFRD reporting which have set climate targets based on a 1.5° C Paris target path for their core business and the premiums of insured companies that are subject to NFRD reporting.

<sup>1</sup> <https://carbonaccountingfinancials.com/files/downloads/pcaf-standard-part-c-insurance-associated-emissions-nov-2022.pdf>

<sup>2</sup> [https://commission.europa.eu/energy-climate-change-environment/implementation/eu-countries/energy-and-climate-governance-and-reporting/national-long-term-strategies\\_en](https://commission.europa.eu/energy-climate-change-environment/implementation/eu-countries/energy-and-climate-governance-and-reporting/national-long-term-strategies_en)

<sup>3</sup> <https://www.bmk.gv.at/green-finance/alliance/publikationen.html>

<sup>4</sup> Later CSRD

<sup>5</sup> Net annual premium

## 1.4 TOP 10 emitters' analysis

The top 10 of clients contributing the most to our portfolio's CO<sub>2</sub> emissions in each market are analysed for the presence of a climate strategy and targets, based on a 1.5°C Paris climate target path, starting from 2024.

The metric serves as a support for our net-zero emission target, to complete an overview on each market, how we move towards our underwriting portfolio's decarbonisation goal with the concrete structure of clients,

representing the high-emitting industries. As examples, we can name heavy manufacturing sector, energy or transportation, that are subject to developing regulations in the frame of the EU Green Deal and the strong progress in decarbonisation of those industries, driven by both regulations and companies' internal sustainability ambitions, is seen to contribute to our underwriting portfolio insurance-associated emissions decrease.

# 2 Supportive metrics

In parallel with the core metrics and targets, we also report the **results of the integration of ESG-related risks evaluation in our underwriting process**. Namely, we monitor the number of offers that were assigned to the ESG-related risks exposure, the number of offers out of them that received at least one indicator of being highly exposed to Environmental, Social and/or Governance risks. The evaluation is based on external data on the ESG-related risk exposure of economic activities according to their industrial classification codes, which is in its turn based on the PSI Guideline<sup>6</sup> "Managing environmental, social and governance risks in non-life insurance business". Starting from the year 2023, the results of

the monitoring can be found in the annual UNIQA Group Sustainability Report.

The **absolute net annual premium volume for renewable energy businesses** is another metric that supports our core net-zero targets. It includes net annual insurance premium of business for the companies, related to generating electricity using renewable energy sources (wind power, solar power, bioenergy (organic matter burned as a fuel) and hydroelectric power). Monitoring of this metric allows us to evaluate the sufficiency of our ambitions and create reliable forecasts on portfolio structure and energy sector impact.



<sup>6</sup> <https://www.unepfi.org/psi/wp-content/uploads/2020/06/PSI-ESG-guide-for-non-life-insurance.pdf>

## 3. Metrics & Targets Summary

Target	Target year	Supportive Metric
<b>Net-zero of underwriting portfolio, Austria:</b> Interim targets: <ul style="list-style-type: none"> <li>-20%</li> <li>-40%</li> <li>-60%</li> </ul>	until 2040  2030 2035 2040	Insurance-associated CO <sub>2</sub> emissions, tCO <sub>2</sub> e
<b>Net-zero of underwriting portfolio, International</b> Interim targets: <ul style="list-style-type: none"> <li>-15%</li> <li>-25%</li> <li>-40%</li> <li>-45%</li> <li>-50%</li> </ul>	until 2050  2030 2035 2040 2045 2050	Net annual premium for renewable energy business, mEUR
Phase-out of thermal coal-related insurance	2030	Share of Net Annual Premium from companies, defined as related to coal/oil/gas business according to the definition of GFA, %
Phase-out of crude oil-related insurance	2030	Number of fossil fuel-related clients and individual confirmations of their commitment to climate targets, #
Phase-out of natural gas-related insurance	2035	
100% NFRD reporting companies in the corporate portfolio with climate targets, compatible with 1.5°C Paris target path.	2040: 100%	Ratio between the number of insured companies that are subject to NFRD reporting which have set climate targets based on a 1.5°C Paris target path for their core business and the total number of insured companies that are subject to NFRD reporting, %  Ratio between the annual premiums <sup>7</sup> of insured companies that are subject to NFRD reporting which have set climate targets based on a 1.5°C Paris target path for their core business and the premiums of insured companies that are subject to NFRD reporting, %
Annual monitoring of the companies, representing the top 10 of the highest-emitting clients in the underwriting portfolio.	Annually from 2023	Share of the analysed companies that have set their climate targets compatible with the 1.5°C Paris Agreement target path, #
Integration of ESG-related risks in the underwriting process.	Annually from 2023	Number of clients that have been assigned the ESG-related risks' exposure, #  Number of clients that demonstrate at least one indicator of being highly exposed to one of the Environment, Social or Governance risks, #

<sup>7</sup> Net annual premium

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