



# Aviva ESG baseline underwriting statement

February 2025





# Purpose

This document sets out our environmental, social and governance baseline underwriting statement to ensure we:

- Help drive the transition to a low-carbon, climate resilient economy;
- Support the environmental alliances to which we are committed;
- Clearly define the activities we exclude as an insurer.







## Background

At Aviva we take our responsibilities to society seriously, Which is why we have set an ambition to become a net zero insurer by 2040.<sup>1</sup>

We seek to reduce our exposure over time to the risks arising from the transition to a low carbon, climate resilient economy. We also have a very low appetite for climate-related risks which could have a material negative impact upon our customers and wider society as well as our business model and balance sheet.

Our business is already focused on providing insurance that enables the transition to a new low-carbon economy providing insurance for renewable energy power generation. Our products currently insure some of the largest wind & solar farms in the world as well as providing cover for electric vehicle charging points.

We believe the highest emission fuels are not part of a net zero future and this requires immediate action to drive the phase-out of thermal coal and provide support for companies aligned to a clean energy transition.

We also believe in strong alliances to bring about change and take action in addressing complex issues like climate change. That is why we; support the objectives of the Paris Agreement<sup>2</sup> to limit global warming to 1.5 degrees, are a founding signatory of ClimateWise<sup>3</sup>, are a founding signatory of the Powering Past Coal Finance Principles.<sup>4</sup>

Our sustainability ambition is company-wide, accordingly this underwriting statement closely aligns to our investment baseline exclusion policy.



# Phasing out the highest emission fuels

Thermal coal emits significantly more carbon than any other energy source in today’s fuel mix, meaning that reducing the use of thermal coal in power generation is a critical first step that must take place if the goals of the Paris Agreement are to be achieved.

Further to our commitment as signatories to the Powering Past Coal Alliance, we have set our own bold ambition to build a zero-carbon future.

We will not offer insurance for:

- The development of new or expansion of existing coal mines, oil or gas fields<sup>5</sup>
- Companies where more than 5% of their Aviva insured exposures<sup>6</sup> are from:
  - Mining of Thermal Coal
  - Thermal Coal based Power generation
- Companies where more than 10% of their Aviva insured exposures are from:
  - Oil sands
  - Arctic oil

## Exceptions

We will consider:

- Companies serious about their transition out of high carbon fuels through a credible transition plan and approved Science Based Target (SBTi) or an equivalent target validation that aligns with the goals of the Paris agreement.
- Utilities that we consider to be Paris-aligned based on an assessment of their capital expenditure plans.
- Employee benefit insurances.

## Support and guidance

Tackling the climate emergency requires commitment from everyone and we think it is important to encourage companies to continuously improve. We will proactively engage with our customers on climate action to provide insurance and risk management solutions as they seek to reduce emissions and evolve their business practices for a sustainable future.

For customers already at increased risk from the effects of climate change we provide expert risk management advice and guidance to help make their properties more resilient, reducing the impacts of future climate related events.

We actively support the development of renewable energy generation and have developed specific insurance solutions to help the construction of new facilities and protection of those in operation.

# Controversial Products

We believe there are some products and business practices that are detrimental to society and incompatible with our values and our strong lead on climate action.

We will therefore no longer insure companies involved in the following;

- The manufacture of tobacco products
- The manufacture, sale or supply of Controversial Weapons
- The manufacture of civilian firearms
- Animal testing

## Exceptions

- We will consider companies where animal testing is an incidental non-core activity, that can evidence animal testing is only used as a last resort and where the use of controversial testing is minimised.
- We will continue to provide support to employees of these companies through employee benefit insurances.



# Acquisitions

In the event Aviva were to acquire a business which had pre-existing underwriting books that were non-compliant with this statement we would take proactive practical steps to bring that business back within tolerance of this statement in a reasonable time period.

# Footnotes

<sup>1</sup> **Further details at**  
[Taking Climate Action - Aviva plc](#)

<sup>2</sup> **Further details at**  
<https://www.un.org/en/climatechange/paris-agreement>

<sup>3</sup> **Further details at**  
<https://www.cisl.cam.ac.uk/business-action/sustainable-finance/climatewise>

<sup>4</sup> **Further details at**  
<https://www.poweringpastcoal.org/>

<sup>5</sup> The opening of any new or expansion of any existing operations that directly supports mining or extraction of fossil fuels.

<sup>6</sup> The activities and assets insured by our insurance policies and excludes any assets or activities undertaken by the customer which are insured elsewhere.

# Definitions

**Fossil fuels:** Carbon-based fuels from fossil hydrocarbon deposits, including coal, oil, and natural gas.

**Thermal Coal:** Thermal Coal includes lignite, bituminous, anthracite and steam coal, and excludes revenue from metallurgical coal.

**Tobacco products** include Cigars, blunts, cigarettes, beedis, kreteks, smokeless tobacco, snuff, snus, dissolvable and chewing tobacco. This also includes companies that grow or process raw tobacco leaves.

**Cluster bombs:** A conventional munition that is designed to disperse or release explosive submunitions each weighing less than 20 kilograms, and includes those explosive submunitions. It does not mean the following: A munition or submunition designed to dispense flares, smoke, pyrotechnics or chaff or a munition designed exclusively for an air defence role; A munition or submunition designed to produce electrical or electronic effects.

**Anti-personnel mines:** Mines designed to be exploded by the presence, proximity or contact of a person and which will incapacitate, injure or kill one or more persons. Mines designed to be detonated by the presence, proximity or contact of a vehicle and that are equipped with anti-handling devices, are not considered anti-personnel mines as a result of being so equipped.

**Controversial Weapons:** Any weapons or munitions subject to bans under international treaties or conventions including:

- Cluster Bombs
- Anti-Personnel Mines
- Biological and chemical weapons

- Depleted uranium munitions
- White phosphorous munitions
- Laser blinding weapons
- Weapons using non-detectable fragments

**Arctic Oil:** The definition of Arctic is geographical and includes oil exploration and production activities north of the 66.5 latitude.

**Oil Sands:** A type of petroleum deposit found in loose sands, or partially consolidated sandstone that contain a naturally occurring mixture of sand, clay, and water, soaked with bitumen.

# Related Aviva policies

**Related Aviva policies - to read in conjunction with the ESG baseline underwriting statement**

[Aviva ESG Investment Baseline Exclusion Policy](#)

[Aviva UK Life Corporate Client Sustainability Statement](#)

[Group Risk Appetite Framework](#)

Further information on our approach to sustainability can be found here:  
[Sustainability - Aviva plc](#)

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