

## **Guideline for dealing with coal-related businesses**

With its company-wide sustainability strategy, Sparkassen-Versicherung Sachsen is committed to the Sustainable Development Goals of the United Nations and the goals of the Paris Climate Agreement to limit global warming - compared to the pre-industrial era - to 1.5 degrees Celsius. The company continuously strengthens the sustainability of its investments and thus ecological and social aspects, for example, through exclusion criteria. In addition, Sparkassen-Versicherung Sachsen Lebensversicherung AG has joined the Net Zero Asset Owner Alliance (NZAOA). This membership pursues reducing CO2 emissions from investment portfolios to net zero by 2050.

As the coal sector is responsible for two-thirds of global emissions from the energy sector, the generation of green energy is an essential prerequisite for a climate-friendly transformation. Sparkassen-Versicherung Sachsen supports the target path defined by NZAOA to phase out the coal-based energy industry by 2040 at the latest.

### **How we deal with thermal coal in project financing, property, and casualty insurance**

We exclude all new investments in listed shares and bonds of companies whose revenues derive more than 30% from the extraction and combustion of thermal coal. These exclusion criteria also apply to investments in the infrastructure and private equity asset classes. These revenue limits align with the NZAOA's "Thermal Coal Position".

We do not cover existing or future coal-fired power plants or coal mines. This approach applies to both new and renewing contracts.