

CUSTOMER STORY

How Hiscox Uses Veridion ESG Data to Power Sustainable Insurance

The Challenge

Hiscox, a [global specialist insurer](#) and a leading Managing Agent at Lloyd's of London, wanted to expand their [sustainability-linked insurance products](#) and [provide brokers with a pre-approved list of eligible customers](#) who meet ESG standards.

But they faced two major hurdles:

- **Data Gaps** – Their current data provider provided ESG ratings for public companies, but those covered only [20% of Hiscox's portfolio](#). The remaining [80% were private companies with no ESG visibility](#), leaving most of their underwriting blind to sustainability risk.
- **Opaque Scoring** – The methodology was often a [black box](#), making it difficult for underwriters and reinsurers to interpret or defend why companies were scored a certain way.

Without reliable ESG data for private firms, Hiscox risked limiting their sustainability products to only a fraction of the market, under-serving both brokers and customers demanding ESG-driven offerings.

The Solution

Hiscox turned to **Veridion** to close the data gap and build a transparent, defensible ESG screening model.

The collaboration began with a company pilot in late 2024, and by early 2025 its success led Hiscox to expand the approach across its core business portfolio.

- **Transparent, Defensible Screening:** Unlike its current provider's opaque ratings, Veridion delivers **company-level justifications and text snippets** showing whether scores are based on **real-world actions, risks, or controversies**. This gave Hiscox a level of interpretability critical for reinsurer and broker adoption.
- **New ESG Screening Model:** Working with Veridion, Hiscox designed a structured, multi-step ESG evaluation framework that combines **industry-relative benchmarks, minimum score thresholds, risk factor filters, and controversy signals** to ensure only companies meeting absolute sustainability standards are considered.
- **Sector-Specific Assessment:** Veridion's **pillar-level scoring (Environmental, Social, Governance)** enables Hiscox to adjust weightings by industry risk profile — emphasizing Environmental in energy, Governance in finance, etc.

Over **20 internal and partner meetings**, including with capital providers like **Swiss Re**, validated the robustness of Veridion's data. Stakeholders praised its **granularity, transparency, and fairness across industries**.

“For the first time, we can confidently qualify private companies for our sustainability-linked insurance products. Veridion has unlocked 80% of our portfolio that was invisible before and we can now defend every ESG decision we make.”

The Results

2–3x Expansion of Eligible Companies:

By applying Veridion's ESG scoring, Hiscox tripled the number of companies eligible for sustainability-linked products, dramatically expanding their addressable market.

Full Portfolio Visibility:

Hiscox gained ESG insight into the [private company segment that makes up the majority of their book](#), transforming blind spots into actionable intelligence.

Deeper Broker Engagement:

Hiscox now provides brokers like [Aon and Willis](#) with curated, ESG-vetted lists of prospects, accelerating sales and adoption of sustainability-linked insurance products.

Reinsurer Confidence:

Capital providers such as [Swiss Re](#) endorsed Veridion's ESG methodology as a credible proxy for private company sustainability, helping secure broad buy-in across the Lloyd's ecosystem.

Foundation for Growth:

With more eligible customers, Hiscox has significantly expanded its pipeline for sustainability-linked products — creating the potential for double-digit premium growth in the next year.

Why This Matters

By bridging the ESG data gap for private companies, Veridion enabled Hiscox to:

- **Expand their product offering** in sustainability-linked insurance
- **Enhance underwriting decisions** with transparent, rules-based, industry-specific scoring
- **Strengthen market leadership** at Lloyd's of London by guiding their own portfolio and influencing peer insurers through syndicate recommendations.

Forward-Looking: Expanding Beyond ESG

The success of the ESG initiative has positioned Veridion as a **go-to data partner across multiple Hiscox** business lines. What began as an ESG-driven screening project is now opening new opportunities in underwriting, sales, and risk intelligence:

- **Market Intelligence for Sales** – Hiscox is exploring Veridion data to power its sales teams with **real-time company insights and benchmarking at the point of customer engagement**. This would enable brokers and account managers to better target prospects and strengthen customer conversations with deeper intelligence.
- **Property & Casualty Liability** – Álvaro, who oversees this segment, has expressed strong interest in Veridion's **location intelligence data**. Use cases include:
 - Mapping **company operating locations** and building footprints
 - Assessing **proximity to environmental and operational risks**
 - Identifying **shared facility exposures**
 - Enhancing risk-based pricing models with Veridion's flexible **credit-based system**
- **Scaling Across Geographies** – Following success in the UK, Hiscox has introduced Veridion to teams in the **US, Germany, and other markets**, signaling potential for multi-line adoption across its global footprint.

Products & Data Points List

To support underwriting and risk assessment, Hiscox leverages a wide array of Veridion data points:

Business Activity Insights

Generated Business Descriptions

Generated Business Tags

Industry Codes

Firmographics

Revenue

Employee Counts

Risk Exposure

Hazardous materials and other risk indicators

ESG controversy signals (e.g., corruption, human rights)

Location Intelligence (Property & Casualty Liability Use Case)

Company Operating Locations

Location Type & Building Footprint

Proximity to Risks

Association of Business Risks within Shared Facilities



About Hiscox

Hiscox is a global specialist insurer and a leading Managing Agent at Lloyd's of London, underwriting a diverse range of international and specialist risks through its Lloyd's Syndicates 33 and 6104. Headquartered in Bermuda and listed on the London Stock Exchange, the company offers insurance for professionals, businesses, and homeowners through its retail operations and focuses on larger, specialty, and reinsurance business via Hiscox London Market.

Learn more

[Hiscox Group](#)

[Veridion ESG Data](#)