



α.s.r.  
de nederlandse  
verzekerings  
maatschappij  
voor alle  
verzekeringen

# Sustainable value creation

May 2023

## a.s.r.'s purpose

*a.s.r.'s helps customers share risks and accumulate capital for later*

*The sustainable solutions a.s.r. offers, take into account the interests of people, environment, society and future generations*

**Picture on the front page: Jaap Rodenburg-wind farm**

a.s.r. invests in wind turbines and solar panels to contribute to the energy transition. The wind turbines invested, together with a solar park, generate energy for more than 210,000 households. On 6 May 2021, a.s.r. acquired the Jaap Rodenburg-wind farm in Almere Pampus

# External recognition of a.s.r.'s sustainability profile



# 2

World insurance



AA

Scale: CCC – AAA

Dow Jones  
Sustainability Indices

# 10

World insurance



C+  
(Prime)

Scale: D- – A+



62 points

Scale: 0 – 100



B

Scale: D- – A



3.9

0 to 5



Included

Since 2022



Responsible investments

# 3

Tax transparency

# 6



# 1

Dutch Fair  
Insurance Guide



Ministerie van Economische Zaken  
en Klimaat

# 17

Transparency  
benchmark



Included

Since 2022

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# a.s.r. well positioned in the Dutch insurance market<sup>1</sup>

#2

Market positions Life & Non-life combined

6,041

Gross written premiums (€ million)

9.1%

Strong organic growth in Non-life<sup>2</sup> GWP



Customer base

2.8 million

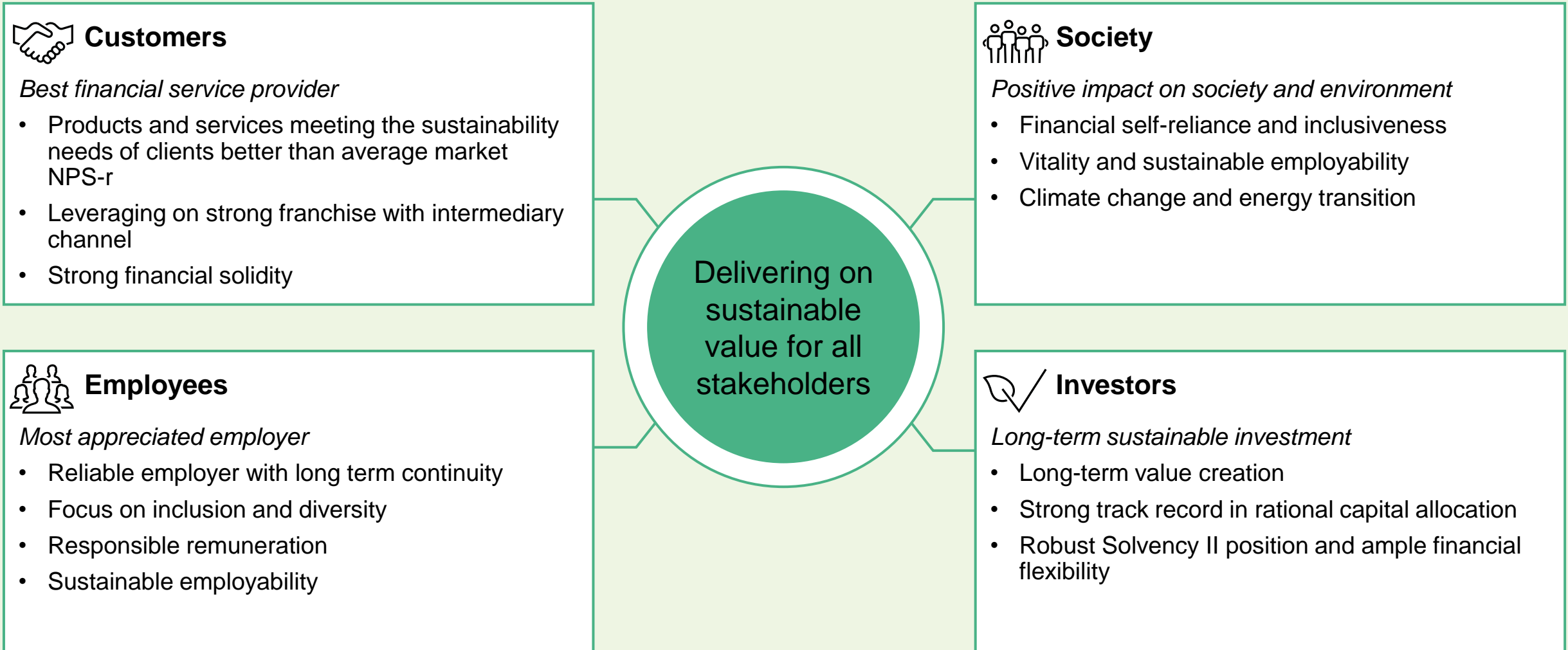
Strong brands with multi-channel distribution



Employee engagement

88 percentile

# Sustainable value creation for all stakeholders is key to a.s.r.



# Societal impact along three sustainability themes

## 1 Financial self-reliance and inclusiveness



- Societal challenge: 1 in 5 households have (high-risk) debts, insurability of vulnerable target groups
- Our added value: enable people, including vulnerable groups, to take responsible risks and make well-considered financial choices
- Examples of products & services: Platform 'Ik denk vooruit' (*I think ahead*), 'Startershypotheek' (*mortgage for starters*)

## 2 Vitality and sustainable employment



- Societal challenge: rising healthcare costs, structural health challenges, rising retirement age
- Our added value: prevention of and dealing with illness, absence and disability in order to stimulate sustainable employment
- Examples of products & services: the 'Doorgaan' Insurance (*support entrepreneurs after sickness*), AOV Langer mee (*for physically demanding jobs*), reintegration support, a.s.r. Vitality

## 3 Climate change and energy transition



- Societal challenge: action is needed to mitigate and adapt to climate change and foster the energy transition
- Our added value: helping clients with the prevention or reduction of climate risks and enable the energy transition by our investments and products and services
- Examples of products & services: Sustainability covers in home insurances, sustainable repair service, the 'Verduurzamingshypotheek' (*to make your home more sustainable*), impact investments

# Sustainable Development Goals applicable to a.s.r.



The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs)

a.s.r. has identified six sustainable development goals in connection with its integrated business strategy, to which it has most to contribute as a sustainable insurer, investor, employer and socially engaged business partner

## Financial self-reliance and inclusiveness



Economic growth must be inclusive to provide sustainable jobs and promote equality



Promote inclusive and sustainable economic growth, employment and decent work for all

## Vitality and sustainable employment



Ensure healthy lives and promote well-being at all ages



Promote inclusive and sustainable economic growth, employment and decent work for all

## Climate change and energy transitions



Ensure access to affordable, reliable, sustainable and modern energy



Take urgent action to combat climate change and its impacts

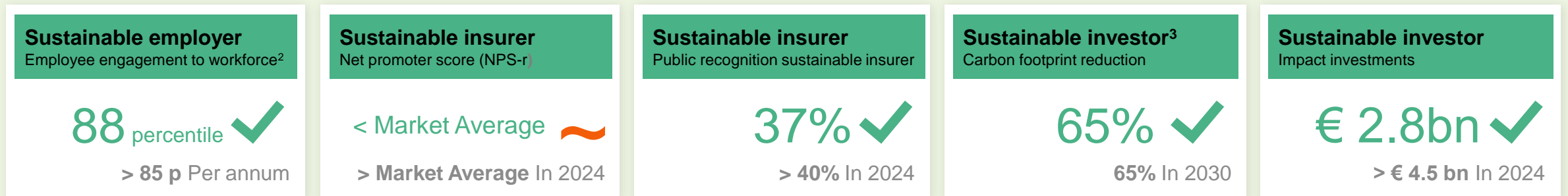


Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



# Delivering in 2022 on sustainable value creation for all stakeholders

## Non-financial realisation versus target (2022 – 2024)<sup>1</sup>



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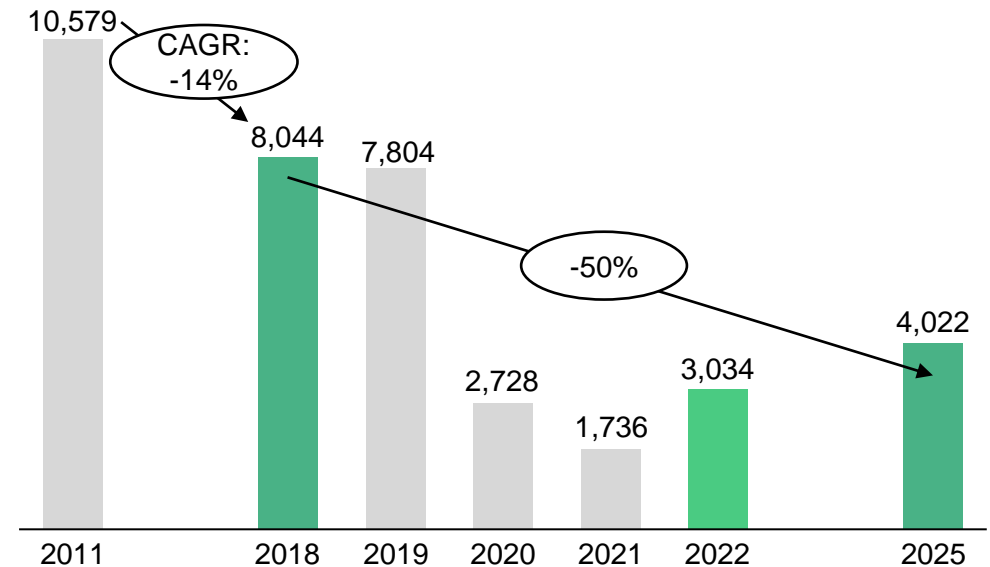
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# Own operations: a.s.r. operates CO<sub>2</sub>-eq neutral

## Goal: to reduce CO<sub>2</sub>-eq emissions in 2025 by 50% compared to 2018

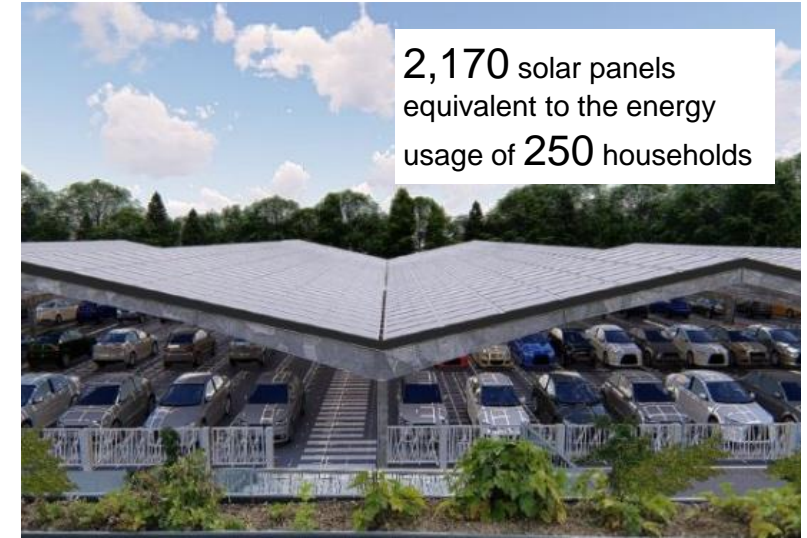
- a.s.r. assumes that COVID-19 will change patterns of travel, which means more often working from home and less business travels
- The number of leased cars at a.s.r. will decrease and all fossil-powered lease cars will be replaced by electric cars by 2025 at the latest. From 2021 onwards only full electric lease cars are allowed to further decrease the CO<sub>2</sub>-eq emissions
- Renewable energy is obtained via solar panels and energy is saved via aquifer storage and recovery (thermal differences for summertime cooling and for wintertime heating). The remaining part consists of zero emission wind energy
- Since September 2019, a.s.r. has stopped the use of natural gas at a.s.r.'s head office

## a.s.r.'s CO<sub>2</sub>-eq emissions (tonnes)



Due to the lockdown restrictions as a result of the COVID-19 measures by the Government, the carbon footprint of the own operations were significantly positively effected which resulted in achieving the CO<sub>2</sub>-eq emissions targets in 2020, 2021 and (partly) 2022

# a.s.r.'s headoffice is one of the most sustainable in the Netherlands



2,170 solar panels  
equivalent to the energy  
usage of 250 households

- **98%** of the **23,000** tonnes of demolition produced was **reused** during the renovation (2013-2015)
- Renewed head office has become **50%** more **energy-efficient** than before

- a.s.r.'s head office, 91,912 square meters, is one of the **most sustainable office buildings** in the Netherlands with an **energy label of A++**
- a.s.r. **stopped consuming gas** mid-2019; the head office is now heated and cooled by means of a **heat pump**

- a.s.r.'s parking deck, opened on 16 September 2021, has a roof full of **solar panels**
- **250 electric cars** can be charged and discharged simultaneously
- Since 1 January 2021 **all new lease cars** are 100% electric

# Towards a climate-neutral investment and insurance portfolio

## The Net Zero Asset Managers initiative

a.s.r. joined the **Net-Zero Asset Managers Initiative** to reduce greenhouse gas emissions by the year 2050 to net zero

- Intermediate target of the reduction of the carbon footprint of the investment portfolio for own account (sovereign bonds, corporate bonds and equities, real estate and mortgages) by 65% in 2030 compared to 2015



The Net-Zero Insurance Alliance

a.s.r. joined the **Net-Zero Insurance Alliance** to reduce CO<sub>2</sub>-eq emissions in our insurance portfolio by the year 2050

- In this partnership, several leading (re)insurers are working together to make their insurance portfolios climate-neutral. In January 2023, the Alliance's first Target-Setting Protocol (TSP) was launched, which assists members in setting their first intermediate net zero targets

## Climate metrics and targets

### Selection of KPIs

	Target	Realisation 2022
Reduction of carbon footprint of the investment portfolio's in-house own funds (scope 3) <sup>1</sup>	65% by 2030	65.3%
Impact investments	€ 4.5 billion in 2024	€ 2.8 billion
Reduction of carbon emissions (insurance portfolio)	Climate neutral by 2050	Methodology published
Make P&C's insurance products, as far as they are influenced by climate risks and opportunities, more resilient and enhance these products with (more) sustainable covers	100% by 2025	60%
Reduction of carbon footprint of operations a.s.r. <sup>2</sup>	50% in 2025	51.1%



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# a.s.r. creates sustainable value as an attractive employer



## Positive employee experience

a.s.r. defines a positive employee experience as:

- Employees experiencing the freedom to take control and make choices in their work and career
- Employees enjoying their work, feeling connected and being physically and mentally healthy
- Employees feeling included, recognised and valued for who they are



## Employee engagement

- Denison Organisation Success Survey is an annual survey measuring the success of an organisation in several areas, including employee engagement compared to a global benchmark of more than 1,200 large organisations
- Employee engagement is measured by means of four themes: vision, core values, empowerment and knowledge development

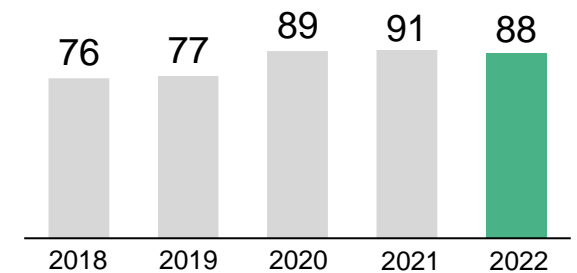


## eMood (employee Mood Monitor) introduced at the start of COVID-19

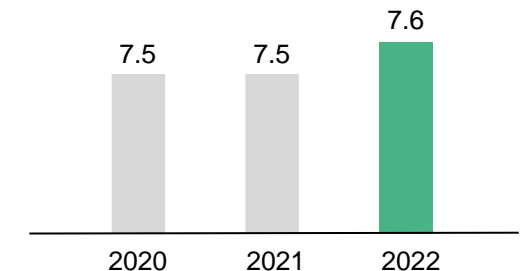
- eMood-score measures how employees feel in terms of happiness at work, vitality and productivity. The average of these scores is called the mood of a.s.r.
- Between 2,500 to 2,900 FTEs participate in this weekly survey

## Employee engagement – Denison scan (Percentile)

Target 2024: **at least 85**



## eMood introduced in 2021



# a.s.r. promotes a diverse and inclusive culture

## Fundamental principles of a.s.r.'s diversity, equity and inclusiveness policy:

- Objective to achieve a balanced workforce composition based on age, gender, cultural or ethnic origin, physical and mental capacity, beliefs and working styles
- Promotion of a balanced composition of management through a policy of gender and cultural diversity
- Equal development opportunities for all employees
- Participation of people with limited labour market potential

- At least 33% of the Supervisory Board, Executive Board and senior management to be female or male
- a.s.r.'s diversity policy is part of the recruitment process and the employee review, in which succession planning, among other things, is discussed
- In the Netherlands employers are prohibited by law from making a distinction based on nationality, religion, philosophy of life, political opinion, and sexual orientation

Gender diversity, 2022	Female	Male
Supervisory Board	40%	60%
Executive Board	33%	67%
Senior management	22%	78%



Gross average hourly wages, 2022	Female	Male
Executive Board <sup>1</sup>	334	346
Senior management	125	124
Management excl. sr. and jr. mngt	61	68
Junior management	41	41
Non-management	26	30

Differences in hourly wages between women and men shown are caused by the higher average number of years of service of men (on average 3 years more than women), in which they have reached on average a relatively higher position on the salary scale for a given job

# Recognition for Diversity, Equity & Inclusion



- **a.s.r. is #54 of 668 European companies and #3 in the Netherlands**
- European Women on Boards (EWOB) is a non-profit association with a focus on promoting gender equality in European decision-making and conducting research on gender diversity across the largest European corporations and disseminate best practices on corporate governance policies and measures which favor gender diversity
- The Gender Diversity Index is co-funded by the Rights, Equality and Citizenship Programme of the European Union

Date: 20 January 2022



- **a.s.r. ranked among the 100 companies (#98) worldwide, being the third Dutch company in this list**
- Equileap is an organisation providing data and insights on gender equality in the corporate sector that researched and ranked over 3,500 public companies around the world using a Gender Equality Scorecard across 19 criteria, including the gender balance of the workforce, senior management and board of directors, as well as the pay gap and policies relating to parental leave and sexual harassment

Date: 4 March 2021



- **a.s.r. is 'Best Employer 2021' in the Netherlands**
- This quality mark by Effectory (formerly known as Best Employer) is the largest independent quality mark for good employment practices in the Netherlands and is based on the experiences of employees themselves
- With the highest score of all industry winners, a.s.r. has been proclaimed as the World-class Workplace in the Netherlands
- Effectory assesses employers in various industries with an employee questionnaire. The questions are about organisational direction, work pride and the use of talent

Date: 20 May 2021



- **a.s.r. wins HR Proffie for most innovative HR policy**
- a.s.r. has won the award for the most innovative and inspiring HR policy in the Netherlands. The jury of the HR Proffie looked at organisations that have responded well to changing circumstances while retaining the corporate culture
- The jury report states a.s.r. is an "inspiring example of continuing to facilitate, monitor well-being and keep in touch with employees in times of COVID-19 and beyond". The prize is an initiative of NVP, the trade association for HR professionals, and is made possible in part by Berenschot, SkillsTown and Human Capital Group

Date: 1 Dec 2022



- **a.s.r. is included in the 2023 'Bloomberg Gender-Equality Index'**
- The 2023 Bloomberg Gender-Equality Index includes 484 companies across 54 industries headquartered in 45 countries and regions
- The framework relates to female leadership & talent pipeline, equal pay & gender pay parity, inclusive culture, anti-sexual harassment policies and a pro-women brand
- A company's GEI Score is determined by its level of disclosure and performance (data excellence)

Date: 31 January 2023

# Safeguarding the common culture of a.s.r. and Aegon Nederland

***On 27 October 2022, a.s.r. and Aegon N.V. announced the intended business combination of a.s.r. with Aegon Nederland. The closing of this transaction is expected on 1 July 2023, the earliest. To prepare for this transaction, a.s.r. and Aegon Nederland started with a culture measurement of both companies (see also slide 24)***

- At a.s.r. and Aegon Nederland, a culture measurement has taken place among employees with the aim of identifying the strong points of the culture of both organizations
- The insights will be shared with management to provide them input about cultural elements which they may want to maintain in the new organization
- Korn Ferry was hired to assess the culture of a.s.r. and Aegon Nederland by means of a questionnaire and interviews
- The questionnaire was distributed via e-mail to 700 employees of a.s.r. and the same number at Aegon Nederland. The culture measurement was anonymous, and the selection of all participants was random
- The interviews were held with a sub-set of employees of each organization
- After the closing of the transaction, the results will be shared within a.s.r. and Aegon Nederland



# a.s.r. actively participates in society

## a.s.r. encourages employees to contribute to society

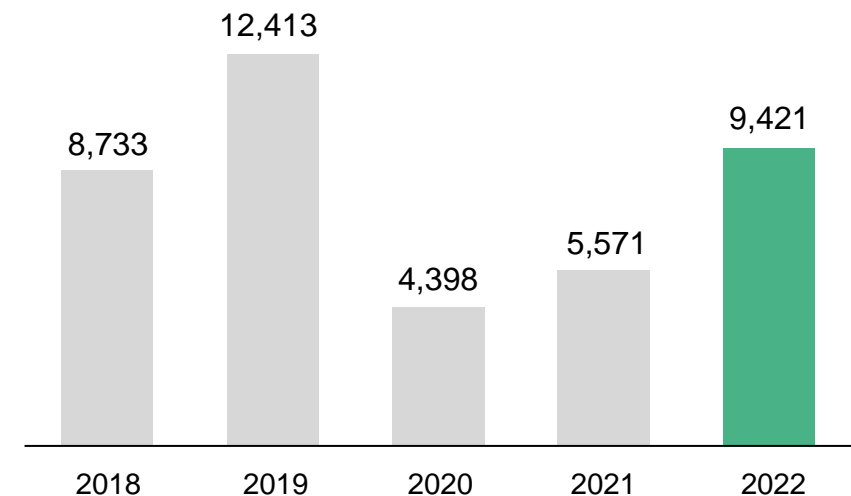
- By setting aside time and financial resources on an annual basis
- a.s.r. initiates projects through the voluntary efforts of colleagues in relation to two themes:
  - Financial self-reliance: helping to prevent people from getting into debt or getting them out of debt through the voluntary commitment of employees
  - Helping by doing: inspiring, motivating and mobilising a.s.r. employees to engage in community activities in a broad sense

## Contributing to prevent financial problems for customers

- In 2016, a.s.r. joined a group of companies committed to helping customers with late payments to proactively find a solution
- These companies have joined together in a coalition which has laid down ten rules of conduct in an Ethical Manifesto
- a.s.r.'s businesses have put the ten rules of the Ethical Manifesto into effect

## Employee contribution to local society

(in no. of hours)



Due to the COVID-19 related lockdown and social distancing restrictions in 2020, 2021 and in the beginning of 2022, employee distribution decreased strongly

# a.s.r. is a socially responsible taxpayer



## Tax objectives and strategy

- a.s.r. is a socially responsible taxpayer and is fully compliant with the tax law
- a.s.r. does not use any structures aimed at tax avoidance, nor will it allocate profits to jurisdictions with low tax regimes or make use of tax havens
- Also, a.s.r. has no products that help customers to avoid or evade taxes
- The basic premise is that a.s.r. acts in accordance with the spirit and letter of the tax legislation and regulations in the countries in which it operates
- In optimising the tax planning, business considerations are leading
- The Audit and Risk Committee (A&RC) supervises the tax policies pursued in line with the Dutch Corporate Governance Code
- In view of its open and transparent relationship with the tax authorities, a.s.r. proactively coordinates the tax consequences of various transactions in advance with the tax authorities
- a.s.r. subscribed the Dutch Tax Governance Code (18 May 2022) developed by the employers' organisation VNO-NCW

- In January 2013, a.s.r. and the Dutch tax authorities signed the Horizontal Monitoring Covenant that sets out how a.s.r. and the tax authorities will engage with one another: with mutual trust and in an open, transparent manner
- The Horizontal Monitoring Covenant has been further developed by the tax authorities into an Individual Monitoring Plan (IMP)

(€m)	2022
Result before tax	929
Corporation tax in P&L	204
Nominal tax burden	25.8%
<b>Effective tax burden</b>	<b>22.9%</b>
<b>Effective tax burden (3y av.)</b>	<b>21.7%</b>

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# Corporate governance framework in line with Dutch practice



# Strong governance through a two-tier board structure

## a.s.r. has a two-tier board

### Supervisory Board

The task of the Supervisory Board is to supervise the policies of the Executive Board and the general state of affairs at a.s.r. Furthermore, the Supervisory Board provides the Executive Board with advice on all relevant topics



Joop Wijn  
Dutch, 1969  
**Chairman**



Herman Hintzen  
Dutch, 1955  
**Vice-Chairman**



Sonja Barendregt  
Dutch, 1957  
**Member**



Gerard van Olphen  
Dutch, 1962  
**Member**



Gisella van Vollenhoven  
Dutch, 1970  
**Member**

### Works Council

Represents interests of all employees

Weighs up both the interest of the company and that of the employees

### Executive Board

The Executive Board is responsible for the realisation of corporate objectives, the strategy with its associated risks and the development of the results, taking the interests of the entire company into consideration



Jos Baeten  
Dutch, 1958  
**CEO**



Ewout Hollegien  
Dutch, 1985  
**CFO**



Ingrid de Swart  
Dutch, 1969  
**COO/CTO**

Advisory role in commercial and organisational issues, including M&A, integrations, divestments

### Business Executive Committee (BEC)

- The BEC shares responsibility for the implementation of the business strategy and consists of:
  - Executive Board members
  - Chief Risk Officer
  - Several heads of Business Lines and Staff departments
- The BEC supports the Executive Board, and is co-responsible for the implementation and realisation of the business strategy
- Only the members of the Executive Board have voting rights in the meeting of the BEC



# Governance after closing of the Transaction with Aegon N.V.

## On 27 October a.s.r. announced the Transaction with Aegon N.V. to combine the businesses of a.s.r. and Aegon NL

- a.s.r. will pay Aegon N.V. for its Dutch businesses (excl. asset management) at closing a total consideration of € 4.9 billion comprising of € 2.2 billion in cash and a 29.99% equity stake in ASR Nederland N.V. (holding entity)
- After the closing, Aegon N.V. will become a 29.99% shareholder, the principle of *one share one vote* remains
- Aegon will have a 180 days standstill after closing

## Shareholders Agreement (max. for 5 years)<sup>1</sup>

### Aegon holds > 20% of outstanding shares

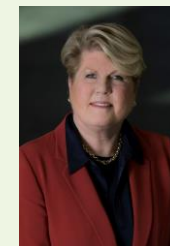
- The right to nominate 2 SB members, one must be a woman and the other being the CEO or CFO of Aegon N.V.
- Affirmative vote on significant changes in the dividend policy, material decisions on capital management, reinsurance and capital allocation, dilutive transactions (incl. issuance of hybrid bonds) and material M&A transactions
- Aegon is entitled to designate one Nominee to serve on the Audit and Risk Committee and one Nominee to serve on the Nomination and ESG Committee

### Aegon holds >10% and < 20% of outstanding shares

- The right to nominate 1 SB members, being the CEO or CFO of Aegon
- Affirmative vote on material decisions on capital management, reinsurance and capital allocation, dilutive transactions (incl. issuance of hybrid bonds) and material M&A transactions
- Aegon is entitled to designate one Nominee to serve on either the Audit and Risk Committee or the Nomination and ESG Committee



**Lard Friese**  
CEO Aegon N.V.



**Daniëlle Jansen Heijtmajer**  
Chair of SB  
Aegon Nederland  
N.V.

# Countervailing power organised along the *three lines of defence*<sup>1</sup>

Risk governance structure based on the ‘three lines of defence’ model, which consists of three defence lines with different responsibilities with respect to the ownership of controlling risks

## Three lines of defence

### First line of defence

- Executive Board
- Management teams of the business lines and their employees
- Finance & Risk decentral



*Ownership and implementation*

### Second line of defence

- Group Risk Management department
  - Risk Management function
  - Actuarial function
- Integrity department
  - Compliance function



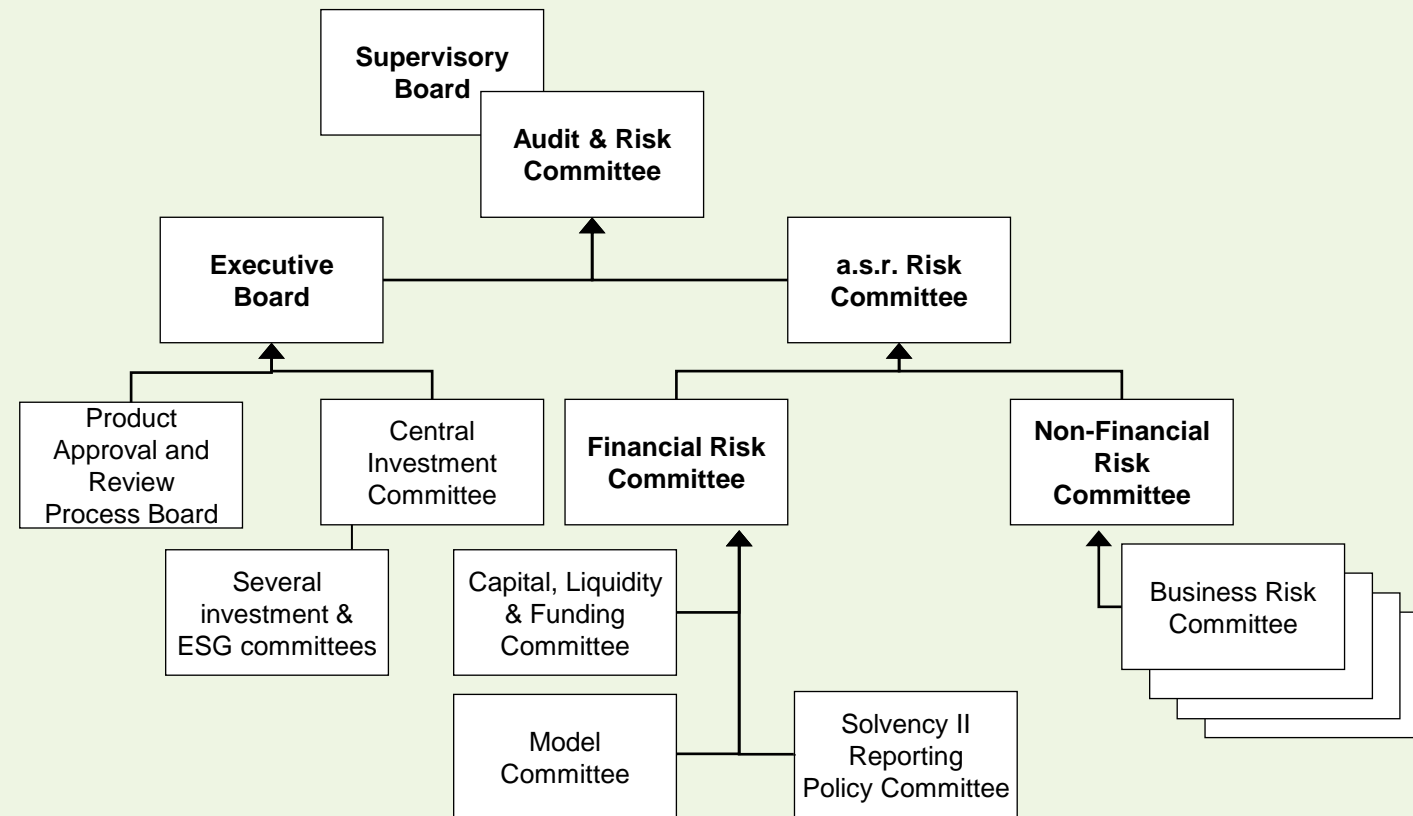
*Policies and monitoring the implementation by the 1<sup>st</sup> line*

### Third line of defence

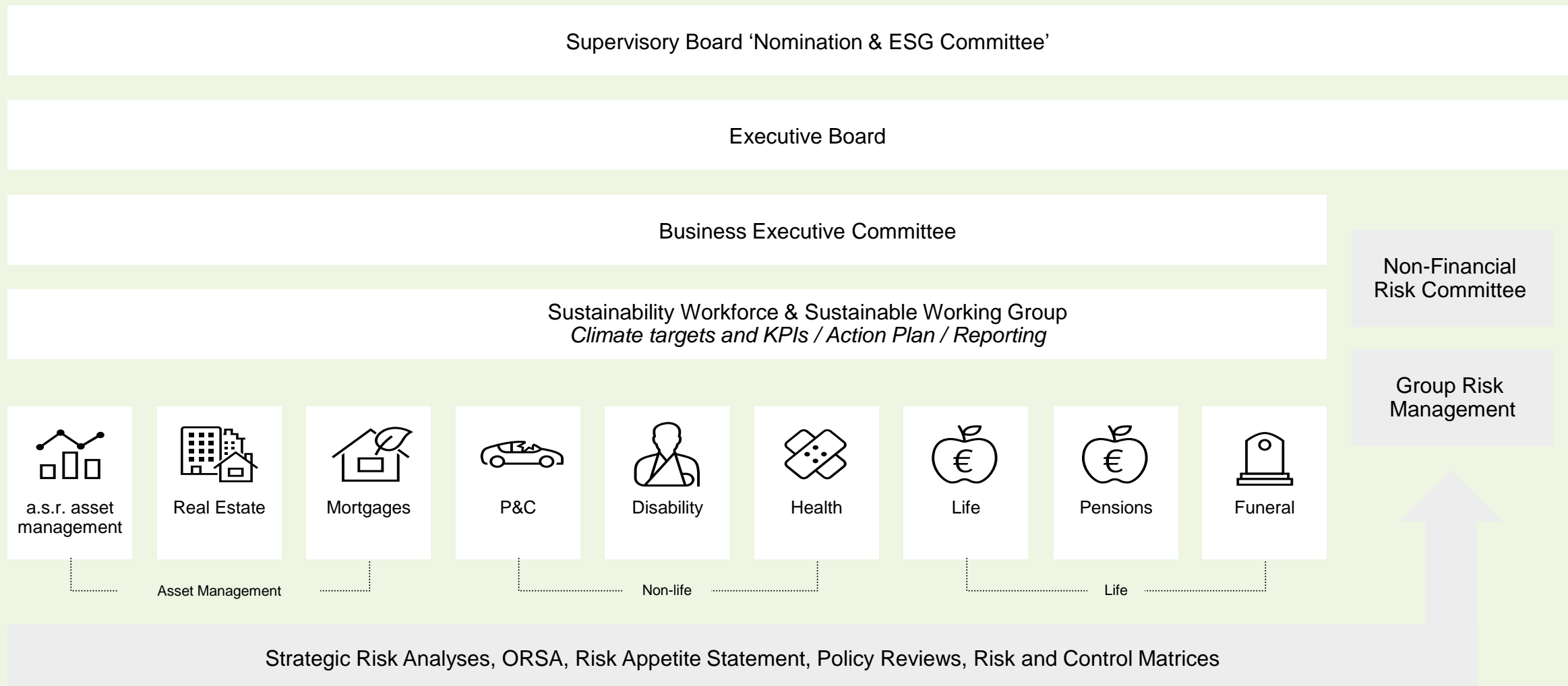
- Audit department
  - Internal Audit function



*Independent assessment of the 1<sup>st</sup> and 2<sup>nd</sup> line*



# ESG governance embedded within a.s.r.



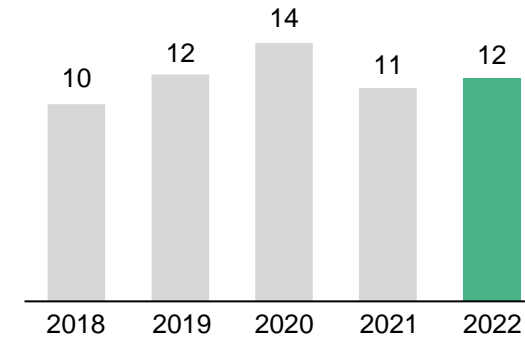
# Socially responsible Executive Board remuneration policy

## Elements of the remuneration policy

- Remuneration package include a fixed salary and does not include any form of a variable remuneration scheme
- In line with the other employees of a.s.r., the salary is plotted in salary scales and Executive Board members progress through the salary scales in the same way as employees
- Employees receive an annual increase of 3%. For Executive Board members, the Supervisory Board has the option of adjusting this growth path slightly, upwardly or downwardly (increase of 0% to 6%)
- Executive Board salary scales determined by a comparison with a reference group consisting of Dutch financials and other listed companies with an ESG profile

## CEO pay-ratio stands at 11.5x as per year-end 2022

(5-year average: 11.6x)



Dutch financial daily, FD.nl (5 April 2021): pay-ratio of CEOs of the 27 largest companies listed on Euronext Amsterdam rank between 137x and 6x, with an average of 49x

## Shareholder alignment

- To assure alignment with shareholders' interest, the Supervisory Board made binding agreements with the individual Executive Board members on the ownership of a.s.r. shares. These agreements are individual and in addition to the remuneration policy
- The CEO has committed himself to hold shares equal to 75% of his most recent gross salary in euro. For the CFO and the COO/CTO the commitment is set at 50%

# a.s.r.'s Green Finance Framework and Green Revolving Credit Facility

## Green Finance Framework

- In alignment with the ICMA Green Bond Principles (GBP) and UN Sustainable Development Goals, a.s.r. developed a Green Finance Framework under which it can issue senior- and subordinated debt
- Financing will be used to (re)invest in sustainable projects, such as renewable energy, energy efficiency, green buildings and clean transportation
- The Framework is characterised by strict criteria for asset allocation of proceeds, including a maximum refinancing period of 2 years for all assets, providing investors with certainty that the proceeds of a future a.s.r. green bond will be used for recent and future investments
- a.s.r. engaged Sustainalytics to provide a Second-Party Opinion (SPO). Sustainalytics is of the opinion that the framework is credible and impactful and aligns with the four components of the GBP
- Furthermore, Sustainalytics assessed the framework's alignment of the Use of Proceeds criteria with the EU Taxonomy Climate Delegated Act. The full report (SPO) can be found on the a.s.r. website ([link](#); see slide 48)



## Green Revolving Credit Facility

- In 2022, a.s.r. adjusted its Unsecured Revolving Credit Facility (RCF) to a Sustainability-linked RCF
- The Sustainable RCF contains non-financial KPI's that are aligned with and support a.s.r.'s sustainability strategy and reflect a.s.r.'s most material sustainability topics. Achieving the selected KPI's will create a discount on the margin in case the target values for the Sustainability KPIs are met



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# ESG in our products

## Sustainable Insurance Policy

**Formalised and adopted in May 2021**

- Sustainable insurance policy describes the way ESG is integrated into the insurance processes and provides frameworks for the application of sustainability criteria in underwriting and in product development and pricing
- Policy applies to all Business Lines that offer insurance products and services

## Underwriting policy

**The ESG risk inventory is complementary to Customer Due Diligence risk inventory**

- An ESG risk inventory is triggered when a company is active in one of the following sensitive sectors:
  - Arms industry
  - Gambling industry
  - Tobacco industry
  - Fossil or nuclear energy industry
  - Animal intensive or animal testing industry
  - Fisheries
- In case of substantial ESG risks or multiple ESG risks, the underwriter will escalate the risk assessment to the Underwriting Team, which may decide to reject a customer on the basis of ESG risks, or accept customers subject to conditions (such as agreements to mitigate ESG risks)

## Product policy

**Sustainability and ESG are reflected in the various elements of product policy**

1. The process of product development
  - Process to take customer's interest and societal interest into account, identifying potential positive and negative impact on ESG topics early in the development process
2. The pricing of products and services
  - Within the framework of our regular pricing policy, we include sustainable product elements in our insurances and make sustainable products insurable and affordable
3. The implementation of products and services
  - We integrate sustainability into our insurance operations by working as sustainably as possible, e.g., online inspections
  - In data-driven applications, we make use of an ethical framework

# Examples of sustainable product innovations

## a.s.r. ...

- ... develops sustainable products and services creating long term value
- ... offers solutions that align with the needs of its customers and help solve societal challenges
- ... supports clients and insurance intermediaries by actively sharing relevant content and practical guidance for damage prevention

€ 3.3 billion Claims paid in Non-life

> 2.8 million Customers

+50 / -11 Net Promoter Score (c / r)

2022



First Dutch insurance to protect against floods



Starters mortgage of 40 years term of duration



Disability insurance for physically demanding jobs



Product to support entrepreneurs after sickness



Making your house more sustainable via your mortgage

a.s.r. | Vitality

Encouraging customers to make healthier choices



Reintegration support



Platform 'I think ahead'



Your damage repaired quickly and sustainably

# Sustainable damage repair: *'a no-brainer if you know the figures'*

**a.s.r. encourages customers in a commercial to opt for sustainable repair in the event of damage rather than replacing parts or items**

- Research by CE Delft<sup>1</sup> shows that the climate impact of repair is three to six times lower than that of replacement
- The target set is to increase the percentage of sustainable repair to vehicles and property to 85% and 50% respectively, of all repairable damages in 2025

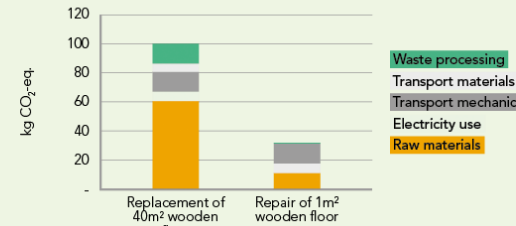
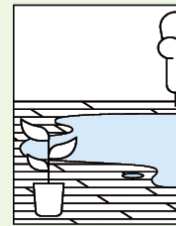
## Process: damage replacement



## Process: damage repair

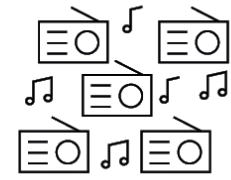


## Comparison climate impact water damage on wooden floor

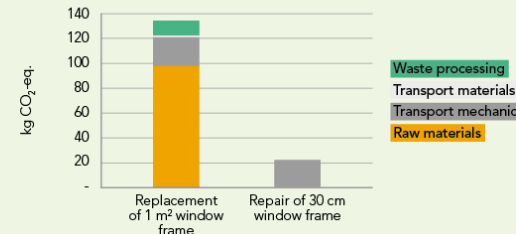
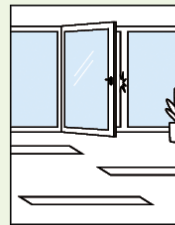


Repair saves  
**68 kg CO<sub>2</sub>**

Equals:  
radio turned on  
during 1.6 years



## Comparison climate impact burglary damage to window

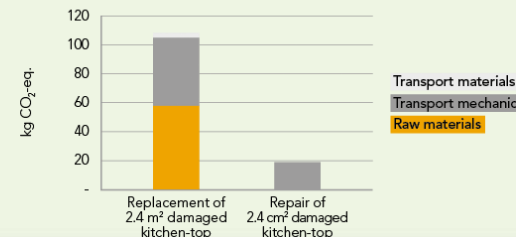
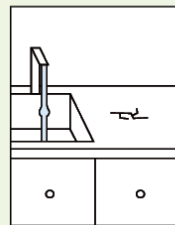


Repair saves  
**112 kg CO<sub>2</sub>**

Equals:  
**16.4 times Amsterdam-Utrecht by car**

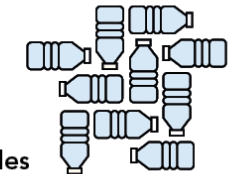


## Comparison climate impact damaged kitchen-top



Repair saves  
**89 kg CO<sub>2</sub>**

Equals:  
the production of  
**1,022 plastic bottles**



# a.s.r. invests in sustainable repair via two new partnerships

a.s.r. announced on 22 March 2023 that it took a majority interest of 70% in soople, a damage repair company and a minority interest of 49.8% in Fixxer, a new company set up in collaboration with Belfius Insurance who holds a majority stake

Both soople and Fixxer have specialist knowledge and experience that will enable a.s.r. to take the next step in its strategy as a sustainable non-life insurer and to invest in sustainable damage repair. By setting up an efficient chain and creating scale, we can offer sustainable damage repair at the same or lower costs



- **soople** is specialised in property maintenance and repair work. The damage repair company is connected to a.s.r.'s sustainable repair network in April 2023; customers can already use its services
- Next to the online environment for customers to quickly post requests, soople can also take over the communication with tenants or residents and provide a clear and transparent overview of costs

FIXXER LOGO TO BE DEVELOPED

- **Fixxer** will be responsible for the management and further development of the digital service platform for non-life customers. It is based on the proven technology of Jaimy, that was developed by Belfius Insurance
- Customer can use Fixxer to select and plan a repairer, request for a repair/maintenance quote, maintenance work at a fixed price, etc.

# Partnerships strengthen a.s.r.'s sustainable product offering



## ASN Bank

Partnership with ASN Bank for the distribution of a.s.r.'s sustainable P&C insurance products

- ASN Bank's mission is to foster environmental and social sustainability



## Triodos Bank

Partnership regarding impact investment with Triodos Bank to jointly lend € 600 million to companies, institutions and projects in the area of green energy, the sustainabilisation of property and the healthcare sector

- Triodos Bank's mission is to help create a society that protects and promotes quality of life and human dignity for all



## Sustainable repair companies






Partnership with multiple sustainable repair companies for sustainable repair (*Groen Gedaan*). These companies are regularly tested for their environmentally-friendly repair methods, levels of energy consumption, processing of waste, re-use of materials, care for the sustainable employability of their employees, recycling and use of non-harmful products

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# Socially Responsible Investment (SRI) Policy

 Policy	 Active ownership	 Positive selection	 Exclusions	 Impact investing
<ul style="list-style-type: none"><li>• Policy based on international standards and applied on all asset categories</li><li>• Minimum requirements set for external managers</li><li>• International Corporate Social Responsibility (ICSR) agreement for insurers</li></ul>	<p><b>Companies</b></p> <ul style="list-style-type: none"><li>• Engagement for monitoring: continuous dialogue with management of companies</li><li>• Engagement for influencing on controversy versus the SRI policy</li><li>• Voting at AGMs (~ 96%)</li></ul> <p><b>Companies &amp; Countries</b></p> <ul style="list-style-type: none"><li>• Initiatives to enhance ESG (best) practices or to put specific ESG issues on the agenda of policymakers, government, regulatory bodies and/or sector organisations</li></ul>	<p><b>Companies</b></p> <ul style="list-style-type: none"><li>• Above average ESG scores</li><li>• Positive selection of companies performing well on ESG categories such as labour rights, environment, forward looking carbon data, corporate governance, human rights</li></ul> <p><b>Countries</b></p> <ul style="list-style-type: none"><li>• Positive selection of countries with high score - 1st quartile - in SDG-index</li></ul>	<p><b>Companies</b></p> <p><u>Controversial activities:</u></p> <ul style="list-style-type: none"><li>• Weapons</li><li>• Gambling</li><li>• Tobacco</li><li>• Nuclear energy: &gt;50%</li><li>• Fossil fuels: see next slide</li></ul> <p><u>Controversial behaviour:</u></p> <ul style="list-style-type: none"><li>• UN Global Compact violations</li></ul> <p><b>Countries</b></p> <ul style="list-style-type: none"><li>• Democratic freedom: 'Not Free' by Freedom House</li><li>• Corruption: CPI &lt; 30</li><li>• Environment: score for SDGs 7,13,14, 15 &lt; 50</li></ul>	<ul style="list-style-type: none"><li>• Investments in sustainable sectors and companies aligned to the SDG mapping from the UN</li><li>• For all asset classes, targeting at clean energy, clean tech, health, social enterprises, infrastructure projects</li><li>• Target 2024 of € 4.5 billion</li><li>• Impact investing year-end 2022: € 2.8 billion</li></ul>

# SRI Policy: CO<sub>2</sub>-eq reduction in the investment portfolio

## Exit strategy fossil:

- 65% reduction of CO<sub>2</sub>-eq emissions in entire investment portfolio by 2030 compared with 2015, net zero emissions by 2050
- Exit strategy for investments in fossil fuels
- Impact investments up to €4.5 billion by the end of 2024, €2.8 billion at the end of 2022

### Phase 1

- Investments in coal mining
- Investments in unconventional oil and gas such as shale gas, arctic oil and tar sands (>5% revenue)
- Size of these remaining investments was **€80 million**
- Sold by the end of 2021 and included in the list of excluded companies

### Phase 2

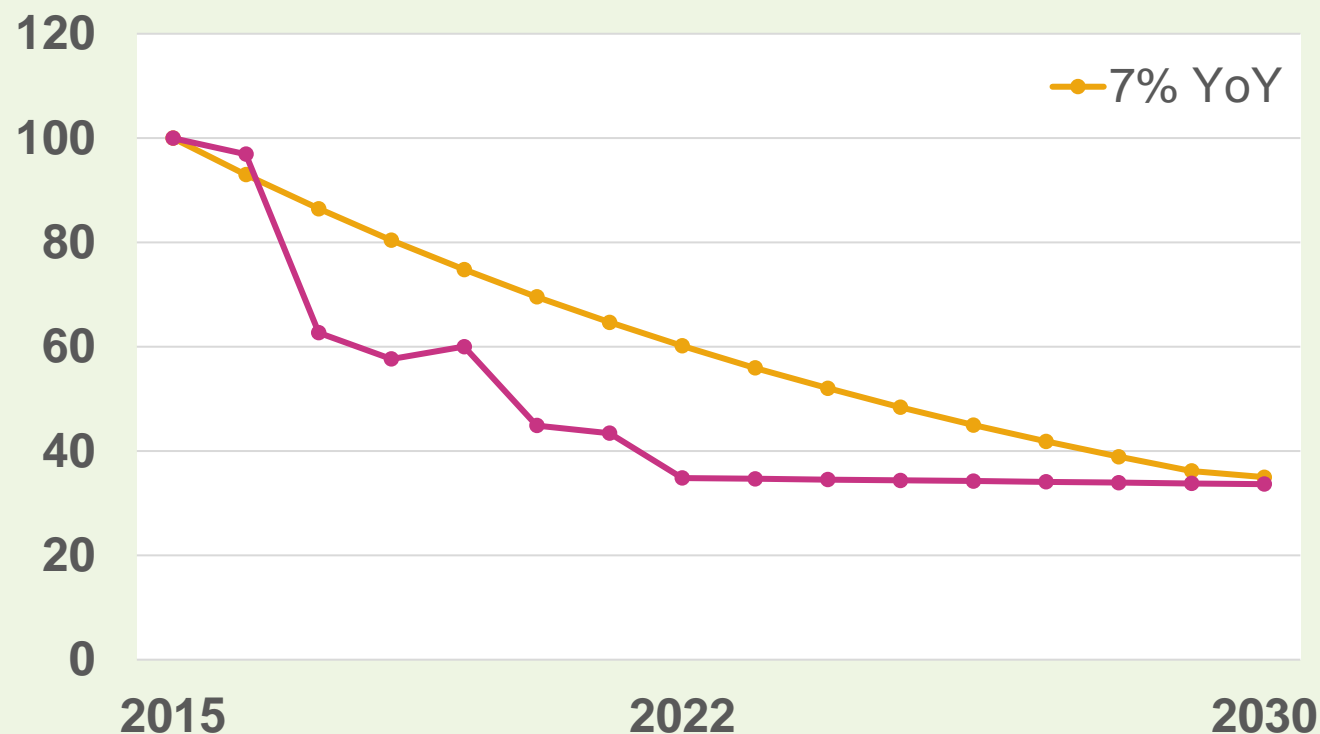
- Focus on phasing out companies with activities related to metallurgical coal, oil and gas production
- Size of these investments per December 2021 was approximately **€300 million**
- During the period 2022-2024, we will determine whether the companies involved will meet the targets of the transition path of the Paris Agreement. Engagement with companies will be actively sought<sup>1</sup>
- If not, and there is no prospect of meeting these targets through dialogue in that period, these position will be sold and reinvested in companies that do meet the transition targets

### Phase 3

- Focus on companies further up the fossil chain and companies from the most greenhouse gas-intensive sectors
- Size of these investments per December 2021 was approximately **€320 million**
- Included are utility companies and companies o.a. active in transport and basic materials
- Coal-fired electricity production is already excluded when >20% of revenues
- These companies can play an important role in the transition to a climate-neutral economy
- Starting point is that CO<sub>2</sub>e emission targets are in line with the Paris targets of reducing global temperature increase to a maximum of 1.5 degrees Celsius
- Emphasis will be on engagement and the selection of the best-performing companies and frontrunners

# Footprint CO<sub>2</sub>-eq reduction target for investments (2015 – 2030)

- Reduction of the carbon footprint of the investment portfolio by 65% between 2015 (Paris Agreement) and 2030 for:
  - Equity
  - Corporate bonds
  - Government bonds
  - Real estate
  - Residential mortgage portfolio
- Result 2022: 65% CO<sub>2</sub>-eq reduction<sup>1</sup>
- Net-zero CO<sub>2</sub>-eq emissions in 2050



# Biodiversity in a.s.r.'s investment portfolio



a.s.r. signed the Finance for Biodiversity Pledge, committing to measure the biodiversity impact of our investment portfolio and to set targets by 2024 to minimise negative impact and maximize positive impact in its assets

- Biodiversity loss is besides climate change, one of the big challenges and systemic risks of our time. Land use change, deforestation and climate warming are all major drivers of biodiversity loss
- a.s.r. asset management engages companies on zero deforestation, biodiversity impact assessment, biodiversity restoration, circular economy, social management and sustainability reporting
- In 2022, a.s.r. asset management invested in two impact funds to prevent loss of biodiversity in land use and water use
- This year, a.s.r. asset management will identify and report key biodiversity impacts and dependencies within the investment portfolio



**VBDO:** insurer a.s.r. is one of those institutions with a comprehensive biodiversity strategy (30 June 2022)

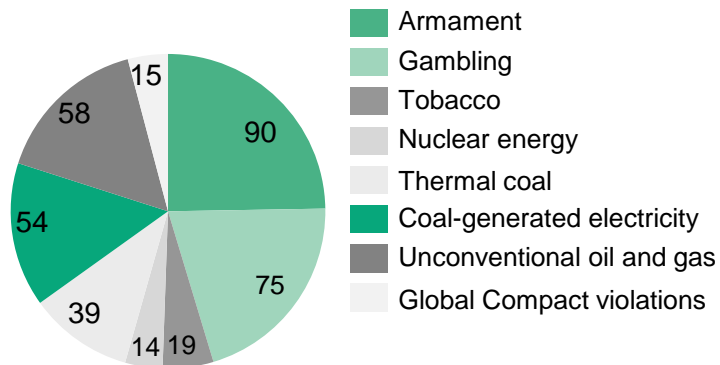
**Fair Insurande Guide:** a.s.r. has a robust responsible investment policy, covering all but two of the assessed investment principles on biodiversity. a.s.r. scores 10 points out of 10 (27 July 2022)

Eerlijke  
**Verzekeringswijzer**

# Impact of a.s.r.'s ESG investment policy

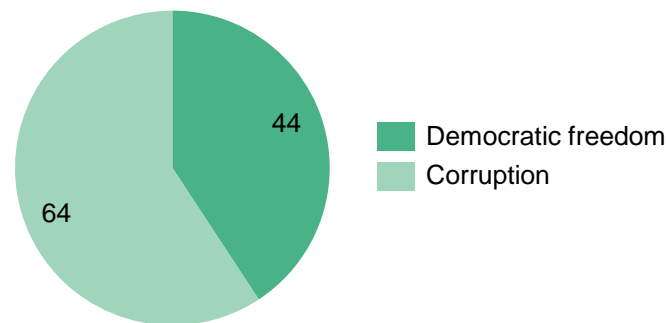
## Exclusions companies (#, 2022)

355 companies



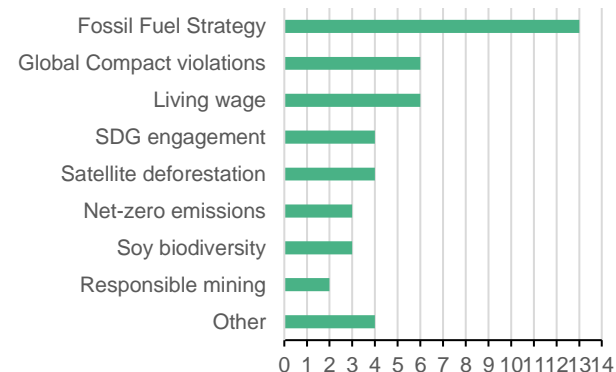
## Exclusions countries (#, 2022)

79 countries<sup>1</sup>



## Engagement with 599 companies

- Collaborative engagement: 566
- Direct engagement: 33, per theme:



## Voting rights exercised (2022)

96.3%

2021: 95%

## Impact investments (2022)

€bn

2.8

Target 2024: 4.5

## Next steps in climate change investing



Reporting on TCFD in the annual report 2022



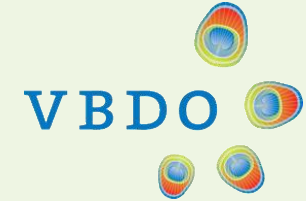
a.s.r. is assessing the application of SBTi targets

Top-down integration of climate risks scenarios in strategic asset allocation

Bottom-up approach for portfolio construction

# Recognition for a.s.r.'s ESG investment policy

- **# 3 position** as insurer by the Dutch Association of Investors for Sustainable Development (VBDO)



- Peace organisation PAX has made a.s.r. part of its Hall of Fame **since 2015**, a.o. for its policy against nuclear weapons

- Since 2014 **the # 1 sustainable investor** in the Dutch Fair Insurance Guide
- a.s.r. received 10 points out of 10 for its robust responsible investment policy on biodiversity



- a.s.r. scores in the **top quartile** of the 2021 UN PRI assessment. a.s.r. received the highest possible score (5 stars) for five of the nine assessed modules



# Real estate: sustainable value for investors, customers and society

- a.s.r. contributes to the environment and society by reducing its carbon footprint of its real estate portfolio and investing in neighborhoods
- a.s.r. real estate implements new developments e.g., solar parks, transforming vacant spaces and/or buildings, energy-neutral dwellings, charging points for electric cars and green rooftops



**Wonderwoods** 360 trees and 9,640 bushes will be added to the innercity of Utrecht (*artist's impression*)



**Wind turbines** a.s.r. invests in wind turbines and solar panels to contribute to the energy transition. The wind turbines invested, together with a solar park, generate energy for more than 210,000 households

**169 dwellings** in mid-sized city *Huizen* were made more sustainable



**New storage of circa 1,600 tons of CO<sub>2</sub>-eq** through the planting of 12,000 new trees including a climate forest on Country Estate *De Groote Scheere*



# Recognition for a.s.r. real estate funds

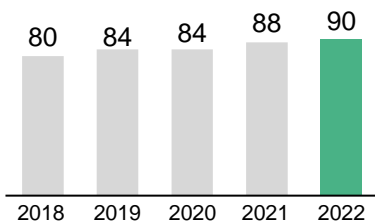
- a.s.r.'s real estate sector funds were assessed on their sustainability performance by GRESB, the global independent sustainability benchmark that assesses the sustainability policies of real estate funds and portfolios around the world
- The **ASR Dutch Core Residential Fund**, the **ASR Dutch Mobility Office Fund** and the **ASR Dutch Prime Retail Fund** have each been awarded the maximum score of five stars, which means that a.s.r. real estate's residential and office funds are among the top 20% best-performing GRESB funds worldwide. The **ASR Dutch Science Park Fund** participated for the second time and received a score of 4 stars (last year: 2 stars)
- These results were helped by a.s.r. real estate's ambition to become 'Paris-proof' in 2045 instead of 2050

ASR Dutch Core Residential Fund



5-star

G R E S B  
★★★★★ 2022



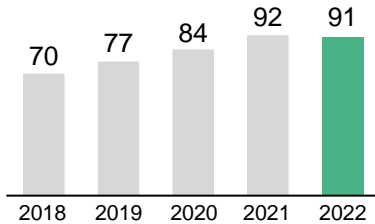
Range: 0 – 100

ASR Dutch Mobility Office Fund



5-star

G R E S B  
★★★★★ 2022

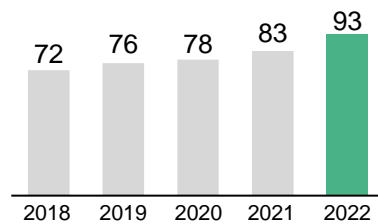


ASR Dutch Prime Retail Fund



5-star

G R E S B  
★★★★★ 2022

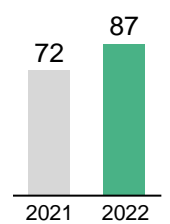


ASR Dutch Science Park Fund



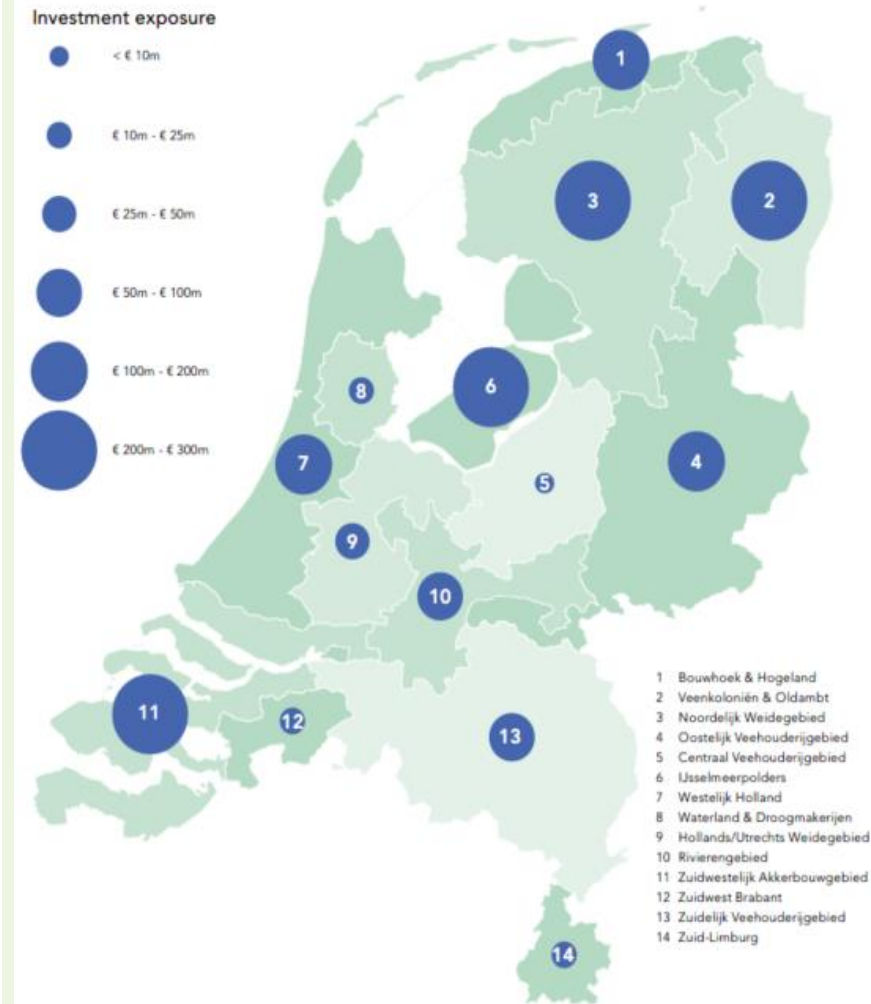
4-star

G R E S B  
★★★★☆ 2022



# Biodiversity in a.s.r.'s rural portfolio

- a.s.r. is the largest landowner (next to the Dutch State) in the Netherlands with circa 43,000 hectares of farmland, circa 1% of the Netherlands
- Farmers can make a significant contribution to the various ecological services such as fertile soils, healthy food, water quality, biodiversity, reduction GHG emissions
- *Open bodemindex*, Open Soil Index, co-founded by a.s.r., helps farmers with insights on measurements of the health of the soil and looks at chemistry, biology and structure
- *Green lease products* are available for farmers and provide a discount of 5-10% on the annual ground lease rent if a farmer commits to a set of sustainable farming criteria:
  - Implementation of the 'Open bodemindex' to measure and report on soil quality
  - Implement biodiversity measures for both dairy and arable farmers in line with the Nature and Landscape management framework of the Dutch government
  - A detailed business plan that includes farm specific sustainability measures and compliance with the criteria in the EU Common Agriculture Policy
- At present, 143 farmers are making use green lease products. In total, they lease 2,976 hectares of land
- Average annual total return of the farmland managed by a.s.r. in the last 15 years is 7.5%



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# Dilemma: SHOULD WE INVEST IN WEAPONS TO HELP TO DEFEND OUR FREEDOMS AND VALUES?

## DILEMMA

- We believe that a democracy and its citizens should be protected. A democratic state based on the rule of law must have the right means, including weapons, to ensure a free society
- From that perspective, since the beginning of our sustainable investment policy in 2007, we have invested in the very governments that respect human rights and stand for democratic values and freedoms for their people
- a.s.r. has excluded direct investments in the arms industry since 2007. Since the war in Ukraine, we have asked ourselves whether we should not review our policy of not investing in the arms industry. After all, why should we exclude investment in weapons needed to defend our freedoms and values?

## OUR VIEW

- *a.s.r. strives for a sustainable society where people can live in peace and security. That is why a.s.r. reviewed its position on investing in the arms industry in a broad dialogue that included our own investment experts, an ethicist, and the Executive Board. Because we see the need for weapons to defend national borders and the function that weapons have in preventing countries from being attacked*
- *On the other hand, there is the dilemma of how we as investors can finance the arms industry while ensuring that human rights are respected, and innocent civilian casualties are prevented if weapons do not end up in the right hands. If we would invest in the arms industry, we can't ensure that weapons are only used for justifiable purposes; protecting freedom and democracy and upholding the rule of law*
- *Ultimately, this argument prevailed and led to maintaining the exclusion policy not to invest directly in commercial arms companies or companies trading in arms*
- *We do however continue to do so indirectly through investments in democratic governments. In this way, we want to prevent our policyholders' money from ending up being used for the wrong purposes*
- *However, this does not affect the fact that we are open to alternative forms of investment, such as a bond loan by the Dutch government meant for defence, which could help make the world a little safer*

# Dilemma: HUMAN RIGHTS AND PRODUCTION CHAIN OF SOLAR PANELS

## DILEMMA

- In 2021, a.s.r. faced an ethical dilemma on its enduring mission to promote sustainable development and realise the necessary energy transition, when news broke out of potential human rights violations in the supply chain for solar panels that are available on the market
- The Xinjiang region in China, where raw materials to produce solar panels are sourced, became an international topic of attention when NGOs and news outlets reported violations of the human rights of Uyghur Muslims in that area. This region produces a large part of the world-wide production of solar panels
- Unfortunately, there weren't any readily available alternative supply chains for the sourcing of solar panels, with an estimated 95% of all solar panels possibly containing raw materials originating from that specific region
- This situation jeopardised the mission of a.s.r. to contribute significantly to a swift, effective and necessary energy transition to more sustainable sources using solar power

## OUR VIEW

- *The moral status of human rights and the inviolability of human dignity knows no moral comparison. For a.s.r., there is no situation in which the violation of human rights could be ethically legitimised*
- *Because there was no way to definitively disprove these accusations, an alternative solution had to be found to reduce human rights risks as far as possible. This dilemma and these alternative solutions have been discussed in the Executive Board multiple times*
- *a.s.r. decided to contractually empower its full ownership as the landowner who employed active stakeholder engagement with its partners in the supply chain, with the aim to press the importance of this issue and convey the urgent need for an alternative supply route for the necessary raw materials to produce solar panels*
- *Fortunately, an alternative supply chain was found to deliver the necessary materials resulting in a sufficient level of comfort and help realise the ambitions of a.s.r. in the energy transition. Although this alternative entailed higher costs, a.s.r. chose for this option*

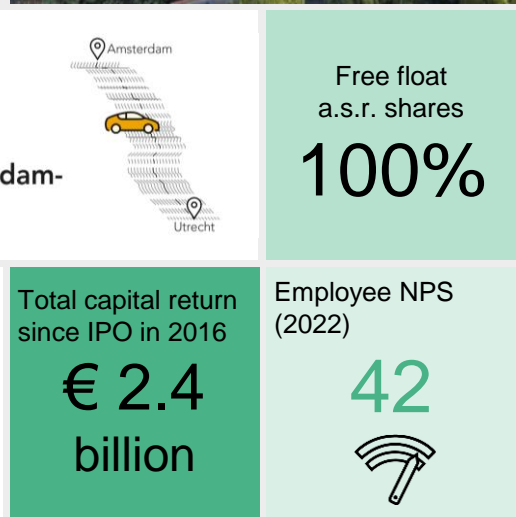
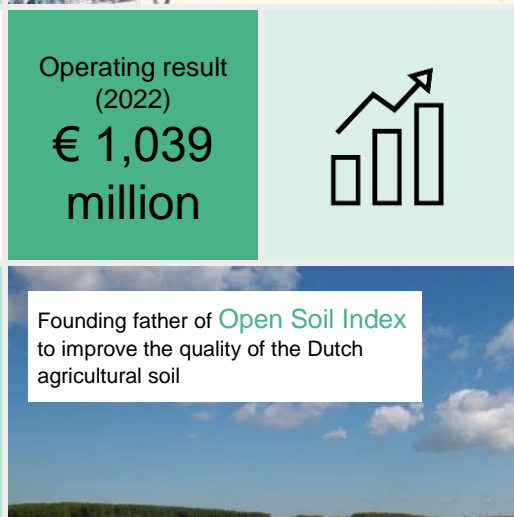
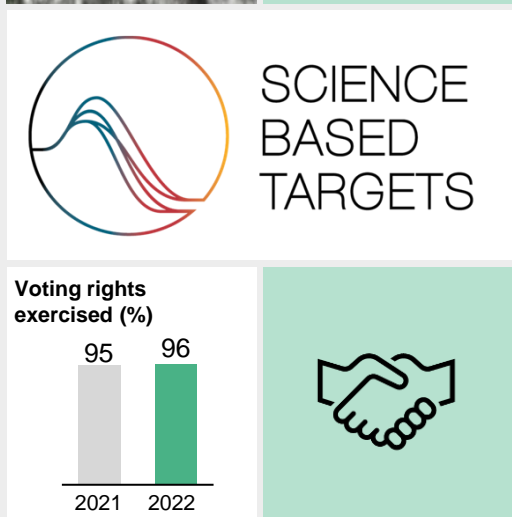
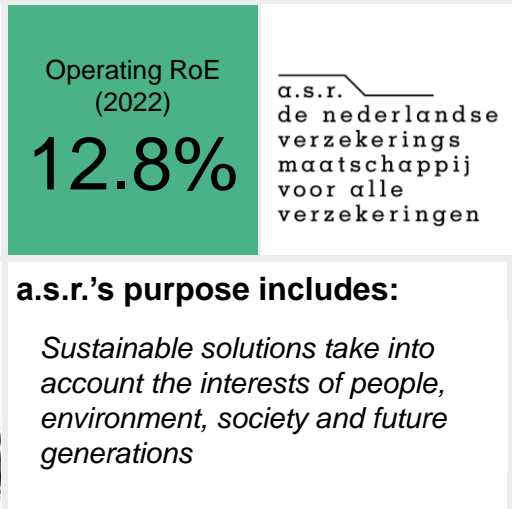
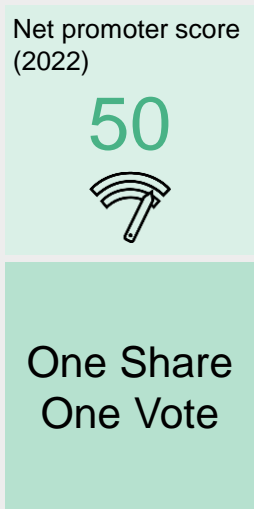
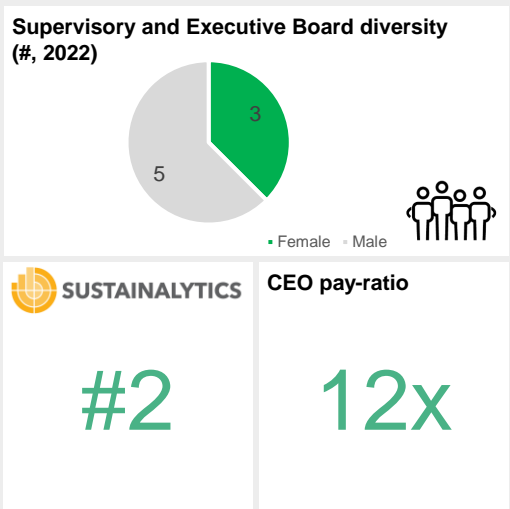
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- Strong delivery against ambitious medium-term targets
- CO<sub>2</sub>-eq emissions from own business operations
- CO<sub>2</sub>-eq emissions of investments
- Further reading
- IR contact details
- Disclaimer



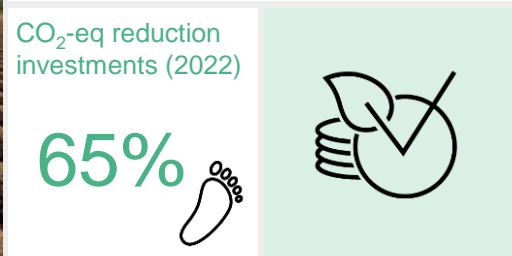


**NET ZERO ASSET MANAGERS INITIATIVE**

**Sustainable product offering partnerships**

**ASN Bank**

**Triodos Bank**



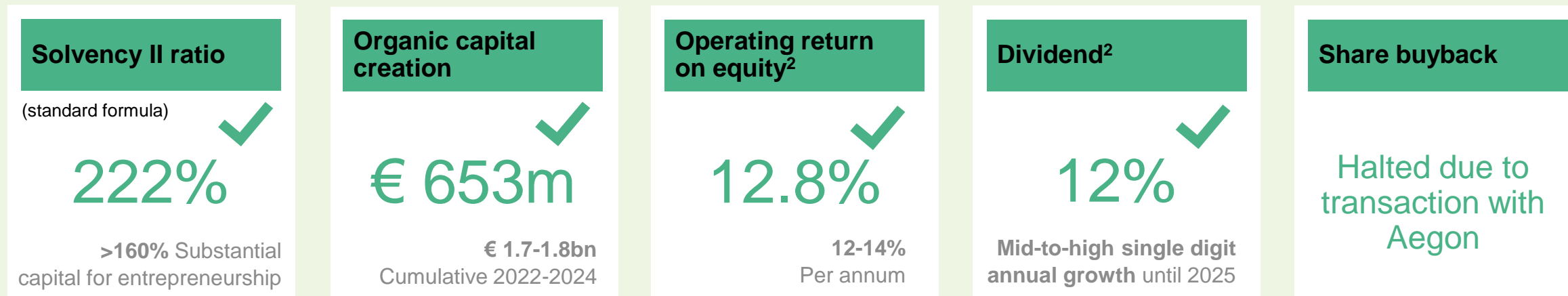
**TCFD** | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

**annual report 2022**  
**§ 4.9 Environmental performance**



# Strong delivery against ambitious medium-term targets

## Core Group realisation versus target (2022-2024)<sup>1</sup>



## Core Business target realisation versus target (2022-2024)



# CO<sub>2</sub>-eq emissions from own business operations

Category (tonnes of CO <sub>2</sub> -eq)	2022	2022	2021	2021	2020	2020	2019	2019	2018	2018	2017	2017
<b>Scope 1</b>												
Fuel and heating	0%	3	0%	3	0%	8	0%	37	1%	88	1%	85
Cooling	1%	35	2%	34	1%	37	1%	51	1%	56	1%	54
Use of leased cars	25%	745	43%	748	41%	1,113	27%	2,078	27%	2,172	29%	2,248
<b>Subtotal</b>	<b>26%</b>	<b>783</b>	<b>45%</b>	<b>785</b>	<b>42%</b>	<b>1,158</b>	<b>28%</b>	<b>2,166</b>	<b>29%</b>	<b>2,317</b>	<b>31%</b>	<b>2,387</b>

**Scope 2** a.s.r. only uses electricity from renewable energy sources

<b>Scope 3</b>												
Business travel excluding leased cars	5%	148	3%	57	3%	87	4%	329	4%	322	4%	317
Commuter travel	65%	1,984	48%	833	52%	1,408	66%	5,148	65%	5,229	63%	4,851
Waste	4%	119	4%	61	3%	76	2%	160	2%	177	2%	170
<b>Subtotal</b>	<b>74%</b>	<b>2,251</b>	<b>55%</b>	<b>951</b>	<b>58%</b>	<b>1,571</b>	<b>72%</b>	<b>5,638</b>	<b>71%</b>	<b>5,727</b>	<b>69%</b>	<b>5,338</b>
<b>Total</b>	<b>100%</b>	<b>3,034</b>	<b>100%</b>	<b>1,736</b>	<b>100%</b>	<b>2,728</b>	<b>100%</b>	<b>7,804</b>	<b>100%</b>	<b>8,044</b>	<b>100%</b>	<b>7,725</b>

# CO<sub>2</sub>-eq emissions of investments

	2022		2021	2015
	tCO <sub>2</sub> -eq	tCO <sub>2</sub> -eq/€m	tCO <sub>2</sub> -eq/€m	tCO <sub>2</sub> -eq/€m
<b>a.s.r. asset management</b>				
Fixed Income (Government and corporate bonds)	966,914	61	78	189
Equity	88,592	46	38	136
<b>Total</b>	<b>1,055,506</b>	<b>59</b>	<b>74</b>	<b>184</b>
<b>Residential mortgages</b>	<b>72,466</b>	<b>8</b>	<b>9</b>	<b>18</b>
<b>a.s.r. real estate</b>	<b>547,315</b>	<b>152</b>	<b>154</b>	
<b>Total a.s.r. investments</b>	<b>1,675,287</b>	<b>54</b>	<b>68</b>	

# Further reading

- Annual report section ([link](#))
- Policies and guidelines, e.g., code of conduct, oath or affirmation, remuneration policy, diversity policy, voting policy ([link](#))
- Sustainable business ([link](#))
- Sustainable insurance policy ([link](#))
- Socially Responsible Investment (SRI) Policy ([link](#))
- Positive screening of companies by their relative ESG score ([link](#))
- Excluded companies and countries in the investment portfolio ([link companies](#)) ([link countries](#))
- Tax policy and overview of the tax burden and tax payments ([link](#))
- Climate report 2022 ([link](#))
- Green Finance Framework ([link Green Bond Principle](#)) ([link Green Finance Framework](#))

## **IR contact details**

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# Disclaimer

## Cautionary note regarding forward-looking statements

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