



# Sustainable value creation

a.s.r.  
de nederlandse  
verzekering  
maatschappij  
voor alle  
verzekeringen











March 2022

## 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*

# Recognition for ESG performance improved strongly over the years<sup>1</sup>

	 SUSTAINALYTICS	 vigeo eiris	 Dow Jones Sustainability Indexes	 CDP DISCLOSURE INSIGHT ACTION	 MSCI	 ISS ESG	 VBDO	 Eerlijke Verzekeringswijzer
<b>2022</b>	<b>#2</b>	<b>#5</b>	<b>#8</b>	<b>B</b>	<b>A</b>	<b>C (prime)</b>	<b>#3</b>	<b>#1</b>
	⬆️	⬆️	⬆️	●	⬆️	⬆️	⬇️	●
<b>2018</b>	<b>#13</b> World Insurance	<b>#12</b> World Insurance	<b>#13</b> World Insurance	<b>B</b> D- to A	<b>BB</b> CCC to AAA	<b>C-</b> D- to A+	<b>#2<sup>2</sup></b> Dutch Insurance	<b>#1</b> Dutch Insurance

<sup>1</sup> ESG ratings as at 1 March 2022

<sup>2</sup> VBDO ranking relates to 2017, there was no score in 2018

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# a.s.r. well positioned in the Dutch insurance market

#3

Leading market positions<sup>1</sup>  
and #3 overall

NPS-c reflecting  
customer satisfaction

49

91.8%

Combined ratio<sup>2</sup> drives  
Non-life profitability

Strong brands with  
multi-channel  
distribution

a.s.r.  
de nederlandse  
vermogens  
beheerders



5.2%

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

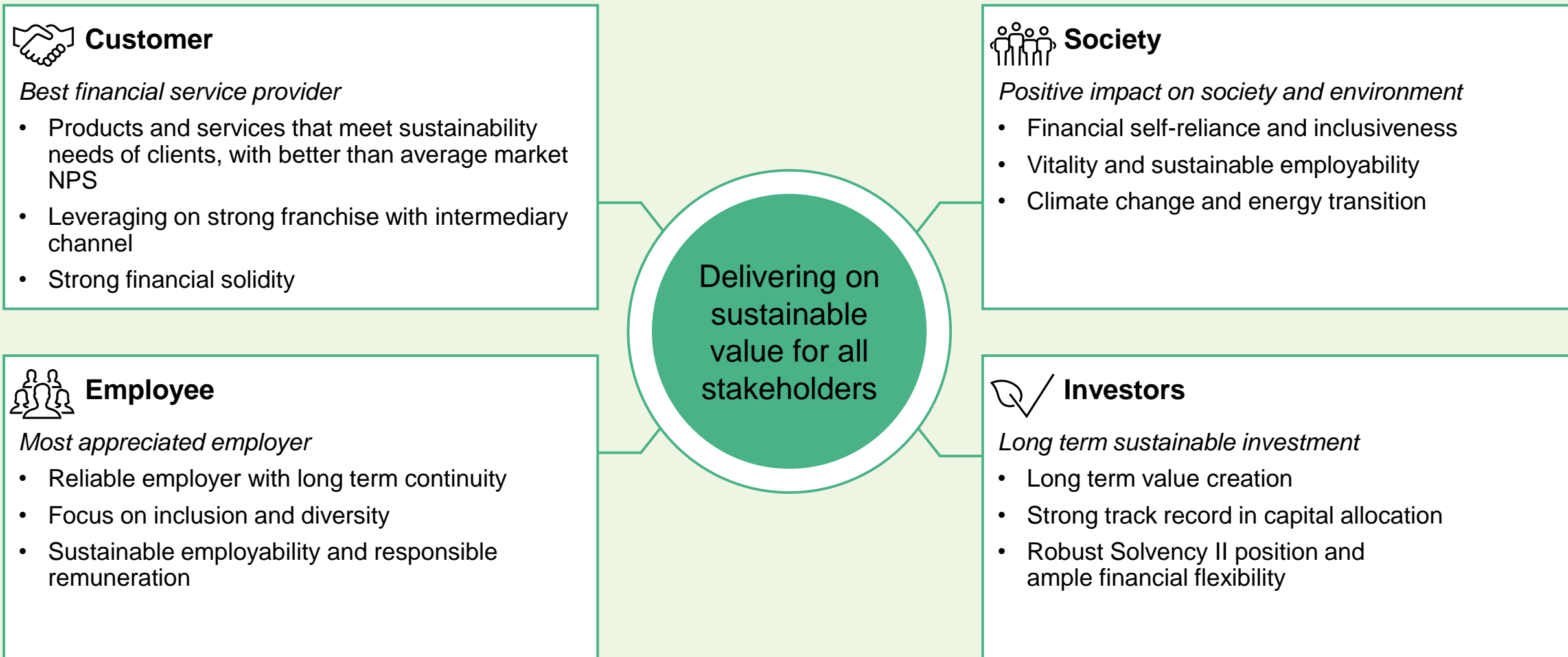
Efficient Life  
operations<sup>3</sup>

45bps





# 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', 'Startershypotheek'

## 2 Vitality and sustainable employment



- Societal challenge: rising healthcare costs, structural health challenges (e.g. obesity), 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, AOV Langer mee, reintegration support, a.s.r. Vitality

## 3 Climate change and energy transition



- Societal challenge: urgent 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 investments, products & services: Sustainability covers in home insurances, sustainable repair service, the 'Verduurzamingshypotheek', 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

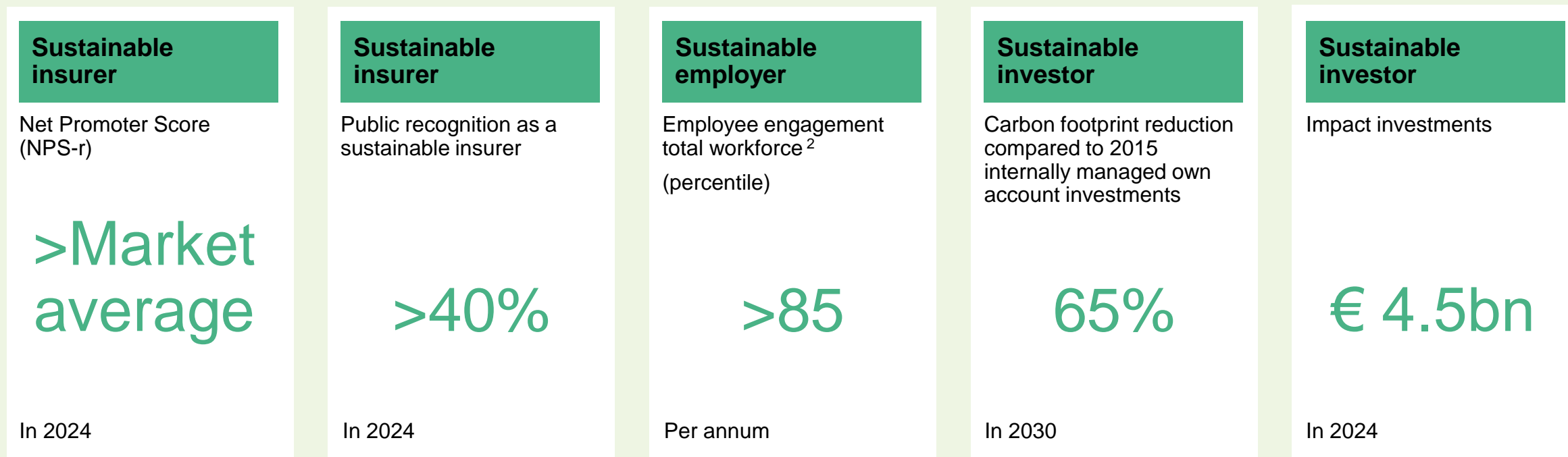


Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



# Non-financial targets continue to create value for all stakeholders

## Targets for the period 2022 - 2024<sup>1</sup>



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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 (~ 95%)</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 organizations</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 2021: € 2.5 billion</li></ul>

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

## Exit strategy fossil:

- 65% reduction of CO<sub>2</sub>e-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, €2.5 billion at the end of 2021

### 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
- 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

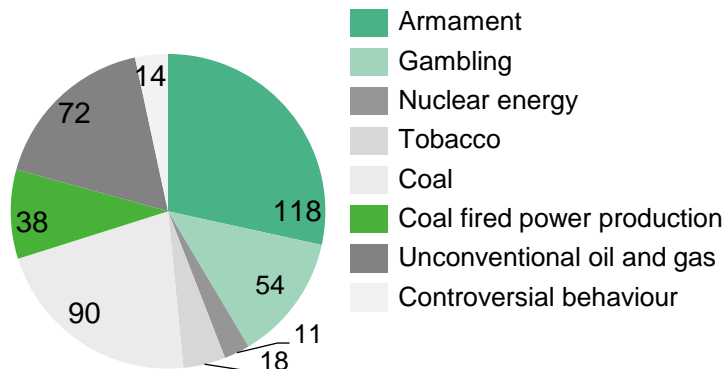
### Phase 3

- 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 i.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>-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

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

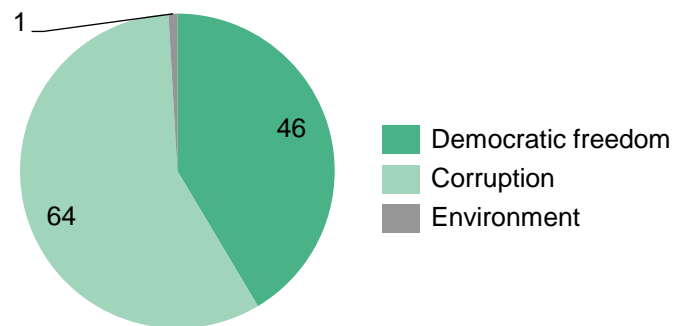
## Exclusions companies (#, 2021)

415 companies



## Exclusions countries (#, 2021)

82 countries



## Engagement overview per theme (Q4 2021)



## Voting rights exercised

95%

2020: 97%

## Impact investments

€bn

2.5

Target 2021: 1.2

## Next steps in climate change investing



Continue reporting on TCFD in annual report 2021



Science based targets in preparation (currently pilot via SBTi)

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

- Since 2014 **the # 1 sustainable investor** in the Dutch Fair Insurance Guide:
- a.s.r. ranked as **one of the two insurers** with a lowest exposure to shale gas companies



- a.s.r. received the **highest score in by the UN PRI assessment**, with the highest possible score (A+) for among others its Strategy and Governance and the ESG management of several asset classes



# 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

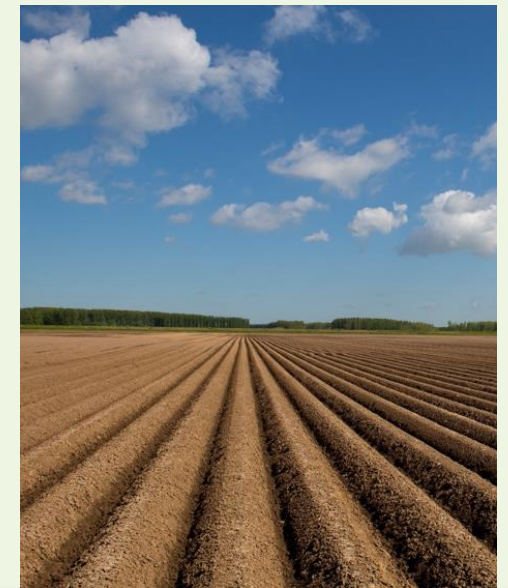


**8 new wind turbines** a.s.r. invests in wind turbines and solar panels to contribute to the energy transition. The 8 acquired wind turbines from Vattenfall, can generate energy equal to the consumption of more than 22,000 households



**Energy use** in shopping mall in Middelburg **reduced by 60%**

Founder of **Open Soil Index** improve the quality of Dutch agricultural soil



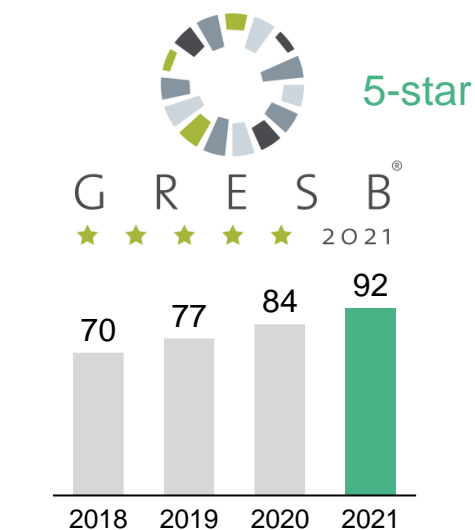
# Recognition for a.s.r. real estate funds

- 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** and the **ASR Dutch Mobility Office 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 Prime Retail Fund** also saw an improved performance this year, scoring four stars. The results confirm a.s.r. real estate's continuous commitment to sustainability. The **ASR Dutch Science Park Fund** participated for the first time

ASR Dutch Core Residential Fund



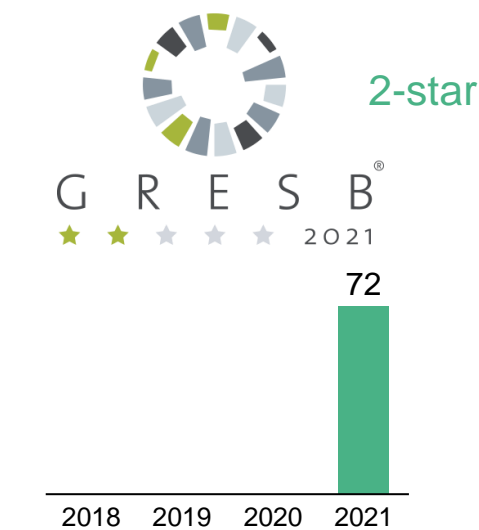
ASR Dutch Mobility Office Fund



ASR Dutch Prime Retail Fund



ASR Dutch Science Park Fund



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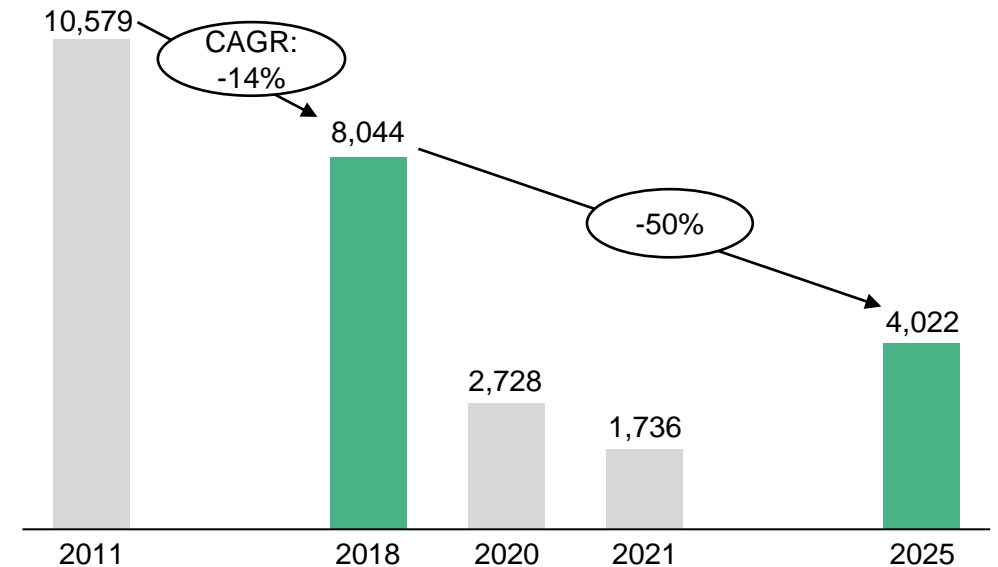
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# a.s.r. operates CO<sub>2</sub>e-neutral

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

- a.s.r. assumes that COVID-19 will permanently change patterns of travel, which means more often working from home and less business travels
- The number of leased cars will go down and all fossil-powered lease cars will be replaced by electric cars by 2025 at the latest. From 2021 onwards only full electric cars are allowed to further decrease the CO<sub>2</sub>e-emissions
- Renewable energy is obtained via solar panels and energy is saved via aquifer storage and recovery (thermal differences for summertime cooling 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

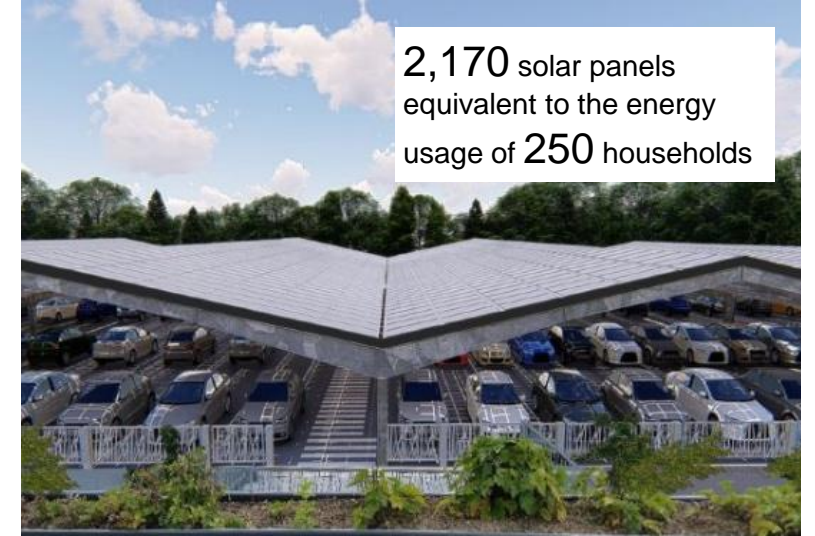
## a.s.r.'s CO<sub>2</sub>e-emissions (tonnes)



Due to the significant positive effect from COVID-19 on the carbon footprint of the own operations, the CO<sub>2</sub>e-emissions target were achieved in 2020 and 2021



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



- **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



The Net-Zero Insurance Alliance

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) by 65% in 2030 compared to 2015

a.s.r. joined the **Net-Zero Insurance Alliance** to reduce CO<sub>2</sub>e-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. The focus will initially be on the corporate non-life insurance portfolio

### Climate metrics and targets

#### Selection of KPIs

	Target	Realisation 2021
Reduction of carbon footprint of the investment portfolio's in-house own funds	65% by 2030	56%
Impact investments	€ 4.5 billion in 2024	€ 2.5 billion
Reduction of carbon emissions (insurance portfolio)	Climate neutral by 2050	Methodology in progress
Damages to vehicles and fire damage to property insured by P&C are repaired sustainably	85% vehicles by 2025 50% property by 2025	60% vehicles 24% property



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# 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 mobilizing a.s.r. employees to engage in community activities in a broad sense

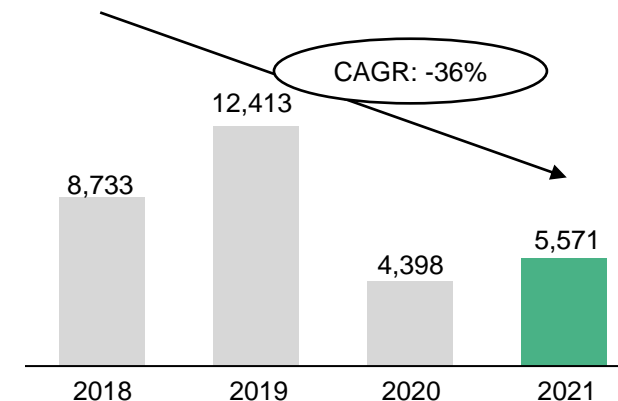
## Contributing to prevent financial problems for customers

- 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)

**Target 2021** +5% p.a.  
Base year: 2018



Due to the COVID-19 related lockdown and social distancing restrictions this target is not met in 2021

# 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

- 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), and the IMP has replaced the covenant in 2020

(€m)	2021
Profit before tax	1,209
Corporation tax in P&L	270
Nominal tax burden	25%
<b>Effective tax burden</b>	<b>22%</b>
<b>Effective tax burden (3y av.)</b>	<b>21%</b>

# 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
- The weekly measured Employee Mood Monitor (eMood®) measures how employees feel in terms of happiness at work, vitality and productivity

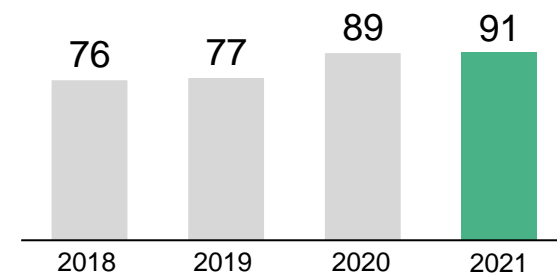


## eNPS introduced in 2020

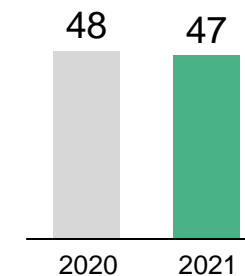
- Employee Net Promotor Score expresses the extent to which employees would actively recommend a.s.r. as an employer
- Within the financial sector in the Netherlands, the eNPS is +10

## Employee engagement – Denison scan (Percentile)

Target 2024: **at least 85**



## eNPS introduced in 2020



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

## Fundamental principles of a.s.r.'s diversity 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, 2021	Female	Male	Gross average hourly wages, 2021	Female	Male
Supervisory Board	40%	60%	Executive Board *	296	313
Executive Board	33%	67%	Senior management	118	115
Senior management	25%	75%	Management excl. sr. and jr. mngt	57	63
			Junior management	37	38
			Non-management	25	28



Differences in hourly wages between women and men shown are caused by the higher average number of years of service of men (on average 3.4 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. made it to the best 100 companies worldwide (#98), 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' in the Netherlands
- This quality mark by Effactory (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
- Effactory assesses employers in various industries with an employee questionnaire. The questions are about organizational direction, work pride and the use of talent

Date: 20 May 2021



- a.s.r. is included in the 2022 'Bloomberg Gender-Equality Index'
- The 2022 Bloomberg Gender-Equality Index includes 418 companies across 50 industries headquartered in 45 countries and regions
- The framework relates to Female leadership & talent pipeline, Gender pay & equal pay parity, Inclusive culture, Anti-sexual harassment policies, and Pro-women brand
- A company's GEI Score is determined by its level of disclosure and performance (data excellence)

Date: 26 January 2022



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# 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

# Corporate governance framework in line with Dutch practice

## ASR Nederland N.V.

ASR Nederland N.V. is the Group's holding company

Supervised insurance entities (OTSO's) are:

ASR  
Levensverzekering N.V.  
(life)

ASR  
Schadeverzekering N.V.  
(non-life)

ASR Basis  
Ziektekostenverzekeringen N.V.  
(health)

ASR Aanvullende  
Ziektekostenverzekeringen N.V.  
(supplementary health)

### Stichting Continuïteit ASR Nederland ('Continuity Foundation')

- The Foundation has been formed under Dutch law
- The Foundation is an independent legal entity with an independent board consisting of three members
  - Herman Hazewinkel, chair (Dutch, 1949)
  - Machtelt Groothuis (Dutch, 1970)
  - Louis Deterink (Dutch, 1949)
- Role of the Foundation is to promote and protect the interests of a.s.r., its businesses and its stakeholders
- Foundation is entitled to (temporarily) exercise a call option right on preference shares
- The Stichting Continuïteit is in line with Dutch practice for listed companies

### a.s.r. shares

- ASR Nederland N.V. is listed on Euronext Amsterdam since 10 June 2016
- 135,793,392 shares outstanding per 31 December 2021
- Each share has one vote
- Free float of 100%

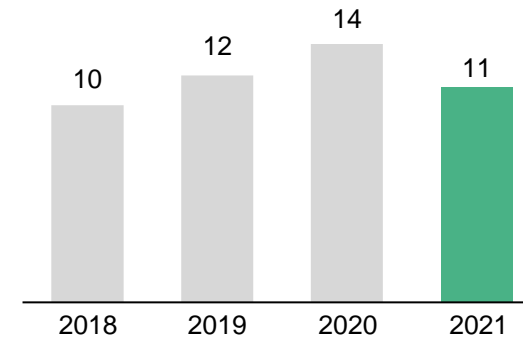
# Socially responsible Executive Board remuneration policy

## 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 11.0x as per year-end 2021

(4-year average: 11.7x)



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%

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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



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



Encouraging customers to make healthier choices



Reintegration support



Platform 'I think ahead'



Your damage repaired quickly and sustainably

€ 6.8 billion Claims and benefits paid

> 2.8 million Customers

49 Net Promoter Score

2021

# 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

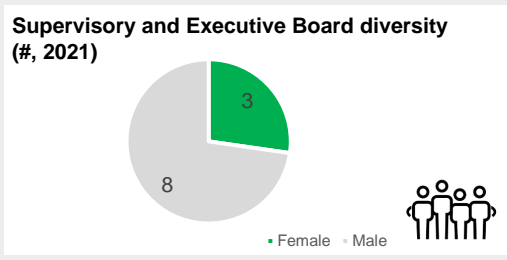


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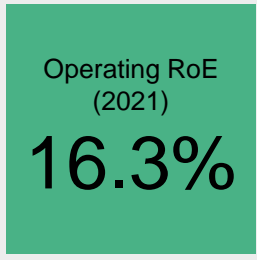
- ESG overview
- ESG governance
- Financial targets 2019 – 2021: achieved
- Ambitious group and business targets 2022 – 2024
- Further reading
- IR contact details
- Disclaimer



**One Share One Vote**

**Exclusions companies (#, 2021)**

**415 companies**



**a.s.r. de nederlandse verzekerings maatschappij voor alle verzekeringen**

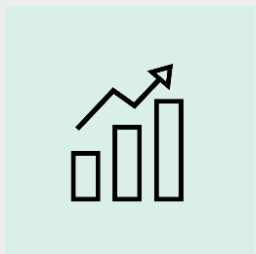


**a.s.r.'s purpose include:**

*Sustainable solutions take into account the interests of people, environment, society and future generations*



**SCIENCE BASED TARGETS**

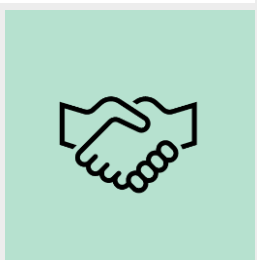
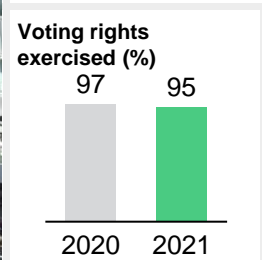


**#1**

**Eerlijke Verzekeringswijzer**

**Free float a.s.r. shares**

**100%**



Founding father of **Open Soil Index** to improve the quality of the Dutch agricultural soil

Listed on Euronext Amsterdam, included in the AMX

**EURONEXT**



**NET ZERO ASSET MANAGERS INITIATIVE**

**Sustainable product offering partnerships**

**ASN Bank**

**Triodos Bank**



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

annual report 2021, § 4.5 Climate Change

# ESG governance embedded within a.s.r.

Supervisory Board 'Nomination & ESG committee'

Executive Board

Business Executive Committee

Sustainability Workforce & Sustainable Working Group  
*Climate targets and KPIs / Action Plan / Reporting*

Non-Financial Risk Committee

Group Risk Management



a.s.r. asset management



Real Estate



Mortgages




P&C



Disability



Health



Life & Pensions



Funeral

Asset Management

Non-life

Life

Strategic Risk Analyses, ORSA, Risk Appetite Statement, Policy Reviews, Risk and Control Matrices

# Financial targets 2019 – 2021: achieved

GROUP TARGETS	<b>Solvency II</b> Standard Formula  Substantial capital for entrepreneurship: <b>160%</b> FY 2021: <b>196%</b>	<b>Operating return on equity</b>  12-14% per annum FY 2021: <b>16.3%</b>	<b>Dividend pay-out ratio</b> (% of net operating result after hybrid expenses)  Ambition to offer a stable to growing dividend per share: <b>45-55%</b> FY 2021: <b>45%</b>		
	<b>Organic capital creation</b> (€ million)  To be realised in 2021: <b>&gt;500</b> FY 2021: <b>594</b>	<b>Financial leverage</b>  <35% FY 2021: <b>24.8%</b>	<b>Rating</b> (Standard & Poor's)  Single A FY 2021: <b>Single A</b>		
BUSINESS TARGETS	<b>Non-life</b> (P&C and Disability)  Combined ratio: <b>94-96%</b> FY 2021: <b>91.8%</b>	<b>Non-life</b> (P&C and Disability, per annum)  GWP growth (organic) <b>3-5%</b> FY 2021: <b>5.2%</b>	<b>Life operating result</b> (€ million)  Compared to € 633 million in 2017: <b>Stable</b> FY 2021: <b>763</b>	<b>Life operating expenses</b> (bps)  On basic life provision: <b>45-55</b> FY 2021: <b>45</b>	<b>Fee based businesses, operating result</b> (€ million)  5% growth per annum thereafter: <b>40</b> FY 2021: <b>64</b>

# Ambitious group and business targets 2022 – 2024

## Core Group targets<sup>1</sup>

### SII ratio

(Standard formula)

>160%

Substantial capital for entrepreneurship

### Organic capital creation

€1.7-1.8bn

Cumulative 2022-2024

### Operating return on equity

12-14%

Per annum

### Dividend<sup>2</sup>

Progressive

Low-mid single digit

### Share buyback<sup>3</sup>

≥ €100m

Per annum 2022-2024

## Core Business targets

### Non-life Combined Ratio

93-95%

Per annum

### Non-life organic growth (GWP)

3-5%

Per annum

### Fee-based business operating result

>€ 80m

In 2024

### Life operating result

> €700m

Per annum

### Life operating expenses<sup>4</sup>

40-50bp

Per annum

<sup>1</sup>Targets are based on the assumption of normal (financial) markets, environmental and economic conditions (per end of November 2021) and no material regulatory changes

<sup>2</sup>In general, a.s.r. expects not to pay cash dividends if the SII ratio (calculated in accordance with the standard formula) falls below 140%

<sup>3</sup>Solvency II ratio needs to be at least 175% and can be halted if larger M&A occurs

<sup>4</sup>Operating expenses compared to basic life provision

# Further reading

- **Annual report 2021**  
<https://www.asrnl.com/investor-relations/annual-reports>
- **Policies and guidelines, e.g., code of conduct, oath or affirmation, remuneration policy, diversity policy, voting policy**  
<https://www.asrnl.com/about-asr/governance-and-organization/policy-and-guidelines>
- **Sustainable business**  
<https://www.asrnl.com/about-asr/sustainable-business>
- **Sustainable insurance policy**  
<https://www.asrnl.com/-/media/files/asrnl/duurzaam-ondernemen/duurzame-verzekeraar/policy-sustainable-insurer-asr.pdf?la=en>
- **Socially Responsible Investment (SRI) Policy**  
<https://www.asr.nl/asr/api/asrnl/pod/getpdf?uri=/POD/r/Pdf/79629.pdf>
- **Positive screening of companies by their relative ESG score**  
<https://www.asrnl.com/-/media/files/asrnl/duurzaam-ondernemen/duurzame-belegger/sri-policy-detailed-criteria-for-positive-screening.pdf?la=en>
- **Excluded companies and countries in the investment portfolio**  
<https://www.asrnl.com/-/media/files/asrnl/duurzaam-ondernemen/duurzame-belegger/overview-excluded-companies.pdf?la=en>  
<https://www.asrnl.com/-/media/files/asrnl/duurzaam-ondernemen/duurzame-belegger/overview-excluded-countries.pdf?la=en>
- **Tax policy and overview of the tax burden and tax payments**  
<https://www.asrnl.com/-/media/files/asrnl/duurzaam-ondernemen/duurzame-belastingbetaler/sustainable-taxpayer.pdf?la=en>
- **Climate report 2021**  
<https://www.asrnl.com/-/media/files/asrnl/duurzaam-ondernemen/ratings-en-benchmarks/climate-report-asr.pdf>

## **IR contact details**

Email: [ir@asr.nl](mailto:ir@asr.nl)

Tel: +31 (0)30 257 86 00



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