

# United Nations Principles for Sustainable Insurance

Progress report 2024

## Principle 1

We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.

Company strategy	References annual report α.s.r. 2024:
<p>Establish a company strategy at the Board and executive management levels to identify, assess, manage and monitor ESG issues in business operations</p>	<p>a.s.r. strives to embed sustainability in its core processes and activities. In order to contribute to the transition to a sustainable and inclusive society within a.s.r., this transition to a sustainability society has been earmarked as a strategic topic. Within the EB, the CEO is ultimately responsible for a.s.r.'s sustainability strategy at group level. The MB also sets strategic sustainability targets as part of the total set of financial and non-financial KPIs. Each year, the SB, with advice from the Nomination &amp; ESG Committee, discusses and approves the strategic non-financial targets and progress made in these specific areas. a.s.r.'s sustainability team coordinates the implementation together with the workforce. All members of the workforce subsequently promote these strategy, policies and targets within their</p> <p>Page 106</p>
<p>Dialogue with company owners on the relevance of ESG issues to company strategy</p>	<p>a.s.r. attaches great value to maintaining a strong relationship with the investor community in the broadest sense and adheres to high standards relating to transparent communication and fair disclosure. The aim of a.s.r.'s investor relations is to provide all relevant information which can help investors make well-informed investment decisions. a.s.r. makes every effort to ensure that the information it discloses is accurate, complete and timely. a.s.r. was recognised in the Institutional Investor's annual survey as Best Company in Investor Relations in the insurance sector. a.s.r. provides relevant insight into its activities and performance through various financial and non-financial disclosures. To that end, it regularly updates the markets on its financial performance, the progress it is making on the execution of its strategy and any other relevant developments through press releases, webcasts, conference calls and other forms of communication. a.s.r. publishes its financial and non-financial results twice a year in the form of half-year and full-year results.</p> <p>58-61</p>
<p>Integrate ESG issues into recruitment, training and employee engagement programmes</p>	<p>Having a competent, agile, engaged, diverse and vital workforce is key in enabling a.s.r. to achieve its business targets. a.s.r. is therefore committed to attracting, retaining and inspiring the most suitable employees, offering them extensive opportunities for training and development, and facilitating a sound work/life balance.</p> <p>50-54</p>

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Risk management and underwriting	References annual report a.s.r. 2024:
<p>Establish processes to identify and assess ESG issues inherent in the portfolio and be aware of potential ESG-related consequences of the company's transactions.</p> <p>Risk management is an integral part of a.s.r.'s day-to-day business operations. a.s.r. applies an integrated approach to managing risks and ensuring that business targets are met. Value is created by striking the right balance between risk, return and capital whilst ensuring that obligations to stakeholders are met. a.s.r. has established a structure of risk committees with the objective to monitor the risk profile for a.s.r. group, its legal entities and its business lines in order to ensure that it remains within the risk appetite and the underlying risk tolerances and risk limits. When triggers are hit or likely to be hit, risk committees make decisions regarding measures to be taken, being risk-mitigating measures or measures regarding governance, such as the frequency of their meetings. For each of the risk committees a statute is drawn up in which the tasks, composition and responsibilities of the committee are defined.</p> <p>Non-financial risk appetite statements (RAS) are in place to manage a.s.r.'s non-financial risk profile within the limits; see section 7.8.1.1.1. The non-financial risk profile and internal control performance of each business line is discussed with senior management in the business risk committees each quarter. The Non-Financial Risk Committee (NFRC) monitors and discusses on a quarterly basis whether nonfinancial risks (NFR) are adequately managed. Should the risk profile exceed the risk appetite, the NFRC will decide on the steps to be taken.</p> <p>The a.s.r. risk committee monitors a.s.r.'s overall risk profile on a quarterly basis. At least annually, the a.s.r. risk committee determines the risk appetite statements, limits and targets for a.s.r. This relates to the overall a.s.r. risk appetite and the subdivision of risk appetite by financial and non-financial risks. The risk appetite is then submitted to the a.s.r. Audit &amp; Risk Committee, which advises the SB on the approval of the risk appetite. The a.s.r. risk committee also monitors the progress made in managing risks included in the risk priorities and emerging risks of the EB. All members of the MB participate in the a.s.r. risk committee, which is chaired by the CEO. The involvement of the EB ensures that risk decisions are being addressed at the appropriate level within the organisation. In addition to the EB, the Key Functions (Risk management, Compliance, Internal audit, Actuarial function) are members of the Committee. Non-Financial Risk Committee The Non-Financial Risk Committee (NFRC) discusses, advises and decides upon non-financial risk policies. The most relevant non-financial risk policies are approved by the a.s.r. risk committee. The NFRC monitors that non-financial risks of a.s.r. and the OTSO's are managed adequately and monitors that the risk profile stays within the agreed risk limits. If the risk profile exceeds the limits, the NFRC takes mitigating actions. The NFRC reports to the a.s.r. risk committee. The NFRC is chaired by a member of the EB. The NFRC discusses the most important risks from the underlying non-financial risk committees (Business Risk Committee (BRC) and for Aegon the Risk &amp; Audit Committee (RAC). Financial Risk Committee The Financial Risk Committee (FRC) discusses, advises and decides upon financial risk policies. The most relevant financial risk policies are approved by the a.s.r. risk committee. The FRC monitors that financial risks of a.s.r. and the OTSO's (excl. Aegon Life and Aegon Spaarkas) are managed adequately and monitors that the risk profile stays within the agreed risk limits. If the risk profile exceeds the limits, the NFR takes mitigating actions. The FRC reports to the a.s.r. risk committee. The Chairman of the FRC is the CFO.</p>	<p>Page 119-125 371-400</p>

Risk management and underwriting		References annual report α.s.r. 2024:
Integrate ESG issues into risk management, underwriting and capital adequacy decision-making processes, including research, models, analytics, tools and metrics.	Non-financial risk appetite statements (RAS) are in place to manage a.s.r.'s non-financial risk profile within the limits; see section 7.8.1.1.1. The non-financial risk profile and internal control performance of each business line is discussed with senior management in the business risk committees each quarter. The Non-Financial Risk Committee (NFRC) monitors and discusses on a quarterly basis whether nonfinancial risks (NFR) are adequately managed. Should the risk profile exceed the risk appetite, the NFRC will decide on the steps to be taken. a.s.r. employees gain risk management knowledge and skills through the implementation of risk management policies, procedures and practices and the execution and testing of controls within business processes for sound and controlled business operations. Training courses that cover the main risk-related topics, presentations, workshops, gamification and the use of governance, risk & compliance tooling also contribute to this. Courses include, for example, sustainability risk specifically ESG factors to better understand and identify material risks. In addition, risk management employees keep their knowledge and skills up to date through training courses - including in the context of permanent education - that cover specific risk-related topics.	Page 119-125 371-400

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Product and service development		References annual report α.s.r. 2024:
Develop products and services which reduce risk, have a positive impact on ESG issues and encourage better risk management	In a changing world, there is a growing need for sustainable and socially responsible products and services which increase positive and reduce negative impacts. Developing and marketing these products is part of a.s.r.'s business strategy. An overview of our sustainable products and services can be found in our Annual Report 2024.	Page 37-39
Develop or support literacy programs on risk, insurance and ESG issues	a.s.r.'s employee contribution to local society is measured by the volunteering hours of both a.s.r. employees as well as external employees working on behalf of a.s.r. These hours are non-profit and might include activities of the a.s.r. foundation. This contribution can be done in a team or on an individual basis. For some activities the time is estimated based on a standardised table. Activities include improving financial literacy, being a financial buddy, reading aloud to children, etc., as well as team activities for societal organisations. Employees that are involved in an activity within a domain (Financial self-reliance and Helping by doing) more than once per calendar year are considered a double count. And as such only included once in the figure reported for number of employees involved. Volunteering hours also include training hours, travel time and the actual execution of the employee contribution.  a.s.r. believes that financial education and developing language in children and young people is crucial and helps parents to teach their children to become financially literate	37-39 64-67

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Claims management		References annual report α.s.r. 2024:
Respond to clients quickly, fairly, sensitively and transparently at all times and make sure claims processes are clearly explained and understood	a.s.r. regards the handling of complaints as a matter requiring specific knowledge and skills. Complaints handlers keep their knowledge up-to-date through continuous education, for instance by following training courses in the field of customer service. Customers assign the a.s.r. complaints handlers an average score of 8.4 out of 10 (2023: 8.1)	46

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Investment management		References annual report α.s.r. 2024:
Integrate ESG issues into investment decision-making and ownership practices.	a.s.r. believes that businesses that are committed to sustainability, equality and diversity will deliver more value for all stakeholders, both in economic and in social terms. Hence, socially responsible investing is essential for a.s.r. In 2024, a.s.r. has undertaken further steps regarding the implementation of its Socially Responsible Investment (SRI) policy. Activities include screening, engagement, voting at Annual General Meetings (AGMs), and filing shareholders resolutions, participating in working groups, publishing statements, and collaborating with other parties such as non-governmental organisations (NGOs), clients, and other investors. Simultaneously, significant efforts are undertaken to implement the SRI policy on the existing Aegon NL portfolio.	40-46

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Sales and Marketing		References annual report a.s.r. 2024:
<p>Educate sales and marketing staff on ESG issues relevant to products and services and integrate key messages responsibly into strategies and campaigns.</p> <p>Make sure product and service coverage, benefits and costs are relevant and clearly explained and understood.</p>	<p>Customers are at the heart of a.s.r.'s purpose, and its strategy is designed to meet their needs. a.s.r. closely monitors customer satisfaction by continuously measuring feedback through the Net Promoter Score (NPS). And does so through various indicators, like the Net Promoter Score for customer relationship (NPS-r), which is an analysis of the customer relationship; this extends the methodology of the Net Promoter score for contact moments (NPS-c). NPS-c only measures customer satisfaction during contact moments. The NPS-r of a.s.r. is compared to the market average, where market average is equal to a score of zero. The target was to achieve an NPS-r higher than the market average at the end of 2024. For 2024 the adhered market average is -1. The 2024 result is -11 (difference between benchmark score and a.s.r. score). The main attention points from customer feedback for 2025 are to continuously improve online communication, accessibility, and user-friendliness. Additionally, attention for guidance during the migration of Aegon NL processes into a.s.r. processes also continue to be an attention point. From January 2025, a.s.r. will only measure the NPS-i (interaction), which includes all forms of contact, including digital interactions. The baseline measurement will be conducted in 2025.</p>	234
<p>Make sure product and service coverage, benefits and costs are relevant and clearly explained and understood.</p>	<p>The Product Approval &amp; Review Process (PARP) assesses the quality of products and their relevance for customers. In the PARP, in addition to the business lines, Risk Management, Legal Affairs, Compliance and the Actuarial Function (AF) jointly assess all product-related financial and non-financial risks for a.s.r. and its customers. The PARP ensures that a newly developed or modified product is reviewed and deemed appropriate before it is offered. It encourages continual improvement based on feedback from customers and advisors, social developments and current circumstances, such as the impact of economic conditions and changes in legislation and regulations. The PARP applies to products that a.s.r. actively offers, as well as to inactive products. In 2024, the PARP Board assessed 22 reviews (2023: 18) of existing products. The PARP regulation prescribes that products should be reviewed periodically. At a.s.r. this occurs at least every three years for active products, and inactive products are reviewed at least every five years.</p>	37

## Principle 2

We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.

Clients and suppliers		References annual report a.s.r. 2024:
Dialogue with suppliers on the benefits of proper management of ESG issues	a.s.r. is continuously considering improvements in its relationships with suppliers in the upstream value chain to enhance the selection process with regard to social and environmental criteria. Compliance with environmental, human rights and labour rights standards is reviewed during the monitoring of suppliers. This information is used as input for annual strategic discussions with suppliers. a.s.r. requires suppliers to be diligent in their own business activities and value chains. a.s.r. has a Supplier Code of Conduct for the centralised procurement, which includes expectations regarding compliance with working conditions and human rights principles, and other relevant standards. The Supplier Code of Conduct provides clarity about key principles in the field of sustainable procurement. The total procurement of a.s.r. is sourced from various channels, including the central procurement stream via the Procurement department, which handles operational expenditures, and the decentralised procurement streams, which are related to specific products and services expenditures. Decentralised procurement streams occur within Real Estate, Health, P&C, Individual life and Funeral, and Disability.	Page 238
Provide suppliers with information and tools that help them manage ESG issues		
Integrate ESG issues into tender and selection processes for suppliers		
Encourage suppliers to disclose ESG issues and to use relevant disclosure frameworks		
Insurers, reinsurers and intermediaries		References annual report a.s.r. 2024:
Promote the adoption of the Principles	a.s.r. believes that businesses that take into account the interests of people, the environment, society and future generations will deliver more long-term value for all stakeholders, in both economic and social terms. Hence, responsible investing is essential for a.s.r. In 2024, a.s.r. asset management published its new Sustainability Strategy and revised policy: the Policy on Responsible Investments (formerly SRI Policy). The new approach is centred on three key policy goals that underline a.s.r. asset management's commitment to contribute to a better world: reducing harm, driving change, and creating positive impact. In order to achieve these goals, a.s.r. asset management makes use of a variety of tools, including exclusions, ESG integration, active ownership and impact investing	Page 40-46

Insurers, reinsurers and intermediaries		References annual report α.s.r. 2024:
Support the inclusion of ESG issues in professional education and ethical standards in the insurance	<p>In 2024, engagements were carried out on behalf of a.s.r. asset management with 921 companies on numerous ESG topics, including with companies that have shown controversial behaviour (i.e. UNGC violations), or that are facing ESG-related risks. a.s.r. asset management engaged with companies in three different ways, bilaterally, collaboratively and via a third-party engagement provider. Our engagement provider Hermes EOS contributed materially to the engagement efforts in 2024.</p> <p>A full list of companies engaged with and their status, including the objectives and status of the engagement, can be found at <a href="http://www.asrnl.com">www.asrnl.com</a> or in the following engagement report: <a href="https://asrvermogensbeheer.nl/media/leddcae3/engagement-rapport-2024.pdf">asrvermogensbeheer.nl/media/leddcae3/engagement-rapport-2024.pdf</a> (In Dutch)</p>	Page 41

### Principle 3

We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.

Governments, regulators and other policymakers		References annual report α.s.r. 2024:
Support prudential policy, regulatory and legal frameworks that enable risk reduction, innovation and management of ESG issues covenants	a.s.r. has undertaken a public commitment to act as a responsible insurer and investor. In evidence of this, it has signed many national and international standards and covenants.	Page 37-49
Dialogue with governments and regulators to develop integrated risk management approaches and risk transfer solutions	<p>The compliance manager issues quarterly reports on compliance matters and on the progress made with regard to recommended business measures and actions at Group level, supervised entity (OTSO) level and business line level. The quarterly report at the divisional level is discussed with the management responsible and with the relevant Business Risk committees. The quarterly report at Group and OTSO levels is presented to and discussed with members of the MB, with the Non-Financial Risk Committee, with the Risk Committee and with the A&amp;RC of the SB. The report is shared and discussed with Dutch Central Bank (De Nederlandsche Bank; DNB), the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten; AFM) and the internal and external auditors. With a view to the institution of the compliance function in connection with the integration of Aegon NL, Compliance set up a number of work flows in order to further develop the integration of the compliance function. The matters considered in this context included the standardisation of policies processes, monitoring and reports, including the best practices of Aegon NL. The Compliance department itself, which will be integrated in 2024 and tailored to the new a.s.r. organisation, was also taken into consideration</p>	Page 126-129



Other key stakeholders	References annual report α.s.r. 2024:
<p data-bbox="132 387 405 450">Dialogue with other key stakeholders</p> <p data-bbox="541 387 1145 483">a.s.r. is in dialogue with stakeholders who influence the organisation both directly and indirectly. The main stakeholder groups of a.s.r. are:</p> <ul data-bbox="541 488 930 880" style="list-style-type: none"><li>- Customers</li><li>- Advisors</li><li>- Employees</li><li>- Prospects</li><li>- Financial market players</li><li>- Peers and Business partners</li><li>- Regulators and tax authorities</li><li>- Government</li><li>- Suppliers</li><li>- Meida</li><li>- Trade unions</li><li>- Social partners and organisations</li></ul> <p data-bbox="541 916 1185 1272">Strategic, constructive and proactive consultations with all stakeholders are of great importance to a.s.r. a.s.r. does this by means of roadshows, customer or employee surveys, round table sessions, dialogue sessions and participation in sector initiatives. Members of the Executive Board (EB) also regularly engage in dialogue with advisors, shareholders, legislators, politicians and civil society organisations. The purpose of these discussions is to discuss strategic progress, receive feedback on a.s.r.'s contribution to society and discuss developments within the financial sector.</p>	<p data-bbox="1195 387 1358 416">Page 457-459</p>

## Principle 4

We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

Governments, regulators and other policymakers		References annual report α.s.r. 2024:
Assess, measure and monitor the company's progress in managing ESG issues and proactively and regularly disclose this information publicly	a.s.r. describes its long term sustainable value creation in chapter 3 of the Annual Report 2024.	Page 37-67
Participate in relevant disclosure or reporting frameworks	From the reporting year 2024 onwards, the Corporate Sustainability Reporting Directive (CSRD) came into effect, including the reporting requirements of the European Sustainability Reporting Standards (ESRS) on all material sustainability matters regarding impacts, risks and opportunities related to environmental, social and governance (ESG) matters. The ESRS, as set out in Commission Delegated Regulation 2023/2772/EU, is the first set of ESRS. They are sector-agnostic and contain 12 distinct standards. The standards are divided into two cross-cutting standards and ten topical standards. The cross-cutting standards define the general disclosures and requirements that apply to all the topics subject to the CSRD, regardless of materiality. The topical standards provide the disclosure requirements for environmental, social and governance topics. The Sustainability Statements also include the disclosures in accordance with article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), see section 6.2.5.	Page 133-259
Dialogue with clients, regulators, rating agencies and other stakeholders to gain mutual understanding on the value of disclosure through the Principles	The a.s.r. organisation has a diverse set of stakeholders with varying interests and expectations. a.s.r. identifies customers, investors, employees and society as a whole as its most important stakeholder groups. These stakeholder groups significantly influence the performance of a.s.r. and are conversely affected by the organisation's activities, products and services. Other stakeholders of a.s.r. include business partners, regulators, tax authorities, suppliers, trade unions, the media and civil society organisations	Page 457-459

