

The UN Global Compact

Progress Report 2008

Status report 30 June 2008



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Statement of continuing support

The process of globalisation and the proliferation of mass media have raised awareness of the true impact of business on their environment. Companies today are expected to assume responsibility towards all their stakeholders, from clients, suppliers and employees to the community and environment. This entails taking on initiatives, closely monitoring performance and reporting to stakeholders.

A strong sense of responsibility towards employees and the environment are inherent in Vanbreda International's operational structure and internal policies. As we increasingly operate beyond the borders of Belgium and Europe, our internal policies are having an international impact. Moreover, as an international provider of insurance products, solutions and related services, we can and do have a considerable effect on thousands of people's employee benefits plans, their financial comfort and their access to health care providers.

In 2005, keenly aware of the strategic value of a more visible corporate social responsibility policy, Vanbreda International decided to become a member of the United Nations Global Compact (UNGC), a public-private partnership founded in 2000 by the former Secretary-General of the United Nations (UN), Kofi Annan.

Before joining the UNGC, Vanbreda International's Corporate Social Responsibility policy included various corporate philanthropic initiatives. Since becoming members of UNGC, we have begun to communicate more transparently with our stakeholders about our Corporate Social Responsibility (CSR) efforts on their behalf.

Vanbreda International considers its UNGC membership to be more than just a moral commitment. As a service company, our success depends largely on the dedication, motivation and well-being of our staff. To be their "employer of choice", Vanbreda International must strive to create a values-based work environment, provide products and services that meet clients' needs, and offer a model for ethical entrepreneurship.

We are committed to providing insurance products, solutions and services that will allow us to achieve profitable growth. We recognise that long-term sustainable growth is only possible if our offering represents an inherent good to our customers and if the adverse environmental impact of some of our business practices can be avoided or at least reduced to a minimum.

As with our quality programmes, we will not be satisfied with the status quo, but rather continually strive to improve our standards.

Rudi Bertels
Managing Director

1. Sphere of influence

Operations

Vanbreda International has over 50 years' experience in designing, implementing and managing cross-border employee benefits programmes for the private sector (e.g. companies with expatriate staff and multi-site companies), the public sector (e.g. intergovernmental organisations, diplomatic staff and foreign trade representatives) as well as the social profit sector (nongovernmental organisations).

Public purpose

“Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.”¹

“Transnational corporations and other business enterprises shall respect economic, social and cultural rights as well as civil and political rights and contribute to their realization, in particular the rights to development, adequate food and drinking water, the highest attainable standard of physical and mental health, adequate housing, privacy, education, freedom of thought, conscience, and religion and freedom of opinion and expression, and shall refrain from actions which obstruct or impede the realization of those rights.”²

We are aware of the impact that our activities have on society, both nationally and globally. As described in the United Nations Environment Programme Finance Initiative report *Insuring for Sustainability* (UNEP FI, 2007), “the insurance industry is a strong lever for sustainability due to its size, the extent of its reach into the community and the significant role it plays in the economy”.

By enabling economic actors to take risks and protect their assets, insurance stimulates investments and innovations. By providing financial protection against death and disability risks and annuities for retirees, insurance reduces the pressure on the public sector. By analysing risks, insurance signals danger and provides risk management advice. Last but not least, by investing collected premiums, insurance directly contributes to the economy. (UNEP FI, 2007)

Reach

Headquartered in Antwerp, Belgium, Vanbreda International has emerged as a company with an ever-increasing global reach. We provide services to over 310,000 insured people residing and working all over the globe. Our operations influence their daily lives and those of their families, wherever they live.

To date, Vanbreda International employs 377 people, representing 336 full-time equivalents. Most of them are located in Antwerp (Belgium), while others work in our offices in Brussels (Belgium), Hamburg (Germany), Luxemburg (Grand Duchy of Luxemburg) and Kuala Lumpur (Malaysia).

Vanbreda International's activities affect:

- our own employees and their work environment;
- our clients, their employees and their employees' families;
- the broader human and natural environment.

¹ Universal Declaration of Human Rights, article 25

² UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 12

Compliance and responsibility

Vanbreda International commits to complying with all legislation and regulations that have a bearing on its activities, but we act responsibly beyond what is legally required. Our adherence to the UNGC principles as well as to the Diversity Declaration of the Flemish Chamber of Commerce demonstrates that we strive to be a socially responsible service provider and employer. Our commitment is reflected in systems and initiatives that benefit all our stakeholders. We strongly believe in business ethics.

The aforementioned commitments translate the UNGC principles into our own specific set of commitments. Based on the principles of the “Triple Bottom Line” (People, Planet and Profit) they represent our intentions with an eye to organisational as well as societal success.

Our corporate philanthropy programme also reflects Vanbreda International’s genuine concern for social responsibility. The Vanbreda group of companies³ jointly approved an annual corporate giving budget of € 500,000 for 2007, 2008 and 2009. This budget will be allocated to projects that excel in the protection of the underprivileged, scientific research, development assistance, and the promotion of health and education.

Vanbreda International supports and pursues international principles and standards with regard to human rights, labour rights, environmental protection and ethical business conduct. In this respect, we refer to:

- the UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights;
- the International Labour Standards of the International Labour Organization (ILO);
- the Rio Declaration on Environment and Development;
- the OECD Guidelines for Multinational Enterprises;
- the UN Convention against Corruption;
- the Universal Declaration of Human Rights (UDHR).

VBI is a partner of UNICEF Belgium

For many years, Vanbreda International sponsored UNICEF by donating € 10 for each satisfaction survey duly completed by its clients. Thanks to these contributions we were already an officially recognized ‘major sponsor’ of UNICEF Belgium.

Last year, we decided to become a full UNICEF partner by committing ourselves to an annual donation of € 30,000 for the next three years in order to support one of UNICEF’s projects.

Until the end of 2007, Vanbreda International supported the ‘Vaccination in DR Congo’ project. This comprehensive long-term programme aimed at reaching all areas in Congo including the Eastern Province, a region with the highest number of unvaccinated children. The Eastern Province counts 8.5 million inhabitants and is characterised by the presence of preventable diseases such as measles, pertussis, tetanus and yellow fever. In the field, UNICEF takes care of organizing the cold chain, supervising the supply of vaccines, mobilizing the communities, informing the population by means of audio-visual campaigns and training vaccination teams and health workers. The aim of this project was to have a reach of 65% of the population in this vulnerable and isolated region. In 2007 the success rate of pertussis vaccinations amounted to 86%. For tuberculosis, this was even 94%. This was a significant improvement compared to the 1999 success rates (31% and 45% respectively).

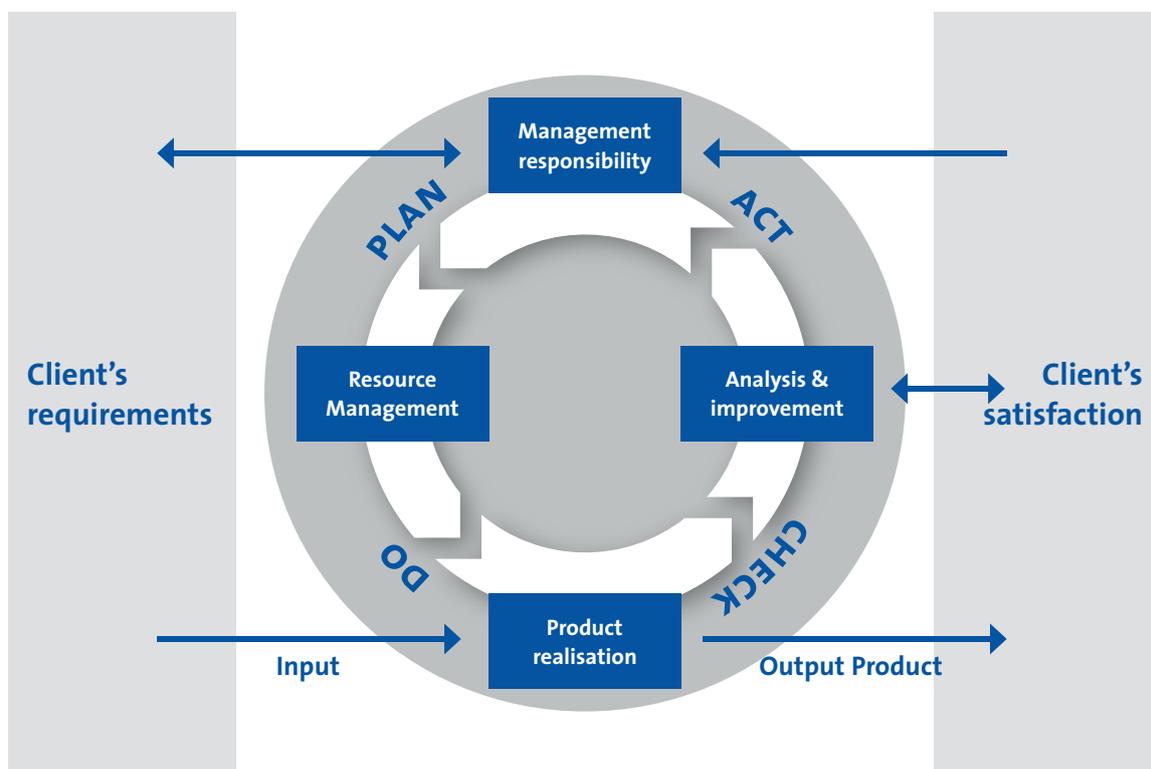
In 2008 and 2009, Vanbreda International will be supporting the project aimed at the ‘Survival of the child in two recently accessible zones of the province of Katanga in the Democratic Republic of Congo’. This project aims to reduce the mortality and morbidity of children and women who were affected by the armed conflict and its consequences by means of access to primary medical care for about 500,000 persons.

2. Our clients

Our business objective is to ensure a broad coverage and reduce barriers to care and protection, while at the same time raising cost-awareness and discouraging insurance fraud.

Our products and services are designed to enable staff covered by a health care or wider employee benefits programme to optimally benefit from its advantages. By upgrading, fine-tuning and launching new products and services, we continuously improve them for the benefit of all.

This pursuit of continuous improvement is reflected in our ISO certification. As an ISO certified company we have a fully maintained quality system in place that is based on quality design in the business process (PLAN), execution of the business process in accordance with quality guidelines as described in the quality handbook (DO), monitoring of the output with measurable and significant quality criteria (CHECK) and constant process improvement (ACT).⁴



ISO certification is subject to a biannual external audit performed by an independent quality auditor. Re-certification is due every three years.

Vanbreda International has been ISO-certified since 1998 (Certificate nr QBE 98053 / SGS European Quality Certification Institute E.E.S.V.). This certification was renewed in 2000, based on the new ISO standards ISO 9001:2000. The latest re-certification was awarded in 2007 and was granted without any Corrective Action Measure by the auditor, which is exceptional.

⁴ For more information on ISO, see www.iso.org.

2.1. Better health care

Vanbreda International has a significant impact on the extent to which our clients' employees and their families are covered against health risks. Vanbreda International's health care plan design is based on respect for local specificities and cultural diversities, therapeutic freedom and cost effectiveness.

To provide sound advice on how coverage can be improved for health care plan members, Vanbreda International keeps track of new developments, invests in relevant surveys and closely monitors emerging health care needs.

Keeping track of new developments

When reimbursing medical claims to health care plan members we assess whether these expenses are justified. This evaluation exercise includes two major checks. Firstly, we need to verify whether the treatment itself was justified, taking into account the underlying diagnosis. Secondly, we assess whether the expenses comply with levels that are reasonable and customary in the country where the care was given. These assessments require a continuous follow-up worldwide of health care developments and related costs. We are supported in this effort by our global network of over 100 medical correspondents.

Surveys on specific topics

Our clients expect our advice to be well founded and realistic. To this end, we make use of our extensive database of global medical information to set up surveys on specific topics such as preventive care and HIV/AIDS, the impact of ageing on health care costs and other topics. We work closely with specialised institutions or academics to perform these surveys.

Regular assessment of health care needs

Every year Vanbreda International performs a detailed analysis of each client's medical claims history. These analyses can reveal coverage needs that had not been included in the health care plan. In such cases, we will advise our clients to adjust their plans to better meet the health care requirements of their employees and their families.

Several examples of such plan adjustments are highlighted below:

- Reimbursement of preventive treatment and medicine;
- Coverage of medical expenses related to HIV/AIDS at 100% in high-risk areas. In addition to the elimination of all financial barriers to seek treatment, this provision anticipates that Vanbreda International pays the medical bills directly to the medical service provider, thus avoiding stigmatisation;
- Incentives to opt for generic medicines whenever possible.

Disease management

The prevalence of chronic conditions has increased worldwide. These conditions usually require careful monitoring and management. Vanbreda International believes that education and awareness are a first step in the management of chronic diseases.

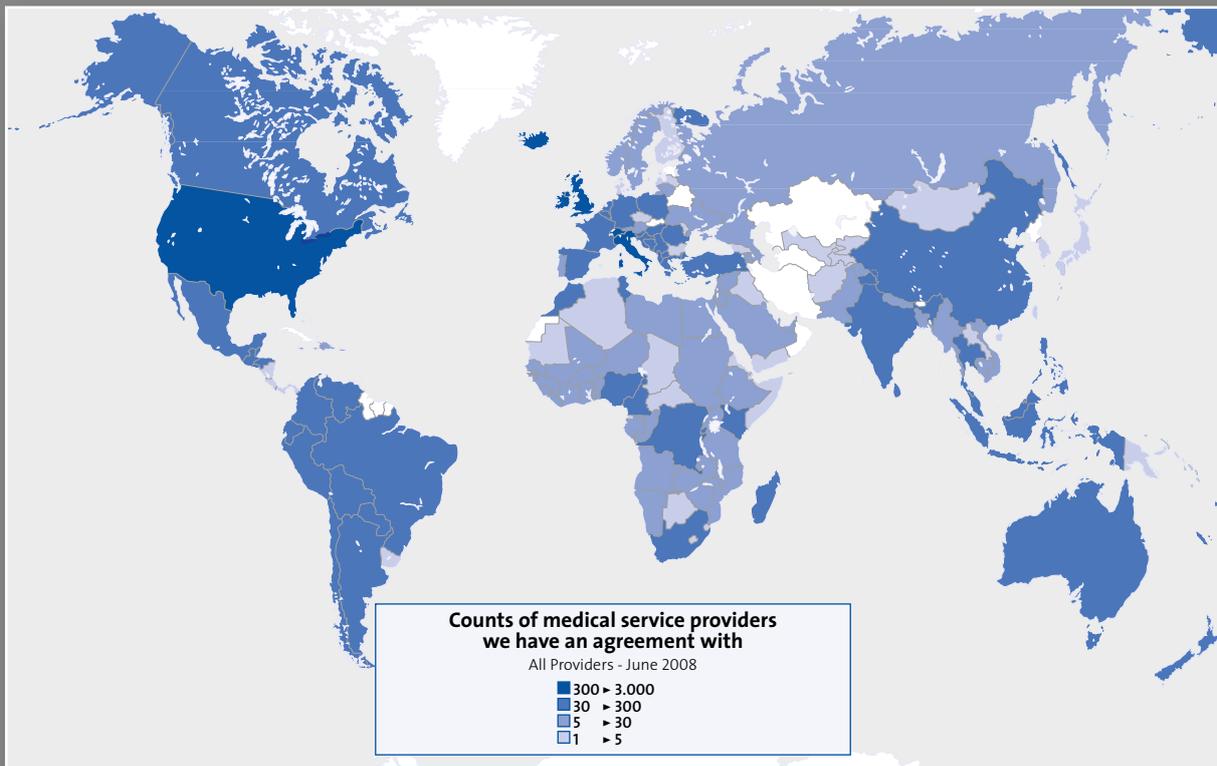
Therefore, we extended our corporate website with a special section about disease management where health care plan members can consult information about symptoms and treatments for chronic diseases such as HIV/AIDS, diabetes, Parkinson, asthma, chronic obstructive pulmonary disease and cardiovascular diseases. The website also foresees an online form that can be used to ask for more information or to provide feedback.

2.2 Affordable health care

Vanbreda International's Provider Relations department is dedicated to the continual expansion of a worldwide network of health care providers that receive direct payment from Vanbreda International plan members and/or apply pre-agreed prices and rates for healthcare services. Vanbreda International currently has 7,145 agreements with health care providers worldwide. During the past 12 months, our network has added more than 1,000 new providers.

Vanbreda International's direct payment agreements

Direct payment agreements ensure that hospital bills are paid directly and promptly to the health care provider. They facilitate the access to health care and reduce the financial impact for the individual. Furthermore, Vanbreda International has agreed preferential rates with many providers to keep costs under control. This has a positive impact on the aggregate claims expenditure of insured and limits the premiums for health care plan members and their employers.



3. Our employees

3.1. Taking care of our employees' well-being

Our employees are at the heart of our activities and are our most precious asset. We therefore consider our employees' well-being of paramount importance.

*"Transnational corporations and other business enterprises shall provide a safe and healthy working environment as set forth in relevant international instruments and national legislation as well as international human rights and humanitarian law."*⁵

Our internal policies are aligned with relevant international principles that are also reflected in national legislation. On a national level, the Welzijnswet imposes the implementation of a well-being policy for all Belgian employers. Article 4 of this law states that well-being consists of the following aspects: safety, health, psychosocial pressure, ergonomics, hygiene, enhancement of the workplace, environment, and the avoidance of violence, bullying and sexual harassment. For violence, bullying and sexual harassment, a special legal framework was designed⁶.

To comply with both our internal policy and legislation, Vanbreda International has established three bodies whose assignment involves creating a good, safe and healthy place to work for our employees.

- The Committee for Prevention and Safety at Work (*Comité voor Preventie en Bescherming op het Werk – CPBW*): a consultative body (consisting of the employer and its employees) that is up to date on all health and safety aspects, gives advice and investigates industrial accidents;
- The Internal Department for Prevention and Safety at Work (*Interne Dienst voor Preventie en Bescherming op het Werk – IDPBW*): an internal specialist who not only provides information and advice to Vanbreda International, but also bears a number of legal responsibilities in terms of safety;
- The External Service for Prevention and Safety at Work (*Externe Dienst voor Preventie en Bescherming op het Werk – EDPBW*): is responsible for all health-related and medical aspects.

These bodies support our commitment to look after our employees' well-being.

Taking care of the physical and mental health of our employees starts with a robust prevention policy:

"Prevention is a priority for Vanbreda International's management. The goal of prevention informs our general company policy, which aims to create and maintain consistent quality products and services for our customers. To this end, management believes that within the company, everyone must do their best to ensure their own health safety and well-being as well as that of their colleagues, and to maintain a clean and environmentally friendly workplace." (excerpt from Vanbreda International's Policy Statement on Well-being)

The systems enabling us to put these ideas into practice are based on a combination of labour regulations and practical provisions, targeted at promoting physical and mental well-being.

Physical well-being

- Training of (new) employees

New employees are informed about the general guidelines of our Prevention and Safety Department. They are made aware of how to identify and evaluate dangers and risks, and how to react to them in an appropriate manner. Vanbreda International emphasises the importance of order and tidiness, and regularly reminds our employees of the rules. One of these rules is the 'clean desk' policy, which requires employees to clean off their desks at the end of the day. An orderly workplace is the first step towards preventing accidents, and a necessity to provide easy access to fire extinguishers and emergency exits.

⁵ UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 7

⁶ Law of 11 June 2002 and Royal Decree of 11 July 2002 on the protection against violence, bullying and sexual harassment at work

Since not all accidents or injuries can be avoided, Vanbreda International works closely with an external service for work-related accidents. Each incident is followed up closely and results in an improvement of preventive measures whenever possible. By means of dedicated communication channels, employees are encouraged to report defects, complaints and suggestions for improvement.

The following figures show the number of employee accidents at work and on the road to work for the previous six years:

	Accidents at work	Accidents on the road to work
2007	2	5
2006	2	6
2005	6	5
2004	4	5
2003	2	1
2002	2	5

None of these accidents resulted in permanent working incapacity or death.

On a regular basis, Vanbreda International organises fire drills for the fire intervention team and the people in charge of evacuation and first aid. These exercises relate to fire prevention, reporting a fire, warning about fire, different types of fire, appropriate extinguishing agents, familiarity with the layout of the building and evacuation instructions. Every month, all alarm signals are tested.

After each fire drill a performance report is written up and discussed with the Committee for Prevention and Safety at Work.

Renovations

The ongoing renovations of our Antwerp office building will improve fire safety and accessibility of emergency exits.

- Internal medical service

On a weekly basis, a doctor and nurse are present at the Vanbreda International offices. The medical doctor examines new employees and follows up on prolonged sickness. He is also responsible for an annual influenza vaccination campaign. Finally, he is available for employees who wish to consult him about work-related medical complaints.

(79 vaccinations in 2007)

- Group insurance

Vanbreda International's employee benefits package includes an extensive group insurance that covers expenses related to hospitalisation and working incapacity, as well as an indemnification in the event of death. Moreover, Vanbreda International pays contributions to a pension fund supplementary to the national system.

- Non-smoking policy

Vanbreda International's labour regulations include a smoking ban in all offices. To discourage smoking, cigarette breaks are deducted from the registered working hours.

- Ergonomics

Vanbreda International attaches great importance to ergonomics. The following extract from our ISO quality manual reflects this concern: "Creating a pleasant working environment is key to Vanbreda International. The Workplace Health and Safety Adviser ensures that all employees are able to work in the best possible conditions."

To eliminate ergonomic risks, the Prevention and Safety Department gives general as well as personalised advice on taking preventive measures. Such measures include positioning computer screens to avoid flickering and allow proper lighting, and finding the right furniture to support correct posture. Employees are informed of the symptoms of Repetitive Strain Injury, eye disorders and other typical health problems associated with poor ergonomics. They are encouraged to prevent these injuries or to address them by taking the appropriate measures. To this end, Vanbreda International invests in high-quality ergonomic office furniture for all employees.

Renovations

Thanks to the current renovations of our Antwerp offices, the thermal and acoustic comfort within the building will be further improved. Vanbreda International will be complying with the energy performance index "energetic comfort", meaning that an equilibrium will be obtained between comfort and the conscious use of energy.

Replacement of PC screens by LCD screens

As in every service company, Vanbreda International's employees spend a considerable amount of time in front of a PC screen.

Gradually, we are replacing all PC screens with individually adjustable LCD screens to improve our employees' visual comfort. Compared to traditional PC screens, LCD screens offer a better picture quality, produce no electromagnetic radiation and considerably less heat, and are less sensitive to reflection. Moreover, they are more energy efficient.

- Promoting physical exercise

Vanbreda International encourages its employees to stay fit and do sports. Employees who come to work by bike receive a financial incentive.

Sports plan – Part II

In 2007, Vanbreda International launched a company-wide initiative to encourage employees to improve their physical condition. Under the expert eye of a team of fitness professionals, every employee was given the opportunity to do a cycling or running test that accurately measured his/her level of fitness. Based on this test, a personalised training programme was designed, aimed at an improvement within 12 weeks. After this training period, the employees were re-evaluated, resulting in a second training programme.

More than 50% of our employees took part in the first test, and over 70% of them did the second test. On average, the fitness levels of our employees increased by one level.

In response to this initiative's overwhelming success and to reward our employees for their efforts, Vanbreda International repeated the test at the beginning of 2008.

Other initiatives within the framework of the Sports Plan:

- Vanbreda International has negotiated an agreement with a local fitness centre so that employees enjoy a substantial discount;
- Vanbreda International took part in 'bicycle day', an initiative organised by the city of Antwerp to encourage people to leave their car at home and go to work by bike;
- Many employees, either as part of a team or individually, participated in a sports event organised by the city of Antwerp. Together they ran more than 1,000 km!
- Etc.

The above initiatives and events have primed a real wave of sportsmanship among our employees.

Mental well-being

- Protection of personal integrity

In line with international and national law, Vanbreda International has set up a specific procedure to protect employees against violence, bullying and sexual harassment at work. The complaint procedure was included in the labour regulations.

- Sustainable work–life balance

"Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay."⁷

In support of the above principle, Vanbreda International's labour regulations and collective labour agreements allow several possibilities to improve employees' work–life balance. Depending on local labour practice, laws and legislation, these include options such as flexitime, a choice of part-time packages, and time credit/career breaks.

- Social events

In order to create a good working atmosphere, Vanbreda International upholds a tradition of organising social events on a regular basis such as company parties, team-building activities and cultural events.

3.2. Valuing our employees' point of view

Vanbreda International endorses the international principles of freedom of association and collective bargaining as described in the Universal Declaration of Human Rights and the UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights.

*"Everyone has the right to form and to join trade unions for the protection of his interests."*⁸

*"Transnational corporations and other business enterprises shall ensure freedom of association and effective recognition of the right to collective bargaining by protecting the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without distinction, previous authorization, or interference, for the protection of their employment interests and for other collective bargaining purposes as provided in national legislation and the relevant conventions of the International Labour Organization."*⁹

Vanbreda International encourages an open and constructive dialogue between employer and employees. In line with the relevant national legislation⁹, Vanbreda International's internal regulations describe the composition and duties of the Works Council (*Ondernemingsraad*).

3.3. Aiming to be an attractive and equal opportunity employer

*"Transnational corporations and other business enterprises shall ensure equality of opportunity and treatment, as provided in the relevant international instruments and national legislation as well as international human rights law, for the purpose of eliminating discrimination based on race, colour, sex, language, religion, political opinion, national or social origin, social status, indigenous status, disability, age – except for children, who may be given greater protection – or other status of the individual unrelated to the inherent requirements to perform the job, or of complying with special measures designed to overcome past discrimination against certain groups."*¹⁰

Vanbreda International supports international standards on equal employment and remuneration opportunities. Consequently, we aim to provide fair remuneration and growth opportunities, and to foster diversity.

A fair and competitive remuneration package for everyone

*"Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection."*¹¹

*"Transnational corporations and other business enterprises shall provide workers with remuneration that ensures an adequate standard of living for them and their families. Such remuneration shall take due account of their needs for adequate living conditions with a view towards progressive improvement."*¹²

8 Universal Declaration of Human Rights, article 20

9 UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 9

10 Bedrijfsorganisatiewet (1948), Royal Decree of 15 May 2003 and of 27 November 1973

11 UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 2

12 Universal Declaration of Human Rights, article 23

13 UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 8

Vanbreda International applies a remuneration policy based on objective criteria such as responsibilities, skills, expertise, experience and personal performance.

A broad package of fringe benefits is provided to all employees. Depending on local legislation and 'good employer' practice, this may include group insurance (pension/death), health care benefits and protection against work incapacity.

Salaries and fringe benefits are being determined without taking into consideration or discriminating against gender, religion, ethnic background or physical handicap.

Every individual staff member is entitled to transparency concerning his or her remuneration package. Vanbreda International will use appropriate means to offer this transparency, such as a correct and detailed employment contract, staff rules, collective bargaining agreements, intranet and other means of internal communication, and personal benefit statements.

Training and personal growth

Continuous learning opportunities are an important motivator and a condition for job satisfaction. Vanbreda International attaches great importance to the professional and personal development of its employees.

Each new employee completes a training schedule aimed at acquiring the knowledge and skills required in several fields (commercial, technical, administration, communication). Employees who are transferred or who need additional skills receive appropriate internal or external training. All types of training are registered, monitored and evaluated.

The list below contains a selection of the types of training offered to our employees over the past four years:

Type of training	Number of employees
General (e.g. complaints handling)	261
Language	327
Commercial	2
EHBO / prevention	34
Management	90
Computer	200
Technical	501
Medical	470
Soft skills (e.g. presentation techniques)	333

European Social Fund

As a key element of the EU's Strategy for Growth and Jobs, the European Social Fund (ESF) aims to improve people's skills and job prospects by funding projects in various fields, such as education and training, fighting discrimination and innovation.

Aimed at training of (especially lower skilled) employees, Vanbreda International's BREDAK program (Betere Resultaten door Educatie Daadkrachtig Aanpakken voor Kortgeschoolden) qualifies for subsidies from the European Social Fund. Since June 2007, these funds have been used for English and German language courses, MS Office training and medical terminology training.

Selecting the best people, regardless of nationality, ethnic background, age, gender or physical condition

“Transnational corporations and other business enterprises shall ensure equality of opportunity and treatment, as provided in the relevant international instruments and national legislation as well as international human rights law, for the purpose of eliminating discrimination based on race, colour, sex, language, religion, political opinion, national or social origin, social status, indigenous status, disability, age – except for children, who may be given greater protection – or other status of the individual unrelated to the inherent requirements to perform the job, or of complying with special measures designed to overcome past discrimination against certain groups.”¹⁴

- Equal remuneration

“Everyone, without any discrimination, has the right to equal pay for equal work.”¹⁵

Vanbreda International endorses the collective labour agreement¹⁶ regarding the equal remuneration for male and female employees. This agreement is an integral part of our labour regulations. The principle of equal remuneration implies that for equal work of equal value every difference regarding the sexes is abolished. In practice, this means that Vanbreda International has committed itself to making sure that the company’s performance review system does not lead to discrimination.

- Fostering diversity

Vanbreda International commits itself to fostering diversity among its employees and not to discriminate based on gender, age, nationality or ethnic background.

At the date of this status report, Vanbreda International employs people of more than 15 different nationalities and origins. Worldwide, 377 persons work for Vanbreda International. Though the overwhelming majority (almost 97%) are based in our Antwerp office, 42 employees are of non-Belgian nationality and 38 of non-European nationality.

Vanbreda International’s age structure is as follows:

Age bracket	Number of employees
< 20 years	3
20 – 29 years	120
30 – 39 years	158
40 – 49 years	72
50 – 59 years	22

Vanbreda International signed the Diversity Declaration of the Employers’ Platform for Diversity, a collaborative initiative of UNIZO (Flemish Union of Independent Entrepreneurs), VOKA (Flemish Chambers of Commerce) and VKW (Christian Employers’ Organisation). Our company agrees with the basic principles of the Declaration and is making every effort to implement them within the organisation.

¹⁴ UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 2

¹⁵ Universal Declaration of Human Rights, article 23

¹⁶ CAO no. 25 of 15 October 1975, modified by the CAO no. 25 b of 19 December 2001

Specifically, our commitments are as follows:

- Vanbreda International seeks to make our personnel policy as objective as possible. We achieve this by ensuring that:
 - the recruitment and selection process focuses on the competencies of candidates and offers equal opportunities to everyone;
 - training and developmental opportunities are the same for everyone;
 - the salary policy is non-discriminatory;
 - persons of foreign origin, persons with a work handicap and older employees, etc. can also apply for jobs and be hired.
- Vanbreda International evaluates how we formulate vacancies and which recruitment channels we use to reach a diverse group of candidates. We make the selection interview and the practical tests objective.
- Vanbreda International does not comply with discriminating conditions that are imposed by clients or other external parties.
- Vanbreda International demands respect for all employees and does not tolerate discrimination between colleagues on the basis of origin, age, gender and sexual preference, etc.
- Both inside and outside the company, Vanbreda International makes people aware that we are a member of the 'Employers' Platform for Diversity'.

Expansion of our office in Kuala Lumpur

In 2005, Vanbreda International opened a Claims Centre in Kuala Lumpur Malaysia, enabling us to enhance our services to our Asian clients and guarantee 24/7 availability to all our clients worldwide. The employees of the Kuala Lumpur office were recruited locally and follow the same training as their Antwerp colleagues, including a couple of weeks training in the Antwerp headquarters. Since June 2007, we recruited 11 new employees, which brings the total number of staff to 25.

4. Our environment

“Transnational corporations and other business enterprises shall carry out their activities in accordance with national laws, regulations, administrative practices and policies relating to the preservation of the environment of the countries in which they operate, as well as in accordance with relevant international agreements, principles, objectives, responsibilities and standards with regard to the environment as well as human rights, public health and safety, bioethics and the precautionary principle, and shall generally conduct their activities in a manner contributing to the wider goal of sustainable development.”¹⁷

Vanbreda International complies with the ecological requirements determined by international principles, Belgian environmental legislation and the *Welzijnswet*. We have translated this commitment into systems to prevent, minimise and compensate any harmful impact on the environment. This includes initiatives at employee and company level.

Raising employees' awareness

When joining our company, employees are informed of Vanbreda International's environmental policy and their individual responsibility to conform to this policy. These responsibilities are related primarily to sorting waste on the one hand and saving natural resources on the other.

- Sorting waste

Vanbreda International has set up detailed guidelines on how to sort and minimise waste. Separate bins for paper, glass, dangerous waste and organic material are placed within reach of every employee.

The following table displays the amounts of waste produced by Vanbreda International in 2007:

Type of waste	Amount
Paper (for recycling)	13,000 kg
Organic waste	8 m ³
Plastics, metal and drink carton	8 m ³
Harmful waste	0.8 m ³
Other waste	67 m ³

- Saving natural resources

Employees are explicitly encouraged to conserve energy by turning off lights, whenever possible, using heating and ventilation moderately, and avoiding the waste of water.

By means of financial and practical incentives, employees are encouraged to come to work by bike or public transport, or to carpool.

The following table displays Vanbreda International's annual consumption of natural resources:

Resource	Annual consumption 2007
Electricity	925,600 KWh
Gas	427,500 KWh
Tap water	1,980 m ³

Vanbreda International provides the Belgian government with an annual environmental report (*Integraal Milieujaarverslag – IMJV*) on our performance regarding waste production as well as emission and energy consumption.

Company-wide initiatives

Since 2006, Vanbreda International has been renovating its Antwerp offices. Ecological considerations have played an important role in this effort.

Renovations

The renovations of our Antwerp office (begun in 2006) are still ongoing. Improvements in ergonomics and ecology are the project's main objectives.

Thanks to technological improvements, Vanbreda International will be able to save energy and water consumption while enhancing the comfort of its employees.

- **Office heating**

The office will be heated by means of heat wheels, which use heat from the office air to warm up cold air from the outside through a heat exchanger.

- **Heating of water**

A condensation kettle will use part of the heat of combustion gasses from the natural gas installation to warm up water.

- **Lighting**

High-efficiency fittings with reflecting mirrors will result in a 50% decrease in energy consumption while improving employee comfort.

- **Ventilation**

At several locations in the building, sensors will be installed measuring the CO₂ content of the air. A management system will translate these measurements into instructions for the technical installations. This will allow us to better attune the supply of fresh air to the oxygen needed in a specific space and save energy, where possible.

As a result of the above measures, Vanbreda International will be compliant with the energy performance index "energetic comfort". An external study centre will monitor Vanbreda International's energy consumption during the two years following the renovation. An external surveyor will verify whether the building meets the predetermined energy performance index.

New energy and waste-saving initiatives

- Gradually, we are replacing all traditional PC screens with energy-saving and more comfortable LCD screens.
- We have added a standard message at the bottom of all e-mails to discourage unnecessary printing.

CO₂ offsetting

Vanbreda International staff regularly travel by air to visit clients and medical service providers worldwide. Cognisant of the substantial amount of CO₂ emissions flights produce, Vanbreda International has decided to offset the environmental damage by investing in CO₂-reducing projects.

Countering our CO₂ emissions means that for each ton of CO₂ discharged during business flights, we invest a fixed amount in a biomass project in India that corresponds to an equal reduction in CO₂ emissions. This project produces renewable energy from sustainably grown biomass from local agricultural products, such as rice husk, cotton stalk and paddy straw. Not only does this conversion generate 'green' power, it also contributes to the local economy. The project has received the official validation from the UN Executive Committee and the Det Norske Veritas.

The decision was made to offset the CO₂ emission of our international travel starting in 2006. To this end, retroactive payments have been made with regard to 2006.

For 2006, we compensated a total amount of 210 tonnes of CO₂ and 330.64 tonnes for 2007.

5. Our ethics

Vanbreda International strives to set an example of ethical and transparent business conduct by taking initiatives in favour of ethical conduct of employees, combating money laundering and discouraging insurance fraud.

Company code of conduct

Vanbreda International's labour regulations describe our general commitment regarding attitude and conduct at work. New employees are clearly informed of these guidelines.

Combating money laundering

Vanbreda International complies with Belgian Anti-money Laundering Legislation, which conforms with the relevant EU directives. The Anti-money Laundering Legislation imposes a number of rules with a view to preventing money laundering.

An internal working group received certified training on these legislative requirements. They have drawn up a scenario for primary supervision and provided thorough training for all employees concerned.

Combating health insurance fraud

Health insurance, especially in an international context is typically prone to fraud.

Medical insurance fraud is a serious offence, which leads, in the long run, to other medical plan members becoming the major victims.

Protecting our clients' financial interests is one of our top priorities. To this end, in October 2005, Vanbreda International developed a detailed anti-fraud policy aimed at preventing, detecting, investigating, reporting and recovering fraud.

- Prevention

Vanbreda International has close working relationships with a worldwide network of medical service providers, whom we have thoroughly screened in terms of quality and trustworthiness. In addition, Vanbreda International counts on the health care plan members' sense of responsibility to avoid fraudulent activities.

- Detection

The processing of health insurance claims includes various checks with the intent of minimising the risk of unjustified reimbursements. We assess each claim on the basis of what is typical, customary and reasonable. Thorough training and geographical specialisation, enable our claims analysts to recognise possible deviations at an early stage. We contact the medical service provider when necessary. The direct in-house availability of many languages and a vast range of documentation (databases; rates and tariffs; locally and internationally used codes for diagnoses, treatments and procedures; info on local health care systems, etc.) provide additional instruments for correct claims adjudication, cost containment and fraud control.

- Investigation

During and after claims processing, a fraud investigation may be set up within a separate investigation unit. In the case of strong indications of fraud, special procedures are initiated to obtain written evidence.

- Creating awareness

Vanbreda International appeals to the individual health care plan members to counter malicious practices and to work towards a balanced and financially healthy medical insurance plan. We guarantee strict confidentiality and a thorough investigation of each individual complaint.

Fraud Investigation Unit

To expedite and improve (potential) fraud detection, Vanbreda International created a dedicated Fraud Investigation Unit.

Our Fraud Investigation Unit plays a vital role in our counter fraud approach. It will

- continuously update our fraud policy and strategy;
- deal with the operational work involved in the thorough investigation of a file once it has been flagged as a potential fraud file;
- collect evidence to substantiate sanctions;
- take the necessary actions to obtain a successful recuperation of the defrauded money and to consequently develop an anti-fraud culture amongst the members of the health plan;
- ensure fraud reporting to the clients;
- improve the fraud detection mechanisms for retrospective identification of fraudulent cases continuously.

The Fraud Investigation Unit consists of 3 full-time Fraud Investigators and 1 Fraud Coordinator. Vanbreda International's Internal Auditor, who ensures compliance with principles of good practice guidance and ensures high standards of objectivity, supervises it. For medical questions, the Fraud Investigation Unit can rely on the advice of our Medical Consultants. Its role is essential in order for us to increase our knowledge through practical experience of fraud problems tackled and to ensure that future preventative measures are up to date with the reality of the fraud risks that we face.

The Fraud Investigation Unit can also rely on international networks to keep themselves informed of all new health care fraud trends and techniques.

Cross-reference table

This table contains a cross-reference guide between the 10 principles of the UN Global Compact and Vanbreda International's Progress Report 2008.

Vanbreda International		UN Global Compact Principle: Business should ...		Page
1/2	Our clients Our employees	1/2	... support and respect the protection of internationally proclaimed human rights ... ensure that they are not complicit in human rights abuses	8 / 21
2	Our employees	4/5	... support the elimination of all forms of forced and compulsory labour ... support the effective abolition of child labour	12 / 21
2	Our employees	3	... uphold freedom of association and the effective recognition of the right to collective bargaining	12 / 21
2	Our employees	6	... support the elimination of discrimination in respect of employment and occupation	12 / 21
3	Our environment	7/8/9	... support a precautionary approach to environmental challenges ... undertake initiatives to promote greater environmental responsibility ... encourage the development and diffusion of environmentally friendly technologies	22 / 25
1/2/4	Our clients Our employees Our ethics	10	... work against corruption in all its forms, including extortion and bribery	8 / 21 26 / 28