

## ASR NEDERLAND N.V.

### UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS 2013

#### I. Human Rights Principles

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| <b>Principle 1</b> | Businesses should support and respect the protection of internationally proclaimed human rights; and |
| <b>Principle 2</b> | make sure that they are not complicit in human rights abuses   |

#### Assessment, Policy and Goals

ASR Nederland supports the UN Universal Declaration of Human Rights and states this publicly on the Group website and in the latest Annual Report, to make our position clear for all our suppliers, employees and partners.

ASR Nederland 's core values are to be personal, approachable and accountable, and true to who we are. In our policy, we take the interests of our customers, our employees, and a large group of other external stakeholders (such as shareholders, vendors, politicians, trade organizations and unions) into account. This includes our commitment to ethical and sustainable business practice and taking responsibility for the social and environmental impacts of our decisions.

Our core values provide a clear set of standards for our business conduct. Together with our commitment to responsible and sustainable business, they guide our support and respect for human rights.

#### Implementation and Measurement of Outcomes

ASR Nederland N.V. respects and protects the Human Rights in our daily operations and encourages all our relations to do the same.

#### Internally:

##### Basic Human Rights for internal ASR Nederland N.V. employees:

We have a range of Human Resources Policies which reflect ASR Nederland N.V. pro-active stance on human rights, including our Equal Opportunities policy, the right to work for a fair wage, a safe environment, the right to join a trade union, etc.

As complement to these policies, ASR Nederland N.V. has established different roles to support all employees to improve the work environment. These roles are available both internally, with the Ombudsman, as externally with a Confident Person and the Company Social Worker.

ASR Nederland N.V. has not received any complaint from employees, business partners or clients in relation to potential Human Rights violations, nor was the organization involved in any human rights incidences during the reporting period.

### **Externally:**

#### Procurement

ASR Nederland N.V. wants to ensure that international human rights are respected throughout the production process of the goods and services that are purchased. These sustainability aspects are assessed in all new contracts and contract renewals.

#### Investment portfolio

Moreover, ASR Nederland N.V. shows full endorsement to the human rights in the business dialogues and by implementing different policies as the voting policy or the Socially Responsible Investment Policy. ASR Nederland N.V. signed the United Nations Principles for Responsible Investments (UNPRI) in 2011 and we shall always verify, with the support of an independent international screening institute, that the companies included in the investment portfolio are not involved in Human Rights abuses.

ASR Nederland excludes investments in companies in cases of complicity in systematic and/or gross violations of human rights. The norms of the human rights can be found in the International Bill of Human Rights (IBHR). This IBHR consists of the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights and its two Optional Protocols. There are nine core international human rights treaties. Each of these treaties has established a committee of experts to monitor implementation of the treaty provisions by its States parties. Some of the treaties are supplemented by optional protocols dealing with specific concerns.

- International Convention on the Elimination of All Forms of Racial Discrimination (1965);
- International Covenant on Civil and Political Rights (1966);
- International Covenant on Economic, Social and Cultural Rights (1966);
- Convention on the Elimination of All Forms of Discrimination against Women (1979);
- Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1984);

- Convention on the Rights of the Child (1989). International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (1990);
- International Convention for the Protection of All Persons from Enforced Disappearance (not yet in force)
- Convention on the Rights of Persons with Disabilities (not yet in force)

During 2013, ASR Nederland excluded 15 companies of its investable universe and entered in dialogue with 2 companies which were alleged to be involved in controversial activities regarding Human Rights, with the aim of raising awareness and stimulating sustainable behavior.

## II. Labour Principles

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| <b>Principle 3</b> | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; |
| <b>Principle 4</b> | the elimination of all forms of forced and compulsory labour;  |
| <b>Principle 5</b> | the effective abolition of child labour; and   |
| <b>Principle 6</b> | the elimination of discrimination in respect of employment and occupation  |

### Assessment, Policy and Goals

ASR Nederland N.V. strives to create a positive working environment for its employees. A working environment where all colleagues – wherever they come from – feel at home and have the chance to grow.

ASR Nederland N.V. encourages employees to grow in terms of career planning and realizing their ambition. To create not only a feeling of being at home but to get the best out of each individual employees' talents and personality.

We want to reflect the Dutch society. In different ways we strive to bring diversity to our company. Employees are encouraged to be active in various networks, to achieve personal growth and vision. And we also pay a great deal of attention to equal treatment of each employee.

### Implementation and Measurement of Outcomes

#### Internally:

##### Basic Labour Rights for internal ASR Nederland N.V. employees:

ASR Nederland N.V. employs nearly 4,000 people. All employees are granted a contract of employment clearly stating the terms and conditions of the contract, including the pay rates. The contracts are fully regulated in the framework set at the ASR Nederland N.V. Collective Labour Agreement which is provided to all the employees, containing information on standard terms and conditions of employment, company benefits, company rules, grievance and disciplinary procedures. ASR Nederland N.V. has a 100% compliance on approved employment contracts.

##### Right to organise and collective bargaining:

ASR Nederland N.V. encourages the right to assemble. The interests of our employees are maintained by the unions and all employees are represented by the Working Council with

19 members from all different business areas. In addition there are other active networks, representing different employee bands:; Colourful Ambitions (for bicultural employees), M! (for female employees), Nexus (for younger employees up to 36 years old), Talent pool (for talented and ambitious employees), Secretaresse-Netwerk (for secretarial employees) and VrouwenNetwerk 7<sup>2</sup> (for female employees above 49 years old).

### Health & Safety

Good working conditions are crucial for ASR Nederland N.V. A health and safety committee is responsible, among other, for the preparation and implementation of the annual plan for occupational health. Part of this plan is:

- Providing courses sustainable employability;
- Encouraging healthy lifestyle;
- Healthpolicy with attention to reduce and prevent stress due to psychosocial workload;
- Annual safety checks;

### New World of Work (NWW)

The introduction of NWW is one such initiative to create a pleasant working atmosphere at ASR Nederland N.V. The most important reason for ASR Nederland N.V. to introduce NWW was that it gives employees the opportunity for a better work/life balance, thereby boosting their motivation. Moreover, NWW helps to reduce our energy consumption and our carbon emission. By the end of 2012, 80% of employees at the Utrecht office had the tools to work independently of time and place. Around 1,000 employees log onto the network remotely each day.

Awards: in 2013, ASR Nederland N.V. received the 3<sup>rd</sup> place in the 'Sustainable Work Award', among more than 100 companies. This is an initiative of 2 foundations: the Forum for Sustainable Work and Society and the Forum for Nature and Environment. The award is given to a company or project that is working with the New and Sustainable Work on an innovative and progressive manner. For ASR Nederland N.V. this means a great recognition for the implementation of the NWW initiative.

### Career development:

At ASR Nederland N.V., employees are encouraged to develop professionally and to take ownership of their personal development, career path and ambitions. The goal is to create an inspiring and healthy work environment that fosters the talents of employees and allows them to reach their full potential.

### Leadership:

In 2011 ASR Nederland N.V. initiated an intensive programme of cultural change. The main priority of this programme is that ASR Nederland N.V. wants to win back the trust of customers as well as its employees. At the heart of this are the core values of being personal, approachable and accountable, and true to who we are.

In 2012 all managers have taken a train-the-trainer workshop after that they entered into a dialogue with their employees about embedding the core values in their day-to-day activities. In the second half of 2012, the emphasis shifted to 'helping by taking action'. All managers followed a course in 'control and flexibility' which taught them to strike the right balance in the activities of their teams, allowing employees to develop their own initiatives and approaches. In the engagement scan 2013 we added some leadership-questions to evaluate our leadership-programme. The results were positive, our employees know and understand our values and the questions about open communication and being able to speak your mind got a high score.

#### Diversity:

At ASR Nederland N.V., diversity is being enhanced in many ways. Employees are encouraged to participate in all manner of business networks in order to broaden their horizons and advance their personal growth.

As a supporter of the 'Talent to the Top' Charter, ASR Nederland N.V. is committed to appointing women to management positions and keeping them there. This illustrates the value that ASR Nederland N.V. attaches to a diverse organization. The Executive Board has been active in driving this forward and several initiatives have been taken, including extra places on trainee and management development programmes, an intensive mentoring programme and a special focus on women when filling vacancies for management positions.

The targets set by ASR Nederland N.V. is that in 2014 25% of the top positions are filled by women

In 2012 25% of middle management was female and 15% of senior management.

In 2013 27% of middle management was female and 19% of senior management.

The most recent (2011) biennial survey of the top 500 businesses in the Netherlands conducted by the Netherlands Institute for Social Research (Dutch acronym: SCP) shows that women account for 4.3% of Executive Board members and 9.0% of Supervisory Board members. The percentages of women on the ASR Nederland N.V. Executive Board and the ASR Nederland N.V. Supervisory Board since year-end 2012 were 25% and 50% respectively. These percentages far exceed the national average.

#### Employee Engagement:

According to the results of the Engagement Scan that was conducted in February 2013 and was completed by more than 86% of employees, the ASR Nederland N.V. employee engagement score rose from 44,4% in 2012 to 55,1% in 2013. This is the highest score since 2008.

## **Externally:**

### Procurement

ASR Nederland N.V. wants to ensure that international human rights are respected throughout the production process of the goods and services that are purchased. ASR Nederland requests providers to perform the contracts according to the applicable (inter)national laws and regulations, ASR rules and (inter)national standards which are to be expected by any supplier ("state of art"). These sustainability aspects are assessed in all new contracts and contract renewals.

### Investment Portfolio:

ASR Nederland excludes investments in companies in cases of complicity in systematic and/or gross violations of Labour rights. Companies must comply with the following fundamental ILO conventions: 29, 87, 98, 100, 105, 111, 138 and 182 ([www.ilo.org](http://www.ilo.org))

- 29: Forced Labour Convention, 1930
- 87: Freedom of Association and Protection of the Right to Organise Convention, 1948
- 98: Right to Organise and Collective Bargaining Convention, 1949
- 100: Equal Remuneration Convention, 1951
- 105: Abolition of Forced Labour Convention, 1957
- 111: Discrimination (Employment and Occupation) Convention, 1958
- 138: Minimum Age Convention, 1973
- 182: Worst Forms of Child Labour Convention, 1999

During 2013, ASR Nederland excluded 14 companies of its investment portfolio which were alleged to be involved in controversial activities regarding Labour Rights.

### III. Environmental Principles

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| <b>Principle 7</b> | Businesses should support a precautionary approach to environmental challenges;  |
| <b>Principle 8</b> | undertake initiatives to promote greater environmental responsibility; and       |
| <b>Principle 9</b> | encourage the development and diffusion of environmentally friendly technologies |

#### Assessment, Policy and Goals

ASR Nederland N.V. wants to minimize the environmental impact of its operations, and so it uses resources, energy and water efficiently. Furthermore, ASR Nederland N.V. is actively getting to grips with waste management, mobility and carbon emissions, and for this purpose has developed a special environmental management system.

In 2008, ASR Nederland N.V. signed the government's third multi-year plan, setting out national agreements between the government and industry on energy savings. This is an expression of ASR Nederland N.V.'s intention to reduce energy consumption by 30% per FTE by 2020 compared to 2005. Since 2007, all electricity used by ASR Nederland N.V. has come from sustainable sources.

#### Implementation and Measurement of Outcomes

##### Internally:

##### Headquarters' renovation on a sustainable way

Sustainability considerations featured the 2010 decision to renovate the head-office building in Utrecht rather than opting for a new building. The renovation is in January 2013 start.

The building in Utrecht is equipped with a system for Long-Term Energy Storage (Dutch acronym: LTEO), which uses the ground as a source for heating and cooling the building. In the summer, groundwater with a temperature of 10-12 degrees Celsius is pumped up from the 50-metre deep cold source. In the heat exchanger in the building, the air for the cooling system meets the cold water and the air loses its heat to the groundwater, which warms up. In the winter, the process is reversed. This system means a considerable saving on energy costs; it has a long lifespan and a high degree of reliability. The picture shows the removal of the previous boiler and cooling machines, mid-2013.





The new system translates into very concrete energy reduction:

- Electricity: the consumption during the first 10 months of 2012 was 10,779,793 kWh, versus 8,251,096 kWh during the same period in 2013. A decrease in consumption of approximately 23%.
- Natural gas: the consumption during the first 10 months of 2012 was 648,731 m3 versus 560,160 m3 of natural gas. A decrease in consumption of approximately 14%.

For both figures it must be noticed that a part of the building was not used in that period due to the renovation.

### Waste

During 2013, a composting station was built at ASR Nederland N.V.'s ground. The goal is to compost vegetable and garden waste on-site. This will prevent additional mobility and will contribute to CO2 reduction. In 2013, the compost was spread for the first in the garden of ASR Nederland N.V.



### New World of Work and mobility policy

ASR Nederland N.V. has an active mobility policy that seeks to improve accessibility to the buildings and reduce carbon emissions. One aspect of this is the optimization of the parking facilities.

At the Utrecht, Amsterdam and Amersfoort locations, employees are encouraged not to use their cars, especially at peak times. Alternatives include working from home and using video conferencing.

ASR Nederland N.V. facilitates a secure line for employees to be able to work from home. In 2012, an average of 488 employees made use of this option. This translates into an employee mobility reduction and as a result, a reduction over 10% in the CO2 emissions. In the first 10 months of 2013, this trend is being continued.

Other initiatives in the mobility policy include:

- Charging stations for electric cars: during 2012, 6 stations were built on ASR Nederland N.V. facilities for employees. Due to the rising demand, another 6 stations will be built before end of 2013, plus 2 extra stations in the visitors parking zone.
- Same concept is already developed for electric bikes in the bicycle parking for employees.

### **Externally:**

#### Purchasing

ASR Nederland N.V. is committed to the Sustainable Procurement & Business Practices Manifesto. The manifesto is an initiative by 17 large businesses in the Netherlands and is supported

by NEVI, the Dutch Association for Purchasing Management ([www.nevi.nl/mvi](http://www.nevi.nl/mvi)).

Since 1 January 2013, ASR Nederland N.V. has added impact on society to its procurement criteria. This impact could be social, environmental or economic.

Sustainable purchasing is more than just applying criteria in the procurement process; it is also about choices made in business operations that translate to the works, supplies or services to be purchased.

The implementation of the Socially Responsible Procurement policy focuses on the following aspects:

1. ASR Nederland N.V. informs suppliers in advance that environmental and social factors are weighed in the selection process;
2. ASR Nederland N.V. has adopted a set of environmental and social criteria (these are category-specific); and
3. ASR Nederland N.V. challenges its suppliers to come up with alternatives that constitute a better match for today's environmental and social criteria.

In November 2013, ASR Nederland N.V. signed the Green Deal Circular Purchasing, an initiative from the Dutch Government which takes into account what will happen with goods which may not be used in the future during the procurement stage, so that we do not contribute to the creation of a waste through our business.

#### Investment Portfolio:

At ASR Nederland N.V. we favor investments in companies excelling on ESG policy and implementation, classified as pioneering, best-in-class and sustainable companies. This classification applies a relative, sector wise ranking for six domains of analysis, being one of those the Environmental policy of the company:

- Strategic incorporation of environmental issues
- Incorporation of environmental issues into the manufacturing and distribution of products/services
- Incorporation of environmental issues into the use and disposal of products/services

#### IV. Anti-Corruption Principles

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| <b>Principle 10</b> | Businesses should work against corruption in all its forms, including extortion and bribery |
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##### Assessment, Policy and Goals

ASR Nederland N.V. is committed to counteracting all forms of corruption.

All ASR Nederland employees are expected to abide laws, regulations and ethical standards. Human Resource policy as well as the Code of Conduct of ASR Nederland N.V. The personnel of ASR Nederland N.V. can not accept any form of corruption. Therefore, neither employees nor member of the Management accept remuneration outside of the agreed quotation unless it is formally agreed upon.

##### Implementation and Measurement of Outcomes

###### Internally:

For ASR Nederland N.V. it is key to have and to actively show an integer code of conduct at all levels in the organization.

The goal of Compliance is to promote and monitor the integrity of the management of ASR Nederland N.V. and to monitor the reputation of ASR Nederland N.V. and its brands.

In practice, this translates into a number of guidelines how employees are expected to interact with each other and how to approach specific situations. These include an integrity code, insider rules and a whistle-blowing procedure. Currently a.s.r. is updating/developing a policy on incidents and fraud management to be further implemented in 2014.

These guidelines are detailed in ASR Nederland website Corporate Governance, available at <https://www.asr.nl/EN/About-ASR/Corporate-Governance/Paginas/compliance.aspx>

Failure to observe the rules of conduct will be considered as a serious breach of the trust that the employer has on the employee, and will lead to disciplinary actions, including the termination of the contract. Compliance produces quarterly reports and ad-hoc reports which are discussed by the Executive Board and/or the Audit Committee.

There have been no cases of corruption being detected in the line of our work over the course of the reporting period.

## Externally

ASR Nederland N.V. also supports the industry's rules of ethics (such as the Code of Conduct for Insurers). Furthermore, there are codes in place relating to various themes, including:

- Client/Customer Due Diligence: know your client before doing business with them,
- Intermediaries: including an obligation to report suspicions of inappropriate conduct by an intermediary
- and Financial Services: including a duty of care and an incentives policy.

## Investment Portfolio

At ASR Nederland N.V. we favor investments in companies excelling on ESG policy and implementation, classified as pioneering, best-in-class and sustainable companies. This classification applies a relative, sector wise ranking for six domains of analysis, being one of those the Market Ethics of the company, which is further broken down in nine criteria:

- Product safety and safe products
- Information to customers
- Responsible relation with customers
- Cooperation with suppliers in terms of sustainable production
- Integration of environmental factors in the production chain
- Integration of social themes in the production chain
- Prevention against corruption
- Prevention against anti-competition practices
- Integrity and transparency in terms of strategy and influencing tactics