

**STATUS REPORT  
30<sup>TH</sup> JUNE 2014**

**THE UN GLOBAL COMPACT  
PROGRESS  
REPORT  
2013-2014**



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## Statement of continuing support

Corporate social responsibility is part of Vanbreda International's ethos. Driven by a mission to help the people we serve improve their health, well-being and sense of security, we strongly believe that corporate success and a healthier world are interdependent.

That is why we support and stimulate a healthy, educated and engaged workforce, and adhere to environmental sustainability and transparent governance best practices. These beliefs closely align with the principles laid down in the United Nations Global Compact. Taking our participation to heart, we are naturally renewing our support, as we have done for the past 9 years.

As a Cigna company since 2010, Vanbreda International naturally embraced its mother company's approach to corporate social responsibility (CSR), which is based on four pillars: communities, sustainability, diversity and ethics and governance.

In 2013 and 2014, we took the alignment with Cigna's CSR policy to the next level with the organisation of the first 'CSR week' in our headquarters and the launch of our community service programme. We not only aim at raising our employees' awareness of the world around us but also actively engage them to become a catalyst of change within our communities.

Our plan members and clients are at the heart of our activities. We reminded our staff of this promise and translated it concretely by launching several product and service enhancements throughout 2013 and 2014. Supporting our insured in difficult times has become more than providing easy access to health care. It also means helping them prevent sickness and manage their diseases as well as making the management of their insurance plan easier.

Our core activity is helping people wherever they are. Our core value is doing things the right way.

We remain committed to being a sustainable and ethical company and we do so by embracing the principles of the United Nations Global Compact.

**Wouter Reggers**

*Managing Director  
Vanbreda International*

**Bart Jordens**

*General Manager, Global IGO/NGO/Africa  
Vanbreda International*

# 1. Sphere of influence

## 1.1. Operations

Vanbreda International has over 50 years' experience in designing, implementing and managing cross-border employee benefits and health insurance programmes for private, public and not-for-profit organisations. These include companies with expatriate staff and offices in different countries and continents, intergovernmental organisations, diplomatic staff and foreign trade representatives as well as non-governmental organisations.

As a provider of insurance products, services and solutions, we are aware of the impact that our activities have on society, both nationally and globally. The United Nations Environment Programme Finance Initiative report 'Insuring for Sustainability' (UNEP FI, 2007), rightfully mentions that "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, the insurance industry stimulates investments and innovations. By providing financial protection against death and disability risks and annuities for retirees, the insurance industry reduces the pressure on the public sector. By analysing risks, it signals danger and provides risk management advice. Last but not least, by investing collected premiums, it directly contributes to the economy.<sup>1</sup>

*"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."<sup>2</sup>*

*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."<sup>3</sup>*

Since our foundation, we emerged as a company with an ever-increasing global reach.

For our clients, we play a role in helping them implement their employee benefits strategy in line with their financial targets. We service over 438,000 people residing and working all over the globe. By providing global access to health care we touch upon and influence their daily lives and those of their families, wherever they work and live.

In addition to affecting our client's HR and business strategy and financial performance, and their employees' well-being, we play a key role in the lives of our employees and their work environment. Our client services are being taken to heart, day in day out, by 485 people.<sup>4</sup> The majority works from our headquarters in Belgium while others are based in our offices in Spain, in the United States of America and in Malaysia. We also have sales offices and local representations in Italy, Switzerland, Kenya, South Africa and Chile.

<sup>1</sup> UNEP FI, 2007.

<sup>2</sup> Universal Declaration of Human Rights, article 25.

<sup>3</sup> UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 12.

<sup>4</sup> Number of Vanbreda International employees on 30th June 2013, representing 449.49 full-time equivalents.

## VANBREDA INTERNATIONAL IS A MAJOR SPONSOR OF UNICEF BELGIUM

For many years, Vanbreda International has sponsored UNICEF by making a donation for each customer satisfaction survey fully completed by our clients. Thanks to this contribution we are officially recognised as a 'Major Sponsor' of UNICEF Belgium.

### Child survival and development in the Democratic Republic of Congo (DRC)

UNICEF Belgium and Vanbreda International renewed their partnership at the end of 2012. As last year, Vanbreda International's 2014 donation will be allocated to a project entitled 'Child survival and development in DRC'.

While infant and child mortality rates have started decreasing in DRC, the situation of children and pregnant women remains alarming. Insecurity, combined with the absence of access roads, makes it difficult to reach children living in the most remote areas, where health care is the most needed. Currently, 554,000 children die every year in DRC before they reach the age of 5.

Today, 40% of the children are covered by UNICEF's minimal activity package aimed at reducing infant and child mortality. The objective is to cover 60% of the children by the end of 2017.

Some of the overall results achieved in 2012 by UNICEF in DRC:

- 15 million children were vaccinated against polio by UNICEF and its partners;
- 28.9 million people were provided with mosquito nets treated with insecticide for protection against malaria;
- 1.3 million people were given access to safe drinking water;
- 223,000 malnourished children under 5 were supported.

## 1.2. Our commitment to acting in a socially responsible way

We are committed to acting in a socially responsible way. Our commitment is reflected in systems and initiatives that benefit all our stakeholders. We strongly believe in business ethics.

We support and pursue international principles and standards regarding human and labour rights, environmental protection and ethical business conduct.<sup>5</sup>

Not only do we adhere to the United Nation's Global Compact principles, but we also subscribe and live up to the Diversity Declaration of the Flemish Chamber of Commerce. Moreover, we comply with all legislation and regulations that have a bearing on our activities and we act responsibly beyond what is legally required. Our adherence to the UNGC principles demonstrates that we strive to be a socially responsible service provider and employer.

We translated all of our engagements 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.

In 2013, the integration of Cigna's CSR policy was taken to the next level with the organisation of the first 'CSR week' in our headquarters. For a week, our staff members were invited to look more closely at the world around us. Lunchtime sessions were organised to present our company's CSR initiatives: charity programmes, CO<sub>2</sub>-reduction programme, etc. Employees were also given one 'green challenge' per day: they were encouraged to come to work by bike or to use fewer paper cups.

The 'CSR week' was the perfect opportunity to launch our Community service programme, which enables our employees to volunteer for 8 hours per year during working hours. Two organisations were chosen:

- a nearby primary school, where our employees help to set up the library or take part in cultural projects;
- a charity that supports underprivileged families with young children, where our employees help pack food, toys and clothing that are donated to the parents.

<sup>5</sup> 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).

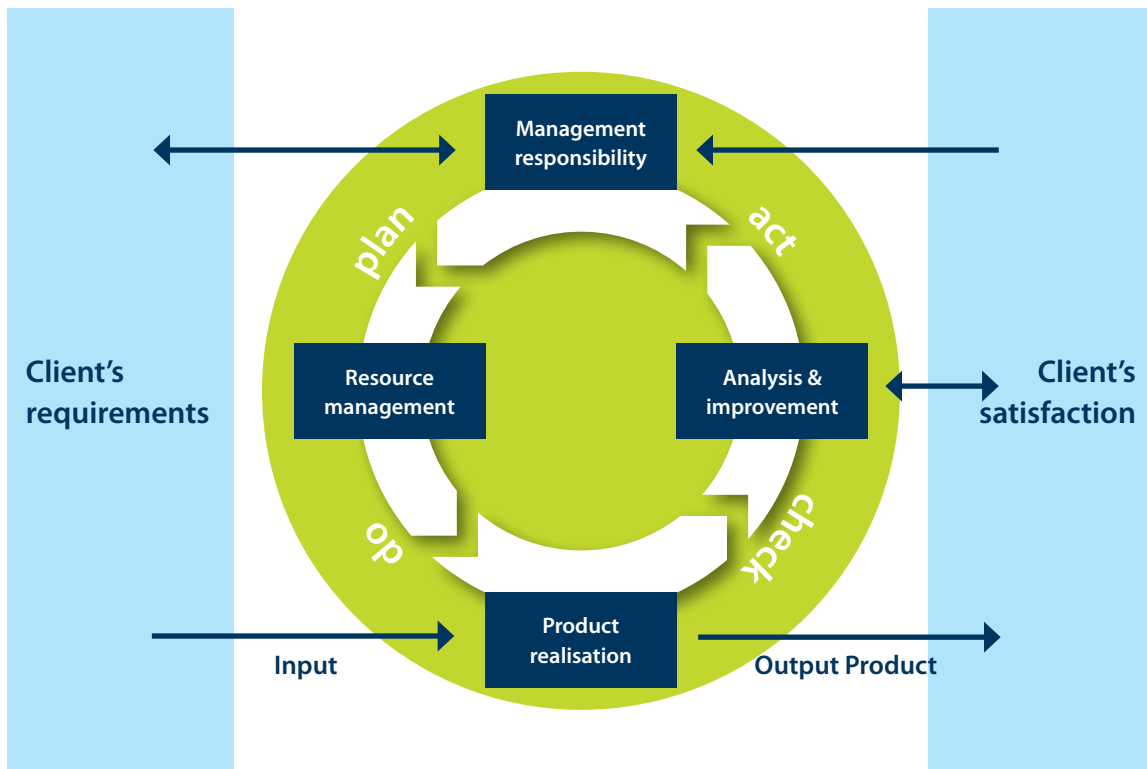
## 2. Valuing our clients

We want to ensure easy and affordable access to health care worldwide and reduce barriers to health care and protection wherever possible. At the same time, we raise plan members' awareness of the cost of health care plans and how they can contribute to keeping these costs down. In addition, we foresee measures and mechanisms to deter and detect insurance fraud.

Our solutions are designed to enable staff covered by a health insurance or wider employee benefits programme to optimally benefit from the plan's advantages. By upgrading and fine-tuning these plans and by launching new products and services, we continuously improve the plan and product experience and cost impact.

Our effort towards continuous improvement is reflected in our ISO certification, which we obtained in 1998 as **'international settler of claims regarding employee benefits'**<sup>6</sup>. Ever since, this certification was renewed every three years. The latest recertification was awarded in 2013 **and a follow-up audit was conducted successfully in the first quarter of 2014.**

As an ISO certified company we have a fully maintained quality management 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).<sup>7</sup>



6 Certificate no BE98/01053 - SGS European Quality Certification Institute E.E.S.V.

7 For more information on ISO, see [www.iso.org](http://www.iso.org).

## 2.1. Putting plan members and clients at the heart of our activities

By focusing on customer centricity across all departments, we aim to make it easier for our clients and their employees to do business with us and to make their experience with us warmer and more personal.

### 2.1.1. Customer Centricity Board

Created in 2012, the Customer Centricity Board acts as the focal point for customer-centric actions and ideas, and is responsible for monitoring customer centricity in all company-wide initiatives.

Members from various departments and management levels meet twice a month to track the progress of all initiatives and examine ideas and suggestions sent by employees.

This has translated so far into actions such as:

- improvement of internal processes for greater efficiency;
- sending a condolences card to the family members of a deceased plan member;
- sending a 'Get well soon' postcard to hospitalised children, together with a set of colouring pencils;
- creation of feedback forms on our secured website. Plan members can now send us a compliment, a complaint or a question through the website. Their messages are sent directly to our Customer Services team for further action.
- implementation of call vetting;
- customer centricity trainings for all employees.

In order to make the board's actions more visible within the company and encourage participation, we launched a dedicated Customer Centricity Board website in February 2014. Accessible to all employees, it allows them to share their ideas for customer-centric initiatives and to see how the board helps turn them into concrete actions.

### 2.1.2. Pulse – our newsletter for customers

The first edition of Pulse, our quarterly plan member newsletter, was published in April 2014 following positive feedback from a pilot edition in March. Pulse is made up of articles on health and well-being, company updates as well as tips on our procedures. The newsletter is sent by email to an average of 100,000 plan members from 140 clients.

In the pilot, executed before the launch, we asked customers about their preferences for the newsletter: distribution channel and frequency, topics, etc. The results from this pilot were very positive, with 96% finding the topics interesting for them and 99%

wanting to receive future editions.

### 2.1.3. Monthly tip

In order to help plan members make the most of their plan and our services, a series of tips on various aspects of their plan was drafted. One new tip is published every month on their personal webpages. The first tip was published in April 2014.

## 2.2. Paperless office and claims tracking

We became a paperless office in July 2013. This means all claim documents and other items of communication sent by plan members are managed electronically throughout the entire process. By doing so, we are using less paper, and for plan members the advantage is that they are able to track the status of their claims online in real-time. In addition, they receive email updates upon receipt of a claim and after processing.

## 2.3. IGO Connect – Our newsletter for clients

In February 2013 we launched the first edition of our client newsletter as a new initiative to stay in close contact with our clients, and inform them on news from our company as well as market updates.

Three times a year, the newsletter is sent out by email and regular post, and is also printed for direct distribution to our clients during client visits, events, etc.

## 2.4. Business security

### 2.4.1. Information protection policy

As we deal everyday with personal and medical data, information protection is one of our top concerns. We further strengthened our information protection policy in 2013 by:

- achieving Sarbanes-Oxley (SOX) compliance;
- creating a full-time Information Protection Specialist function;
- implementing Role-Based Access Control (RBAC);
- implementing a security assessment programme consisting in a combination of periodic internal and third-party assessments;
- regularly reminding employees of information protection guidelines by email or on our Intranet.



## SUPPORTING OUR CLIENTS' EMPLOYEES

Whenever our clients' employees and their family members need support, we want to be there. Our support focuses on offering health information, coaching and assistance through the key moments of their life that may impact physical and/or mental resilience.

Stress, lack of physical activity and unhealthy eating habits rank as the top health risks in many parts of the world. To help our clients' employees improve their health, we have implemented a health & well-being strategy consisting of 3 different programmes:

**Health risk assessment:** employees answer a 15-minute online questionnaire on four topics: nutrition, sleep, physical exercise and stress. Based on this assessment of their health, a coaching plan is offered, as well as regular reminders and tips and tricks emails. The aim is to help them make small changes to their health & well-being for long-lasting results.

**Chronic condition management:** aimed at employees suffering from diabetes, HIV or a coronary artery disease during the pilot phase, the programme was extended to include 3 new chronic diseases in May 2014. Designed in collaboration with one of our clients, this individual follow-up programme is led by two in-house trained nurses acting as 'health coaches'. During one year, the coach schedules regular telephone sessions with each patient (about 1 telephone session per month). The goals are to improve the patient's quality of life and ultimately reduce the progression and complications of their condition.

**Employee assistance programme (EAP):** telephone counselling to help employees identify and solve a whole range of personal problems. The multilingual team of qualified counsellors answers plan members' questions, assesses the problem, and discusses and develops an action plan together with them. Face-to-face counselling is available at a client's request.

### 2.4.2. Business Continuity Plan

In order to be able to respond to all kinds of disasters (accidents, emergencies, threats, etc.) without stopping our operations, we have a Business Continuity Plan. In 2013 we conducted a successful IT disaster recovery test of all our websites and their functionalities.

### 2.5. Improving access to health care

We have a significant impact on the extent to which our clients' employees and their families are covered against health risks. When designing our health care plans we take into account local specificities and cultural diversities, therapeutic freedom and cost effectiveness.

### 2.6. Regular assessment of health care needs

Every year we perform a detailed analysis of each client's medical claims history. This analysis can reveal new cover needs that had not yet 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. At the same time, the analysis of the plan experience helps to raise awareness about the cost of the plan both for employers and employees.

### 2.7. Monitoring medical expenses

When reimbursing medical claims to health care plan members we always assess whether the expenses made are justified. First of all, we 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 treatment was given. These assessments require a continuous follow-up of health care developments and related costs worldwide. We are supported in this effort by our global network of 182 medical correspondents based in 98 countries.

### 2.8. Vanbreda International's Medical Board

Vanbreda International is specialised in health insurance services to expatriates worldwide and is trying to meet an increasing customer demand for health management and advice. Making our Medical Board a top priority confirms our strong global position and presence when it comes to our knowledge of regional medical cultures, the follow-up of reasonable and customary expenses, case management and the detection of possible fraud.



Apart from the medical consultants based in our headquarters in Belgium, our Medical Board also includes medical consultants from all continents: Europe (Italy, Spain and UK), America (Canada, Chile and Brazil), Asia (Malaysia, the Philippines, Bahrain, Hong Kong, China, India and Afghanistan) and Africa (Senegal).

## 2.9. Solid case management capacities

In 2013, our case managers successfully assisted more than 1,300 patients and their families throughout their hospitalisation or other major treatment.

Case management is two-fold. On the one hand, case managers provide clinical support by looking for alternative treatments options that enhance the patients' comfort and well-being. Whether in the field or in our Service Centres, they call or visit the patient and/or family members to ensure that the hospitalisation or treatment is running smoothly, provide information and answer their questions.

On the other hand, in consultation with the patient and treating doctor(s), case managers discuss the length of stay and negotiate case-specific rates (on top of the ones already agreed with our Provider Relations department).

## 2.10. 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 medical information to make analyses and organise surveys on specific topics such as preventive care, disease management, the impact of ageing on health care costs, trends in disability management and return to work policies and other topics. We work closely with specialised institutions and academics to perform these surveys.

As we place our members at the centre of our activities, processes and developments, we perform an ongoing satisfaction survey to ask plan members for input on what they find important and how we can improve ourselves.

To keep a high response rate and make the completion of the survey as easy as possible, we have published it on an online platform. Plan members receive an invitation either by email or by paper and in both, we ask them to complete the survey online so all respondent data are available online in real time.

The survey is sent out to a 5% random selection of members having claimed with us and can be completed in 6 languages.

## 2.11. Proximity to clients

We have local offices, sales and/or local representatives in Italy, Switzerland, Kenya, South Africa, Chile and the United Arab Emirates. With Claims Processing Offices in Kuala Lumpur (Malaysia), Antwerp (Belgium), Madrid (Spain) and Miami (USA), we are present in three time zones so that our customers globally have the best possible access to us for communication and smooth claims handling purposes.

Because we find it essential to offer our plan members a physical presence, we regularly organise visits in their various locations all around the world. Our local representatives continuously travel around the greater area they are in charge of to give presentations on various aspects of the health insurance plan and hold individual appointments with plan members. Such visits can also be performed by headquarter staff from other departments such as the Account Management team, Customer Services or Provider Relations.

## 2.12. Access to Cigna USA health care provider network

In 2013, twenty-nine new clients were granted access to Cigna's proprietary provider network in the USA. This effort results in an improved customer service for plan members seeking care in the USA: they now have access to a network of 750,000 US providers without any administrative changes as Vanbreda International remains the single point of contact for all care, in and outside of the USA.

Access to the Cigna US network also resulted in significant cost savings for both plan members and clients.

### 2.13. Affordable health care – the importance of a global provider network

Our Provider Relations department manages and monitors the worldwide Vanbreda International network of health care providers. This network grows with the needs of our clients, new and existing ones. Providers who sign up to our network agree to apply direct payment for our plan members and/or preferential rates for the health care services they provide. In June 2014, Vanbreda International had concluded 10,415 direct payment and/or preferential rate agreements with health care providers worldwide. This is an increase of 15% compared to last year (9,020 agreements on 30<sup>th</sup> June 2013).

We maintain optimal relationships with and proximity to providers worldwide and largely invest in face-to-face

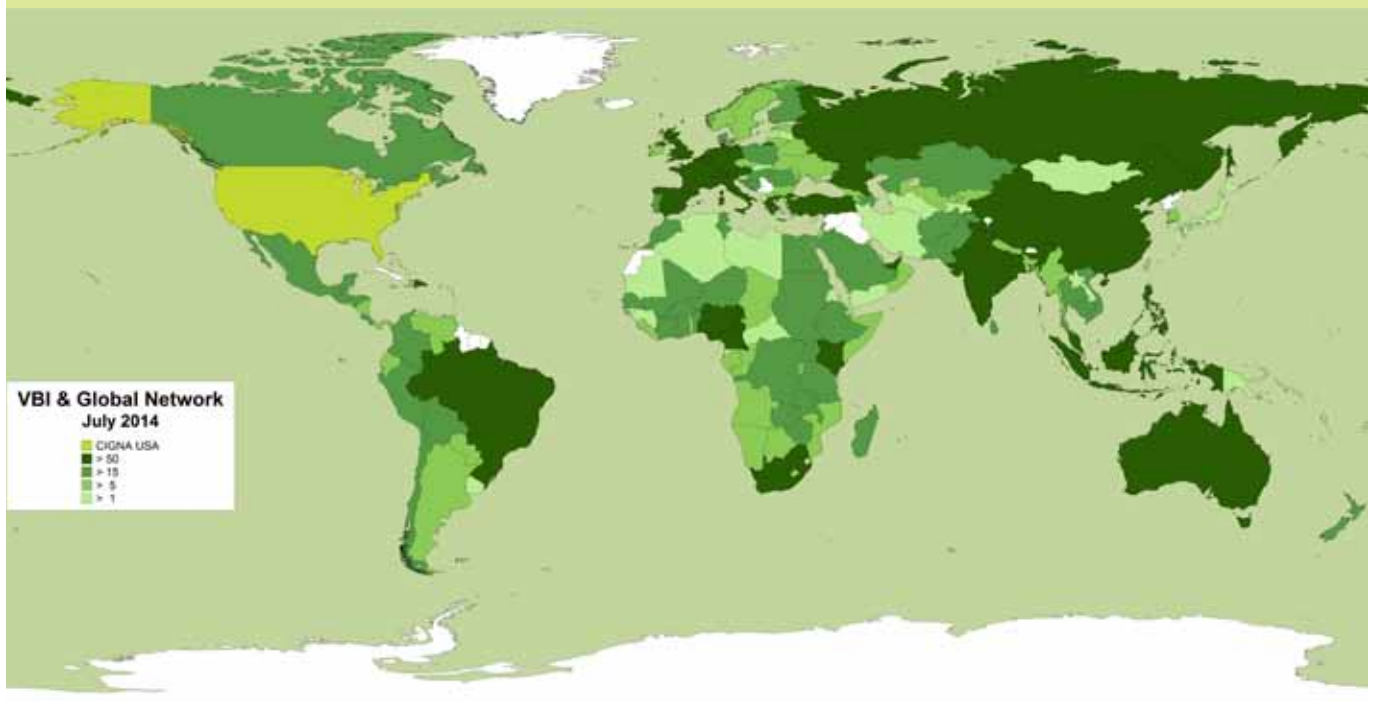
contact between our Medical Network Managers and providers. In 2012 and 2013, we visited 417 health care providers in 48 countries.

In March 2013, we added two functionalities to the online search engine that allows our plan members to find a health care provider in their area:

- the integration of Google Maps™ enables users to type any location (address or restaurant name, for example) and visualise the location of health care providers on a map;
- users can print a list of their preferred health care providers, download it as a PDF or receive it by email.

## THE IMPORTANCE OF VANBREDA INTERNATIONAL'S DIRECT PAYMENT AGREEMENTS

Direct payment agreements ensure that we pay hospital bills – as well as medical bills for outpatient care – directly and promptly to the health care provider. This service facilitates access to health care as it reduces out-of-pocket expenses for plan members and thus the impact on their financial situation. Furthermore, Vanbreda International has obtained preferential rates from many providers, an added means of keeping health care costs under control. This has a positive impact on the aggregate claims expenditure and limits premium and contribution increases for health care plan members and their employers.



### 3. Valuing our employees

#### OUR HR STRATEGY – ‘HEALTHY CAREERS... HEALTHY RETURNS’

In line with our mission, we help our employees improve their health, well-being and sense of security (as we do towards our clients) through our Human Resources mission entitled ‘Healthy Careers...Healthy Returns’.

‘Healthy Careers... Healthy Returns’ encompasses an integrated People Strategy that covers the breadth and depth of employee experiences, career management and development, performance, and rewards. It is at the core to our overall business strategy.

Our People Strategy components are:

- **Career** – we focus on development and retention of talent.
- **Returns** – we offer monetary and non-monetary rewards and our compensation is differentiated among employees based on responsibilities and performance.
- **Culture** – we stand for a work environment that includes the beliefs, values, norms, and management style of our company.
- **Life** – we show commitment to employees’ health, well-being and security, with a strong focus on wellness.

Throughout this chapter we demonstrate how we implement this strategy with initiatives that keep our employees healthy and happy.

#### 3.1. Taking care of our employees’ well-being

Our employees are at the heart of our activities and they represent our most precious asset. We consider their 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.”<sup>8</sup>*

Our policies are aligned with international principles as well as national legislation in Belgium, Spain, the USA and Malaysia.

We established a prevention policy, aimed at taking care of the physical and mental health of our employees and calling upon every employee to help ensure his/her own health, safety and well-being and that of his/her colleagues and to maintain a clean and environmental-friendly workplace.<sup>9</sup>

The means 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.

##### 3.1.1. Physical well-being

###### 3.1.1.1. Employees’ safety

New employees are informed about our safety guidelines, and how to identify, evaluate and appropriately act upon dangers and risks. We stress the importance and regularly remind employees of order and tidiness guidelines. One of these is the ‘clean desk’ policy, as an orderly workplace is a first condition to prevent accidents and provide easy access to fire extinguishers and emergency exits.

Unfortunately, not all accidents or injuries can be avoided, which is why we work in close cooperation with an external service for work-related accidents. Each incident is evaluated and results in an improvement of preventive measures whenever possible. Employees are encouraged to report defects, complaints and suggestions for improvement via dedicated communication channels.

<sup>8</sup> UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 7.

<sup>9</sup> Vanbreda International’s prevention policy is laid out in its Policy statement on well-being.

The following table includes the number of employee accidents at work and on the road to work for the last five years. None of these accidents resulted in permanent working incapacity or death.

	<b>Accidents at work</b>	<b>Accidents on the road to work</b>
<b>2013</b>	<b>3</b>	<b>6</b>
2012	1	13
2011	2	8
2010	0	7

Vanbreda International organises fire drills for the fire intervention team, and the people in charge of evacuation and first aid on a regular basis. Every month, all alarm signals are tested. After each fire drill a performance report is drawn up and discussed with the Committee for Prevention and Safety at Work.

**3.1.1.2. Internal medical service**

An Occupational Health Physician (OHP) and nurse are present at our offices once every two weeks. The OHP examines new employees, follows up on prolonged sickness and gives all staff working with computer screens a sight test every three to five years.

He is also responsible for the annual influenza vaccination campaign. In 2013, 85 employees working at our headquarters were vaccinated. The OHP is available for employees who wish to consult him about work-related medical complaints.

From the age of 40, all employees are entitled to a complete medical check-up every 3 years.

**3.1.1.3. Non-smoking policy**

Our labour regulations include a smoking ban in all offices.

**3.1.1.4. Preventive alcohol and drug use policy**

As from 1<sup>st</sup> April 2010 a preventive alcohol and drug policy was included in the labour regulations for our Antwerp headquarters because work-related alcohol and drug use is a possible factor that can negatively affect the safety, health and well-being of the employee and his or her environment.

Moreover, it might also have a negative impact on the productivity and the work-quality and, as such, on our image as a company. Mainly, this policy has been established as a means of prevention.

In its commitment to provide its employees with a safe and productive workspace, a similar, strict approach towards ‘substance abuse’ has been implemented by Vanbreda International LLC for the Miami offices.

**3.1.1.5. Health risk assessment**

In order to help our employees assess their health status and encourage them to make progressive changes to improve their health and well-being, we have given them access to an online health risk assessment program. All employees were invited to take a personal and confidential survey on their nutritional, sleep, sports habits and their stress level. After the assessment, they received a detailed report with feedback as well as practical tips. To accompany them on the road to improved lifestyle, tips are also regularly published on our Intranet.

**3.1.1.6. Information session about energy management**

The results of the health risk assessment showed that our employees are interested in stress prevention. That’s why we invited a company specialised in health management to give two information sessions on energy and stress management to our employees in May 2014. Our employees learnt the basic principles of stress management in a playful and relaxed atmosphere.

**3.1.1.7. Ergonomics**

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

To eliminate ergonomic risks, Vanbreda International invests in high-quality ergonomic office furniture for all employees and uses the services of an external ergonomist who visits our headquarters six times per year to advise employees individually.

Additionally, a special focus was laid on ergonomics during the training sessions provided to employees who now work in a paperless office environment.

### 3.1.1.8. Plan S - Promoting physical exercise

We encourage our employees to stay fit and practice sports. Employees who come to work by bike are financially rewarded with a bicycle allowance of 0.21 EUR per kilometre. Alternatively, Antwerp employees can make use for free of the bike-sharing system of the city of Antwerp as the company pays for their yearly subscription.

'Plan S' is a yearly company-wide initiative to encourage our employees to improve their physical condition. Every year, we offer a different sports programme.

In 2013, Plan S consisted of a 12-month individual training programme coached by a professional trainer. It was made up of four 12-week training periods with interim follow-up fitness tests. After an initial test was conducted to establish their fitness profile, each participant was provided with a personalised programme and asked to track his/her progress.

102 employees took part in the initial test in February 2013 and 51 of them took part in the final test a year later. Their fitness level increased from an initial 2.9 out of 5 to 3.8.

In 2013 we also encouraged and sponsored participation in the 'Race for the cure', a 3km walk or a 6km run organised in September by ThinkPink Belgium, a charity that raises breast cancer awareness. In total, 88 employees and their family members took part in the race.

### 3.1.1.9. Cafeteria

To support a more comprehensive approach to our employees' health and fitness, we decided to offer more than just sports programmes. The menu in the cafeteria of our Antwerp office is both healthy and diverse including fresh fruit every day and fresh soup that are free of charge. Our employees can also choose from a wide variety of salads, sandwiches, pastry and desserts.

## 3.1.2. Mental well-being

### 3.1.2.1. Protection of personal integrity

In line with international and national law, we have set up a specific procedure to protect employees against violence, bullying and sexual harassment at work which

is applicable in our offices worldwide. We included the complaint procedure in our labour regulations, whereas a personal confidant was installed who can be contacted by possibly victimised employees.

### 3.1.2.2. Company Policies

Although we are confident that everyone is aware of the applicable laws and regulations, we have decided to include them in our company policy. Divided into 2 separate documents: compliance and ethics, on the one hand, and travel, expenses, entertainment and gifts policy, on the other hand, our company policy is published on our Intranet for easy access by all employees.

### 3.1.2.3. Sustainable work-life balance

*"Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay".<sup>10</sup>*

In support of this principle, our labour regulations and collective labour agreements allow several possibilities to improve our employees' work-life balance. Depending on local labour practice, laws and legislation, these include options such as flex time, a choice of part-time packages, and time credit/career breaks. An ironing service is offered through a third-party provider, with pick up and delivery of linen in our premises.

### 3.1.2.4. Employee Assistance Programme

Vanbreda International offers all its employees and their family members professional counselling, resources, referrals, and information to help them face short-term personal issues. Employees and their family members can call 24/7 for free in case they have work, family, health, legal or financial issues and can be referred to a specialised counsellor for further phone or face-to-face counselling. All contacts with the EAP provider are voluntary and strictly confidential.

### 3.1.2.5. Social events

In order to create a good working atmosphere, we uphold a tradition of organising social events on a regular basis such as company parties, team-building activities, family days and cultural events. This tradition is an integral part of our company identity.

<sup>10</sup> Universal Declaration of Human Rights, article 20.



## 3.2. Valuing our employees' point of view

### 3.2.1. Freedom of association and collective bargaining

We endorse 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.*

*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."*<sup>11</sup>

We encourage an open and constructive dialogue between employer and employees. In line with the relevant national legislation<sup>12</sup>, our internal regulations describe the composition and duties of the Works Council.

### 3.2.2. Engagement survey

Our ability to perform successfully as a company depends on how effectively we engage, develop and deploy our people. In order to assess our employees' engagement, we are conducting a series of four short quarterly surveys throughout 2014. These surveys check our progress against the actions we are taking to address the areas our employees identified as needing improvement in the 2013 engagement survey.

The first survey was conducted in March 2013. The subject was career development and career resources. The participation rate amounted to 75%. In general, we note that 37% of employees are satisfied with the progress

made on these areas since the 2013 survey. As a result, we have launched several actions to improve our company's personal and career development opportunities.

The second survey was conducted in June 2014. The results are currently being analysed.

## 3.3. Aiming at being 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."*<sup>13</sup>

We support international standards on equal employment and remuneration opportunities. Consequently, we aim to provide fair remuneration and growth opportunities, and to foster diversity.

### 3.3.1. 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."*<sup>14</sup>

*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."*<sup>15</sup>

<sup>11</sup> UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 9.

<sup>12</sup> Bedrijfsorganisatiewet (1948), Royal Decree of 15 May 2003 and of 27 November 1973.

<sup>13</sup> UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 2.

<sup>14</sup> Universal Declaration of Human Rights, article 23.

<sup>15</sup> UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 8.

We apply a remuneration policy based on objective criteria such as responsibilities, skills, expertise, experience and personal performance.

We provide a broad package of fringe benefits to all employees. Depending on local legislation and 'good employer' practice, this may include group insurance (pension/death), health care benefits, protection against work incapacity or advantageous mobile phone subscriptions. 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. We will use appropriate means to offer this transparency, such as a correct and detailed employment contract, staff rules, collective bargaining agreements, internal communication vehicles such as an intranet, and personal benefit statements.

**3.3.2. Training and personal growth**

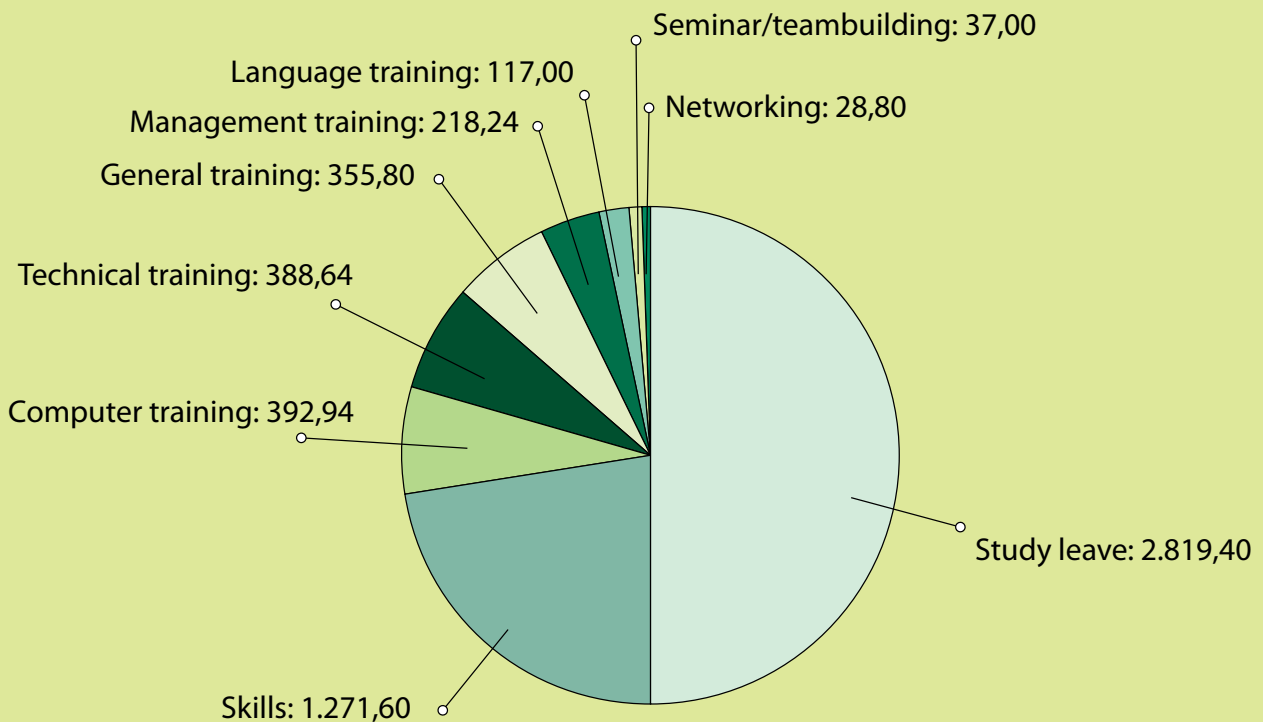
Continuous learning opportunities are an important motivator and a condition for job satisfaction. We attach great importance to the professional and personal development of our employees.

In 2013, Vanbreda International organised a total of 760 training days, which corresponds to 1.5 training days per employee. We especially invested in in-house language courses offered throughout the year (except for the school holidays) during lunch time. Participants can choose between English, French, German and Dutch (for the employees who do not have Dutch as their native language).

Apart from language training, computer skills and medical terminology remain important focus points in our training offer.

The table below shows the total number of hours of training of our headquarters' staff for the calendar year 2013:

**NUMBER OF HOURS OF TRAINING PER TYPE OF TRAINING**





• **Education Savings Account**

Since the academic year 2008-2009, Vanbreda International has decided to intensify its investment in up-skilling its management. Every academic year, each management staff member receives a credit on his/her personal Education Savings Account, which (s)he can spend on his/her professional development. The balance of this budget can be transferred to the next academic year.

• **Cigna University**

Cigna University is a web-based training platform offering various internal trainings to all Cigna employees worldwide. The Customer centricity workshops were rolled out to all staff in 2013.

• **Performance management**

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

A new performance management system was put in place at the end of 2012. Every employee defines Annual Performance Objectives (APOs) and competencies he/she want to focus on during the year to come. After 6 months, employees and their manager will review the APOs and competencies to check where they stand, giving both an opportunity to adjust where needed before year-end. This creates an opportunity for employees to formally discuss career development and training opportunities with their manager three times a year.

• **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.”<sup>16</sup>*

**3.3.3. Equal remuneration**

*“Everyone, without any discrimination, has the right to equal pay for equal work.”<sup>17</sup>*

We endorse the collective labour agreement<sup>18</sup> 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 we have committed ourselves to making sure that the company’s performance review system does not lead to discrimination.

**3.3.4. Fostering diversity**

We commit ourselves to fostering diversity among our employees and not to discriminate based on gender, age, nationality or ethnic background. At the end of 2013, we employed people of 30 different nationalities. Worldwide, 485 people work for Vanbreda International.

Vanbreda International’s age structure as from 30<sup>th</sup> June 2013 is as follows:

Age bracket	Number of employees
< 20 years	0
20 – 29 years	151
30 – 39 years	191
40 – 49 years	109
50 – 59 years	34

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

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

17 Universal Declaration of Human Rights, article 23.

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

Specifically, our commitments are as follows:

- We seek 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;
  - people of foreign origin, people with a work handicap and older employees, etc. can also apply for jobs and be hired.
- We evaluate 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.
- We do not comply with discriminating conditions that are imposed by clients or other external parties.
- We demand respect for all employees and do not tolerate discrimination between colleagues on the basis of origin, age, gender and sexual preference, etc.
- Both inside and outside the company, we make people aware that we are a member of the 'Employers' Platform for Diversity'.

## SUPPORT PLAN FOR 45+ EMPLOYEES

As the population ages and retirement age increases, special assistance and guidance is needed in the workplace to motivate and keep older employees at work as long as possible in the best conditions possible. This is the aim of the programme that was set up at the beginning of 2013 in our company for employees older than 45. Special attention is given to their training needs, to part-time work opportunities as well as to their physical health.

In 2013, the HR department conducted a series of individual interviews with all employees older than 55 in order to assess their professional situation and see if special accommodations are needed such as extra training or adaptation of their tasks or workplace. However, none of them expressed the need for any special accommodation. Moreover, no specific issues were reported to the Work council by the Company doctor in his yearly report on the health state of employees older than 45.

## 4. Valuing 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."*<sup>19</sup>

We comply with the ecological requirements determined by international principles, Belgian environmental legislation and the 'Welzijnswet' (Law on Well-being). 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.

### 4.1. Raising employees' awareness

When joining our company, employees are informed of our environmental policy and their individual responsibility to comply with it.

#### 4.1.1. Sorting waste

On top of the 4 separate bins for the collection of recyclable waste placed in 2010 within reach of every employee, Vanbreda International employees in Antwerp have been using biodegradable drinking cups since December 2011. After seeing an initial 13% decrease in drinking cup usage, it showed the cups were not always thrown in the recycling bin. We launched an awareness action as part of the CSR week in September 2013 and noticed improvement since then.

For optimal waste collection, we have drafted guidelines on how to sort and minimise waste and regularly remind all employees of these guidelines.

<sup>19</sup> UN Norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights, article 14.

**4.1.2. Saving natural resources**

Employees are explicitly encouraged to save energy by turning off lights and electrical devices whenever possible, using heating and ventilation moderately, and avoiding 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	2013	2012	2011
Electricity	847,000 KWh	866,000 KWh	942,000 KWh
Gas	730,000 KWh	738,000 KWh	729,000 KWh
Tap water	4,000 m <sup>3</sup>	4,050 m <sup>3</sup>	4,000 m <sup>3</sup>

In 2013, we managed to bring our electricity consumption further down by 2.2% and our gas consumption by 1%.

We provide the Belgian government with an annual environmental report on our performance in terms of waste production as well as emission and energy consumption (Integraal Milieujaarverslag – IMJV).

**4.1.3. Environmentally-friendly cleaning products**

Since March 2012, the catering company running the Vanbreda International cafeteria has been using ‘green’ cleaning products bearing the EU Ecolabel.

**4.1.4. Company-wide initiatives**

**ECOLOGY – VANBREDA INTERNATIONAL AIMS AT CO<sub>2</sub> NEUTRALITY**

Since 2006, Vanbreda International has implemented an increasing number of measures to live up to its commitment of achieving CO<sub>2</sub> neutrality. In 2013 our emissions amounted to 1.967 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). Compared to 2012 this is an increase of 18%, which is mainly due to a significant increase in air travel as a consequence of the continuous integration of our activities with our mother company.

However, we have taken several actions to reduce our company’s impact on climate change. A significant amount of emissions (222 tCO<sub>2</sub>e) were avoided by using green electricity since December 2009. Also, emissions related to company cars decreased compared to 2012, as a result of a change in our car policy. Taking air travel out of scope, we can see a decrease in emissions of 1.2% per full-time equivalent compared to 2012 and of 8% per full-time equivalent compared to 2009.

Vanbreda International offsets its emissions by offering financial support to a CO<sub>2</sub>-reducing project: for each ton of CO<sub>2</sub> we emit, the project achieves an equal CO<sub>2</sub> reduction. Our contributions are used to support a woodstove project in Uganda.

## 5. Our ethics

We strive to set an example of ethical and transparent business conduct by taking initiatives in favour of ethical conduct of employees, fighting corruption and money laundering and discouraging insurance fraud.

With regard to business ethics, Vanbreda International is at the forefront of implementing and maintaining best corporate practices. It is deeply committed to creating and upholding a culture of ethical behaviour across the company. These efforts are supported by formal procedures as well as regular checks and balances to make sure ethical behaviour is not only a mindset, but also properly secured through a formal system. Both culture and procedures are kept alive through training and awareness actions.

In the past year, we have worked further on our best practices and continued the implementation and follow-up of our company policies in the areas of anti-money laundering, anti-corruption, data protection, compliance with economic sanctions and third-party due diligence (i.e. ensuring that the partners we deal with also respect high ethical standards).

### 5.1. Company code of conduct

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

### 5.2. Code of Ethics

Being part of Cigna, a global health service company, Vanbreda International adheres to the Cigna Code of Ethics and Principles of Conduct.

The Code of Ethics includes topics such as integrity in the marketplace, fair business practices and competition, the protection of customers' and employees' privacy and client confidentiality.

Part of the Code of Ethics relates to bribery and corruption. Vanbreda International is committed to the highest standard of integrity and has implemented a comprehensive anti-corruption policy involving our staff as well as all our business partners, existing and potential ones. All parties commit that they:

- will not promise, offer, make nor accept any bribes (including payments of money or any other assets,

gifts or other objects of value) whatsoever in order to improperly influence decisions or actions or obtain any improper advantage whatsoever; not directly nor indirectly;

- will uphold all laws that apply and which are relevant to countering bribery and corruption, regardless of whether those laws refer to government officials, political parties, candidates for political office, public organisations or persons, and/or private organizations and persons.

#### 5.2.1. Raising awareness among our staff

All our employees are requested to take a 45-minute online Ethics & Compliance course detailing the various aspects of the Code of Ethics, with concrete examples.

Regular policy reminders are published on the company's Intranet as well as information on all actions taken towards our business partners.

#### 5.2.2. Raising awareness among our business partners

We expect from all our business partners and clients that they share our commitment and that they support our relentless efforts of conducting business ethically throughout the world. We have thus inserted this mutual commitment in contractual documents, varying from Terms & Conditions of our products to group insurance contracts and agreements with brokers and health care providers.

We have also published our commitment on our corporate website at [www.vanbreda-international.com](http://www.vanbreda-international.com).

### 5.3. Fighting money laundering

We comply with Belgian Anti-money laundering Legislation, which complies with the relevant European Union directives. The legislation imposes a number of rules with a view to preventing money laundering.

Internally, we have drafted a detailed policy document as well as operating procedures that will guide and enhance our continuous efforts in that area. In order to raise awareness, some of our employees took part in an Anti-money laundering course.

## 5.4. Fighting 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. To protect our clients' financial interests we developed a detailed anti-fraud policy aimed at preventing, detecting, investigating, reporting and recovering fraud.

Vanbreda International is a member of various organisations that aim at reducing fraud and corruption in health care throughout Europe (European Healthcare Fraud and Corruption Network, EHFCN), in the USA (National Health Care Anti-Fraud Association, NHCAA) as well as in the UK (Health Insurance Counter Fraud Group, HICFG).

### 5.4.1. Preventing fraud and raising awareness

We maintain close working relationships with a worldwide network of health care providers, whom we have thoroughly screened in terms of quality and trustworthiness.

In addition, we count on health care plan members' sense of responsibility to avoid fraudulent activities. We appeal to them 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.

### 5.4.2. Detecting fraud

During the processing of health insurance claims, various checks are performed with the goal of minimising the risk of unjustified reimbursements. We assess each claim on the basis of what is typical, customary and reasonable in terms of treatments as well as costs. Thorough training and geographical specialisation enable our Claims Analysts to recognise possible deviations at an early stage. We will contact the health care provider directly if necessary.

Data mining exercises are now regularly performed to detect subtle, repetitive fraud. The source of data mining is a database that contains all reimbursements made in a certain period, with detailed data for each reimbursement.

### 5.4.3. Investigation by our Fraud Investigation Unit

During and after the processing of a claim, a fraud investigation may be opened by our Fraud Investigation Unit. Its role is essential in order for us to increase our knowledge through practical experience of fraud problems tackled and to ensure that future preventive measures are up to date with the reality of the fraud risks that we face.

It closely cooperates with the Medical Claims Units where possible as fraud monitoring is an important part of the claims handling process as well and where new fraud files often will be initiated.

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

## 6. 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 2014.

Vanbreda International		UN Global Compact Principle: Businesses should ...		Page
2/3	Valuing our clients Valuing our employees	1/2	... support and respect the protection of internationally proclaimed human rights ... ensure that they are not complicit in human rights abuses	6 - 17
3	Valuing our employees	4/5	... support the elimination of all forms of forced and compulsory labour ... support the effective abolition of child labour	11 - 17
3	Valuing our employees	3	... uphold freedom of association and the effective recognition of the right to collective bargaining	11 - 17
3	Valuing our employees	6	... support the elimination of discrimination in respect of employment and occupation	11 - 17
4	Valuing 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	17 - 18
2/3/5	Valuing our clients Valuing our employees Our ethics	10	... work against corruption in all its forms, including extortion and bribery	6 - 17 19 - 20

