

## ASR Nederland N.V. UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS 2014

### I Human Rights Principles

<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 N.V. (hereinafter a.s.r.) supports the UN Universal Declarations of Human Rights and states this publicly on the website and in the latest Annual Report, to make its position clear for all our suppliers, employees and all other stakeholders.

The values of a.s.r. are to be personal, approachable and accountable and true to who we are. In its policies a.s.r. takes into account of interests of customers, employees and a broad group of external stakeholders (such as customers, business partners, shareholders, regulators, vendors, politicians, regional governments, industry associations, trade organizations, trade unions, regulators, non-governmental organizations (NGO's) and local communities). These policies includes its commitment to ethical and sustainable business practices and taking responsibility for the social and environmental impact of our decisions.

a.s.r.'s values provides a clear set of standards for its business conduct, which together with its commitment to responsible and sustainable business, guide our support and respect for human rights.

### Implementation and Measurement of Outcomes

a.s.r. respects and protects the Human Rights in their daily operations and encourages al our relations to do the same.

#### Internal

##### Basic Human Rights for internal a.s.r. employees

We have a range of Human Resources policies which reflect a.s.r. pro-active stance on human rights, including our Equal Opportunities policy, labour standards, an environmental safety standard, the right to join a trade union, etcetera.

As a complement to these policies, a.s.r. has established several roles to provide support to employees in order to the working environment. Confidential mediators are available both internally and externally, as well as a company social worker.

a.s.r. has not received any complaints from employees, business partners or clients in relation to potential Human Rights violations, nor was the organization involved in any human rights incidents during the report period.

## External

### Procurement

a.s.r. 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, a.s.r. fully endorses human rights in its business dealings and by implementing different policies as the voting policy or the Socially Responsible Investment Policy. a.s.r. signed the United Nations Principles for Responsible Investments (UNPRI) in 2011 and a.s.r. 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.

a.s.r. excludes investments in companies in cases of complicity in systematic and/or gross violations of human rights. The human rights norms 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 Eliminations of All Forms of Racial Discrimination (1065);
- 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 of the Rights of Persons with Disabilities (not yet in force)

As a result of this, a.s.r. excluded 22 companies from its investable portfolio which were alleged to be involved in controversial activities regarding Human Rights during 2014.

## II. Labour Principles

<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

a.s.r. 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.

a.s.r. 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

#### Internal

##### Basic Labour Rights for internal a.s.r. employees:

a.s.r. employs nearly 3,900 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 a.s.r. 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. a.s.r. has a 100% compliance on approved employment contracts.

##### Right to organize and collective bargaining

a.s.r. 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. The participation is arranged for the business units in its own 12 sub-committees (OC).

In addition there are other active networks, representing different employee bands: Colourful Ambitions (for bicultural employees), Vrouwenennetwerk M! (for female employees), Nexus (for younger employees up to 36 years old), Secretaresse-Netwerk (for secretarial employees) and a.s.r. connect (for colleagues who has left a.s.r.).

### Health & Safety

Good working conditions are crucial to a.s.r.. A health and safety committee is responsible, for the preparation and implementation of the annual plan for occupational health. Part of this is:

- Encouraging a healthy lifestyle;
- Reducing and preventing stress due to psychosocial workload;
- Conducting annual safety checks.

### Career development

At a.s.r., employees are encouraged to develop professionally in line with the ambitions of the organization 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.

The New World of Work (NWW) is one such initiative to create a pleasant working atmosphere at a.s.r. Key reasons for introducing NWW include:

- Finding the right balance between work and home life
- Increasing employee motivation
- Reducing energy consumption and carbon emission.

In 2014, a dedicated training budget (€ 500) was made available for all employees with a focus on sustainable employability. All training programmes in this field aim to ensure that all employees are more broadly employable and to improve their internal labour market mobility. The programme included the following workshops: LinkedIn, Career and Mobility, Applying for a job, Generation Management, Lifecycle Policy, Networking and Individual career programmes.

### Talent development and traineeships

In May 2014 a.s.r. launched a new design of the traineeship. There are three major differences between the old and new traineeship, trainees have already completed a university degree, it is a program of one year (instead of two years); and not four general assignments, but three different assignments, within one business line. a.s.r. has chosen this new set-up because there was not always an optimal match between the needs of the trainees and the needs from the organization. With this new program, the trainees are more focused and specialize in one business line which is a win-win for the organization and the trainee. We chose for an underwriting- and finance program because this is the basis of the organization. This is an agreed upon placement for the trainee after the outflow in May 2015. The purpose of this program is to allow the trainees to develop within our core business, so a.s.r. together with its trainees can service its customers even better.

### Diversity

At a.s.r., diversity comes in many forms. Employees are encouraged to be active in all manner of business networks in order to broaden their horizons and advance their personal growth.

a.s.r. believes that diversity within its organization is important and focuses on the recruitment, progression and retention of women in management positions. This illustrates the value that a.s.r. attaches to a diverse organization. The Executive Board has been active in driving this issue forward with initiatives such as extra places for women on trainee and management development programs, a high-intensity monitoring program and a special focus on hiring women in management positions.

### Employee engagement

The Engagement Scan is a key indicator of how employees are feeling about a.s.r. in this time of transition, as a.s.r. prepares for the approaching privatization. Employee engagement is an essential condition if a.s.r. is to be an insurer that is trusted by customers. Apart from asking questions about employee engagement, trust and team dynamics, the scan also included questions relating to how a.s.r. employees ensure that customers interests are met. The outcomes of the Engagement Scan are used to review the past period, but also, and more particularly, to see how employee engagement can be strengthened going forward. To do this, managers and their HR advisors evaluate the Engagement Scan and attend workshops to prepare for team meetings where the results are discussed with the teams.

According to the results of the Engagement Scan that was conducted in February 2014 and was completed by more than 80% of the employees, the a.s.r. employee engagement score is 49.5% (55.1% in 2013). While employee engagement on the whole dropped slightly, confidence in a.s.r. greatly increased among employees: 33.9% of people score 9 or 10 on this question. In 2013 it was 20.6%.

### **External**

#### Procurement

a.s.r. wants to ensure that international human rights are respected throughout the production process of the goods and services that are purchased. a.s.r. requests providers to deliver the contracts according to the applicable (inter)national laws and regulations, a.s.r. rules and (inter)national standards, which are to be abided by by all suppliers ('state of art'). These sustainability requirements are assessed in all new contracts and contract renewals.

#### Investment Portfolio

a.s.r. 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 2014, a.s.r. excluded 8 companies from its investment portfolio which were alleged to be involved in controversial activities regarding Labour Rights.

### III Environmental Principles

<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

a.s.r. wants to treat Nature and the environment with care and lower its environmental impact, and so uses resources, energy and water efficiently. Furthermore, a.s.r. is actively getting to grips with waste management, mobility, energy reduction and carbon emissions, and for this purpose has developed a dedicated environmental management system.

In 2008, a.s.r. signed the government's third multi-year plan (MYP3), setting out national agreements between the government and industry on energy savings. In the MYP3 it was agreed that a.s.r. would make efforts to improve the annual energy efficiency by 2%. The intention is to reduce energy consumption by 30% in 2020 compared with 2005. Since 2007, all energy used by a.s.r. has come from sustainable sources.

### Implementation and Measurement of Outcomes

#### Internal

##### Headquarters' sustainable renovation

Sustainable considerations featured in the 2010 decision to renovate the head-office building in Utrecht rather than opting for a new building. The renovation started in January 2013 and is in full swing. The first wing has been completed in March 2014. This is an important step towards a cost-efficient office that meets the strictest sustainability requirements. On completion the building will use 50% less energy (with the energy performance rating improving from G to A).

##### Thermal energy storage

The building in Utrecht is equipped with a system for Long-Term Energy Storage (Dutch Acronym: LTEO). This method to cool down or heat up the building has been in use for much longer. Ground water from a cool source (with a temperature of 10 to 12 degrees Celsius) is pumped up to the surface and meets a heat exchanger. Here the air from the building's air conditioning moves past the water. The ground water transfers its cool temperature to the air. The water heats up, and is then injected into the heat source. In winter, the water follows the reverse direction. With ground water from the heat source, the building is (partly) heated up in winter. This system provides a significant saving in energy costs. This system has a long lifespan and a high degree of reliability.

The system translates into very concrete energy reduction:

- Electricity: the consumption during the first 10 months of 2013 was 8,251,097 kWh, versus 6,675,527 kWh during the same period in 2014, a decrease in consumption of approximately 19%<sup>1</sup>.
- Natural gas: the consumption during the first 10 months of 2013 was 558,646 m<sup>3</sup> versus 347,569m<sup>3</sup> of natural gas during the same period in 2014, a decrease in consumption of approximately 37%<sup>2</sup>.

<sup>1</sup> The lower electricity consumption also has to do with disuse of a part of the building in connection with the renovation.

<sup>2</sup> The low gas consumption has partly to do with the warm weather and disuse of a part of the building in connection with the renovation.

### Geothermal

Geothermal (or Geothermal Energy) is the energy in the form of heat which is stored in the ground. In the convention with the United Nations a.s.r. agreed to use its network for the development of renewable local energy. Geothermal falls under this category and is worth investigating to see if this geothermal energy can be used for heating the office and making it virtually CO2-free energy.

In May 2014, an investigation started, initiated by the University of Utrecht to see what information is available in the area (Utrecht region) about drilling, and has looked at what the relevance of this is for this area. On the basis of this research there is too little known and in 2015 a.s.r. will examine how a.s.r. can obtain more information via, for example, the organization of a pilot bore.

### Renovation and recycling

The design of the renovated office building has taken into account how a.s.r. plans to make use of existing materials. Carpets and chairs, for example, are being made from using recycled materials.

a.s.r. stands for austerity and, where possible, chooses to recycle or reuse old materials. While after completing of each wing a.s.r. considered if existing furniture could be reused. Amongst others, thousands of office chairs were refurbished, whereby the seat and upholstery were replaced by a specialized company. The foam in the seats were re-used for the insulation of homes; fabrics were sent to a manufacturer of horse blankets and to schools for use in arts and crafts classes.

Some 40,000 square meters of carpeting will be used inside the building, part of which consists of recycled materials. The carpet manufacturer uses green energy during the production, only includes non-toxic or green materials and insures waste water is treated before being discharged. The carpets pulled from the old office floors are being recycled by the same manufacturer: fibers and yarns are being treated and re-used, the backing provides raw material for road construction or roofing. Other parts of the carpet serve as fuel for cement factories.

### Recycling

Since 2014 the plastic drinking cups which are used in beverage vending machines are being collected by the Stichting Disposables Benelux (SDB). a.s.r. has subscribed to the return system of SDB and buys collection bags after which the SDB ensures that the drinking cups are retrieved.

The SDB ensures the cups are recycled and stimulates general recycling into useful consumer products. These products are, for example, DVD cases, flower pots or plant containers, as well as dashboards in cars.

After the renovation, leaves and food waste will be composted at a.s.r.'s own environmentally friendly composting station, and recycled as a fertilizer for use in the gardens. By composting on the property itself, transport to and from a waste facility is not necessary. This saves both energy and carbon dioxide emissions.

#### 'Green' Gas

a.s.r. 'greened' the gas in the locations Archimedeslaan (Utrecht), Amersfoort and Rotterdam in 2014. Agreements have been made with the energy advisor to offset the CO<sub>2</sub> emissions resulting from the use of natural gas. In addition to this compensation, a.s.r. is investing in a sustainable project in Ghana (VER Gold Standard).

A third of the world's population cooks every day with a wood burning fire. Every year more than four million people die from the effects of inhaling smoke. That is three times more than Aids! In addition, cooking on an open fire uses a lot of wood is the biggest cause of deforestation in the third world.

There are plenty of good reasons why ASR is contributing to the project Cookstoves in Ghana. Old, inefficient cooking pots are being replaced by cookstoves, whose consumption is 50% less than open fire wood and with much less smoke. This is much better for the users who don't inhale the smoke any longer and spend less time on collecting wood. This project contributes to the reduction of CO<sub>2</sub>-emissions and smoke (particulates). With this a.s.r. contributes to the preservation and possible improvement of the natural environment, better health and it also creates jobs.

#### Mobility policy

a.s.r. has an active mobility policy that seeks to improve accessibility to the buildings and reduce carbon emissions. In many areas, a.s.r. is making efforts to improve sustainability of employee travel between home and work and also business travel.

For instance, the choice of company cars has been limited to those with an A or B label. The car-sharing scheme is regularly highlighted and employees from Utrecht and Amersfoort are no longer allowed to park their vehicle at the office building if they live within 12 kilometers by bicycle from their office. The purchase of the Q Pass is being facilitated by a.s.r.. These travel cards allow employees to use public transport at a concessionary rate. There are also a number of other schemes to encourage bicycle use, including a tax break on new bicycle purchases, The Rijnsweerd bike hire scheme, an a.s.r. e-bike with charging points in the bike shed and a mobile bike repair man.

This translates into an employee mobility reduction and as a result, a reduction over 7,45% in the CO<sub>2</sub> emissions. in 2013. The results of the CO<sub>2</sub>-footprint 2013 of the Archimedeslaan in Utrecht shows a total CO<sub>2</sub>-emission of 9,130,690 kg CO<sub>2</sub> equivalents. Business travel comprises 35% and commuting comprises over 47%. In 2012 the CO<sub>2</sub>-footprint was 9,865,919 kg CO<sub>2</sub>-equivalents (40% business travel and 37,5% commute).

The commuting mileage to the Archimedeslaan (Utrecht) was (25.553.745) until the 3<sup>rd</sup> quarter of 2014 compared to (26.915.743) in 2013). This is related to the centralization of the office buildings.

Flight mileage decreased in 2013 (785,949) by over 30% compared to the year 2012 (1,182,756 km).

In the first 10 months of 2014 this trend is continuing.



Other initiatives in the mobility policy include:

- Charging stations for electric cars: a.s.r. has 6 stations for employees and 8 stations in the visitors parking zone.
- In the bicycle parking lot there are more charging points for employee e-bikes .
- New showers for cyclists
- A number of new lockers
- Dynamic travel and information display with actual departures and arrivals train / bus
- Mobility budget as alternative for lease cars

## External

### Purchasing

a.s.r. is committed to the Manifesto on Socially Responsible Procurement en Business Practices (Dutch acronym: MVIO). The manifesto is an initiative by 39 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, a.s.r. 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. a.s.r. informs suppliers in advance that environmental and social factors are weighed in the selection process;
2. a.s.r. has adopted a set of environmental and social criteria (these are category-specific); and
3. a.s.r. challenges its suppliers to come up with alternatives that constitute a better match for today's environmental and social criteria.

In November 2013, a.s.r. 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 waste through our business.

During the year 2013 key suppliers of a.s.r. were approached to register in the FIRA database and have their policies on social responsibility accredited. The majority of those key suppliers have been verified by FIRA. All key suppliers are encouraged to achieve the "Bronze" level in 2014/2015. This level will be succeeded by "Silver" or "Gold", as key suppliers are motivated by a.s.r. to bring their social responsibility impact to a higher level. In November 2014 a.s.r. received level Bronze from FIRA.

All new suppliers (selected by the Central Procurement dept.) are obligated to register in the FIRA database, have their policies verified and achieve the "Bronze" level within 1 (one) year after registration.

Investment portfolio:

At a.s.r. we favor investments in companies excelling in ESG policy and implementation, classified as pioneering, best-in-class and sustainable companies. These classifications apply a relative, sector-related ranking for six domains of analysis, one of those being 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

<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

a.s.r. is committed to counteracting all forms of corruption.

All a.s.r. employees are expected to abide by laws, regulations and ethical standards. Human Resource policy as well as the Code of Conduct of a.s.r. a.s.r.'s personnel cannot be involved in 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

###### Internal

For a.s.r. it is key to have and to actively show an integer Code of Conduct at all levels in the organization.

The goal of Integrity is to promote and monitor the integrity of the management of a.s.r. and to monitor the reputation of a.s.r. 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, a whistle-blowing procedure, a policy on incidents and fraud management.

These guidelines are detailed in a.s.r. website Corporate Governance, available at:

<https://www.asr.nl/EN/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.

###### External

a.s.r. 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
- Financial Services: including a duty of care and an incentives policy;
- and in 2014 a.s.r. signed the Call to Action: Anti-Corruption and the Global Development Agenda from the United Nations to urge Governments to promote efficient and effective anti-corruption

measures and to implement robust policies that will foster good governance.

#### Investment portfolio

At a.s.r. 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.