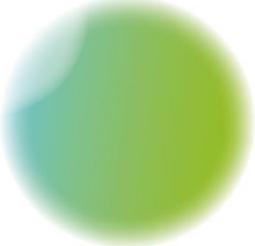


**ageas**  
**UNEP FI PSI**  
**Progress Report**  
**2020**

September 21, 2021

*Supporter of your life*

ageas.



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# INTRODUCTION

Ageas officially became a signatory to the Principles of Sustainable Insurance (UNEP FI PSI) on September 15, 2020. This first status report by Ageas seeks to report on the progress that has been made against the main principles of the UNEP FI PSI based on the situation as at June 30, 2021.

In the context of the current Connect21 strategy, the Group's 3-year strategic plan, Ageas formally extended its stakeholder model to explicitly include society as a fifth stakeholder. It also took this opportunity to formally subscribe to UN PRI with a view to structurally embedding ESG within its Investment processes. Ageas also made a commitment to support the UN SDG framework, choosing to actively support 10 out of the 17 SDGs in line with its strengths and where it believes it can make the difference.



Compliant with the (supra) national legislation on sustainability and sustainability reporting, Ageas issued a more comprehensive non-financial disclosure in its annual report (see chapter 3 of the 2020 annual report "Value creation in and for society") including several additional disclosures on e.g., taxes, CO2, TCFD, ...

2020 was also the year in which Ageas undertook some structural work, continuing the work undertaken in previous years and evolving more and more into a gradual integration of ESG within all its core processes.

A first ESG materiality assessment was conducted, the results of which have been published in the 2020 annual report and added

also to this report. Inspired by the results of this survey, the Group's new 3-year strategic exercise, Impact24, which aims to set out the strategic direction for the years 2022 to 2024 puts sustainability at the heart of the business. Clear ambitions and targets have been defined and this plan acts as a guide to the entire Group in the coming years to ensure that managing the company in a sustainable way is fully embedded, bringing the DNA of the company to life.

Hereafter an overview of how Ageas has embraced sustainability clustered around the four Principles of Sustainable Insurance.

More information is available on [www.ageas.com](http://www.ageas.com).



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

### 1.1 Company strategy and governance

The [current strategic plan Connect21](#) reconfirmed that Ageas aims to be a stakeholder driven company. It fully embeds sustainability as a key lever within its strategy and recognises, more than ever, the rationale for Ageas taking into account a number of important societal challenges, and how this may, positively or negatively, impact its future business.

As a “Supporter of your life”, Ageas seeks to create value for customers, employees, partners, investors, and society at large. To remain relevant for the long term, Ageas also created a forward-looking initiative, “Think 2030”, designed to keep close track among other things on societal trends and technological innovations and how these may impact future product and service offerings.

Since Connect21, formal sustainability governance has been put in place with the Sustainability team reporting directly to the CEO of Ageas, underscoring the commitment and the importance given by the company to ESG. Regular presentations and updates have been provided to the Executive Committee and Management Committee as well as to the Board, both on the overall progress as well as on more technical aspects to enable and stimulate the accumulation of expertise up to the highest level of the organisation. As an example, a specific deep-dive session was organised with the Board in order to establish an urgency matrix combining the maturity level and the material topics as they came out of the materiality survey.

Within the Board, the four subcommittees each take up a specific role related to sustainability. The Nomination and Corporate

Governance Committee makes recommendations on environmental and societal matters alongside governance matters and non-financial KPI's; the Remuneration Committee advises on how to include sustainability in the performance KPI's; the Risk and Capital Committee follows-up on defining and monitoring ESG risks, and finally the Audit Committee has responsibility for assessing, reviewing and approving the Annual Financial Statements including the non-financial information disclosures.

The central Group Sustainability department has a pivotal role in defining and implementing the sustainability strategy in conjunction with strong local, decentralised involvement delivered through so called ambassadors. These ambassadors represent the various businesses, main subsidiaries, and the most relevant central departments. Aside from the commercial businesses represented, i.e. Belgium, UK, Portugal, and the Asian regional headquarters covering all the Asian countries, the network includes ambassadors within the domains of Risk, HR, Communications, and Investments. This team has driven over the past years the various initiatives taken across the organisation. In addition to the Sustainability network, colleagues from other departments involved such as Legal, Compliance and Finance representatives also intervened on a more ad hoc basis to bring specific competences which contributed to even better and more balanced solutions and to ensure a smooth and fast integration of the relevant sustainability principles in the daily processes. This model has proven to be very successful leading to a first wave of significant achievements and progress, putting Sustainability very much at the forefront of our organisation.

A few examples of major achievements over the last years are provided hereafter:

- a. Roll-out of the UN PRI principles within the worldwide Investment teams
- b. Adoption and translation of the UN SDGs principles into messages closer to the Ageas reality and facilitating the embedding of the framework within the business, HR, and Investment processes.
- c. Substantial efforts to create new or adapt existing policies to integrate relevant ESG principles, among these the Guiding Principles for Human and labour rights and the policy for the Product Approval Process.
- d. Set-up of a more comprehensive set of reporting on relevant non-financial indicators in combination with the creation of more extensive disclosures on specific topics and the progressive improvement of the ESG disclosures

In early June 2021, the Group announced its [new 3-year strategy Impact24](#), setting out the strategic direction for the years 2022 to 2024. Within this strategy sustainability and long-term thinking is put at the heart of everything Ageas does. The sustainability ambitions have been clustered around four impact areas, i.e.

- 1 Our people
- 2 Our customers
- 3 Our society
- 4 Our planet

Our stated ambitions are that:

- We will work towards a **diverse workforce** ensuring **fair and equal treatment of our employees**, while fostering a culture of **continuous learning** and taking care of the health and wellbeing of our people.
- We will offer **transparent products and services** that create economic and societal value, stimulating our customers in the transition towards a more sustainable and inclusive world.
- We will strengthen the **long-term, responsible approach to how we invest**, contributing to solutions around sustainable cities, local economies, and climate change.
- Across the Group, we will **reduce our environmental impact**, aiming to be 'GHG-neutral' in our own operations

And these have led to the following goals to be realised by the end of 2024 and beyond:

- With respect to our people and focused on diversity & inclusion:
  - A 70% ratio of women in senior management / total % women in company
  - A 50/50 balance Male/Female succession pipeline within the Top 800
  - Top quartile performance with respect to equal participation of women at decision level
- With respect to our products:
  - 25% of Gross Written Premiums from products that stimulate the transition to a more sustainable world
  - 100% of our product portfolio to be reviewed for transparency
- With respect to the society in which we are active, i.e. the countries in which we operate:
  - Increase our investments that have a positive contribution to the transition towards a more sustainable world up to EUR 10 billion
  - Reach a level of 100% with respect to the integration of ESG within our investment decisions
- With respect to our climate:
  - Become carbon neutral within our own operations (based on scope 1 & 2 CO2 emissions)
  - Become Net Zero Carbon by 2050 at the latest with respect to our investment portfolio.

To implement the Impact24 strategy a new department is created under the CDSO, Chief Development and Sustainability Officer, intended to lead all transversal initiatives across the Group. Group Sustainability will be part of this new organization to ensure full embedding within all processes and especially within the new product development. In addition, a steering committee chaired by the Group CEO will take care of the strategic discussions that may arise in the course of the implementation and should further contribute to a smooth ESG transition. The new organization will be launched as per September 1, 2021 and will be fully operational beginning of 2022.

## 1.2 Risk management and underwriting

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In recent years, the ESG principles have quickly evolved and become integrated into most processes and departments with a special mention of the inclusion of ESG within the Enterprise Risk Management framework (ERM).

Ageas' ERM framework can be defined as the process of systematically and comprehensively identifying risks, assessing their impact, and implementing integrated strategies to manage and monitor them to provide reasonable assurance that they align with the company's objectives. Ageas distinguishes between the Key Risk Reporting (KRR) process, which consists of a systematic approach to identifying key (existing) risks that threaten the realisation of Ageas's strategy and objectives. Identified risks are assessed and managed using Ageas's risk rating methodology (likelihood and impact criteria are used to determine a level of concern, which guides actions that need to be taken). Each region and/operating company (OpCo) follow up on their respective key risks on at least a quarterly basis, and the most significant risks are also monitored at Group level. Within the Risk taxonomy, sustainability is clearly identified as a strategic risk and specific assessments such as the one on Human rights are under its way.

Ageas has also implemented an emerging risk process. Emerging risks are derived from emerging trends that could become a possible threat / risk or opportunity for the business and that, by their nature, are uncertain and difficult to quantify.

Insurers face a degree of change and uncertainty that appears to be evolving at an ever-quickening pace. Understanding these changes can help to either enable us to explore new opportunities or develop measures to mitigate the potential risks.

Within ESG, climate related issues have attracted a lot of attention. Traditionally, in Ageas' underwriting business, the potential negative impact of climate change was mainly managed in the short-term through pricing and reinsurance. More forward-looking scenarios need to be developed illustrating impact in the medium and long term. Ageas is adhering to the TCFD recommendations, publishing its first disclosure at the start of 2021. This framework will help guide further initiatives, more specifically quantification of the impact of global warming with a timeframe of 10 to 20 years and based on the Paris climate scenarios climate risk. In the UK, a pilot on modelling climate risk following the scenario defined by the PRA has been performed last year. Currently, this approach is being extended to all Opco's and results will be incorporated in the ORSA by the end of this year.

Group Risk (also a member of the ESG ambassadors' network) follows the topic of sustainability and monitors developments such as the European Commission Plans, EIOPA opinions and regulatory statements and changes in regulation and defines appropriate action.

### 1.3 Product and service development

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At the start of 2021 Ageas updated its Product Approval Policy (PRAP) which now clearly makes reference to ESG ambitions: “Product design and pricing must reflect the company’s commitment and ambitions in terms of Sustainability and consider opportunities to solve societal challenges. It must evidence consideration of Environmental, Social, and Corporate Governance (ESG) factors, such as climate and biodiversity, social inclusion, affordability and human rights, and stakeholder expectations”. The Product Approval Process includes an assessment of the extent to which a product creates sustainable value. Any identified ESG risks (e.g. carbon intensive client, sensitive sector, controversial underwriting) must be clearly included in a Product Approval Pack to support decision-making. Furthermore, as part of this policy, Ageas commits to the training of all stakeholders: “Specific attention must be given to providing (educational) tools to allow customers to make informed decisions and supporting customers in developing responsible behaviour. In addition, training on products should be provided to all relevant stakeholders (e.g. salesforce, marketing, tax, claims, contract administration etc.) to ensure that staff and intermediaries have the necessary skills to appropriately commercialise, manage and assess the product”. This includes all ESG related aspects of the product.

Moving forward as part of Impact24, every new product or product modification will be benchmarked against a set of ESG criteria whereby it must clearly demonstrate the real contribution to a more sustainable world. These criteria are among others, but not exclusively, based on existing or upcoming regulation such as the EU Taxonomy. As well, a clear target has been defined to ensure that our products are transparent, and communication is easy to understand.

With the selected UN SDGs as an inspirational framework, ESG principles are already driving product development, and business is already actively working on the integration of burning societal themes in the context of insurance. A critical theme for Ageas is health and wellbeing (SDG 3) with a growing focus on prevention and specific solutions for the increasing ageing population. Ageas is already committed to communicate in a simple and understandable way providing access to the right tools for informed decision making and educating on financial literacy.

Several examples can be found in our 2020 annual report in section 3.2 “Our customers and partners” - AR p.20 and following:

[https://www.ageas.com/sites/default/files/file/file/Annual\\_Report\\_2020\\_EN\\_0.pdf](https://www.ageas.com/sites/default/files/file/file/Annual_Report_2020_EN_0.pdf)

### 1.4 Claims management

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Ageas’ Opcos are clearly committed to responding to clients quickly and transparently leveraging on new technologies. In Turkey, WhatsApp is used to facilitate claims chat that connects all parties to enable faster and more seamless claims handling. In Malaysia, our company Etiqa uses video chat to provide immediate assistance when needed.

In 2020, Ageas UK has scaled up an initiative to favour the repair of vehicles using recycled parts increasing the environmental

awareness of its customers and making a significant contribution to the circular economy and integrating ESG issues into repairs, replacements, and other claims services.

For more details, see our AR p.20 and following:

[https://www.ageas.com/sites/default/files/file/file/Annual\\_Report\\_2020\\_EN\\_0.pdf](https://www.ageas.com/sites/default/files/file/file/Annual_Report_2020_EN_0.pdf)

## 1.5 Investment Management

As a signatory to UN PRI and specifically related to its Life businesses, Ageas also has a strong lever by stimulating investments in the most sustainable companies or companies that help to make the transition to a better world.

By underwriting UN PRI, Ageas formally commits to incorporating environmental, social and governance aspects as a fundamental cornerstone of its investment decision framework. The framework has been gradually rolled out within the organisation and both Ageas and AG, the Belgian subsidiary of Ageas, published their first UN PRI investment report in 2020.

The main principles of Ageas Sustainable Investment Framework are presented as follows (based on the situation end 20):



A specific policy is made for Engagement and voting which currently only exists at the level of AG, representing however 80% of the total AUM of Ageas. The ambition of this policy is to:

- be an active owner and incorporate ESG issues into ownership policies and practices and
- to seek appropriate disclosure on ESG issues by entities in which we invest

For more information: The Responsible Investment Framework of Ageas Group is available via the following link: <https://headless-api.ageas.com/sites/default/files/2021-03/Responsible%20Investment%20Framework%202021.pdf>

As well as actively including ESG considerations in every investment decision, Ageas every year progressively increases the amount invested in sustainable assets. As at December 31,

2020, these investments amounted to EUR 6.6 billion on a total of EUR 97.1 billion assets under management. A significant part of this comes through our subsidiaries AG Real Estate and Interparking who actively contribute towards upgrading our assets to the highest environmental and social standards.

Customers increasingly demand products with a sustainable angle. As at 31 December 2020, more than EUR 11 billion of Ageas' savings products carry a sustainability label of which the majority are sold by AG, our biggest company in Belgium. Most are certified by independent organisations. By the end of 2020, 27 AG savings and investment products obtained a certification label "Towards Sustainability", including 14 so-called "Branch 21" products.

This makes AG the only insurer in Belgium with a sustainability-certified offering in pension and long-term savings insurance.

# 2

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

### **2.1 Materiality analysis**

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In 2020, Ageas engaged for the first time directly with its main stakeholders on the topic of ESG. To gain detailed insight into the sustainability topics that are most relevant for the business, Ageas performed its first ESG materiality assessment in 2020.

The materiality assessment entailed three distinct phases over the period February to September 2020. In a first phase, an elaborated desktop study on internal and public documents, i.e. documentation by internationally recognised sustainability standards and organisations, ESG ratings, reports of peers and media articles, was performed to arrive at a list of relevant topics for Ageas, adhering to the concept of double materiality. Ageas' different operating companies were involved in this phase to ensure that the list of topics was representative for all geographical areas in which Ageas is active.

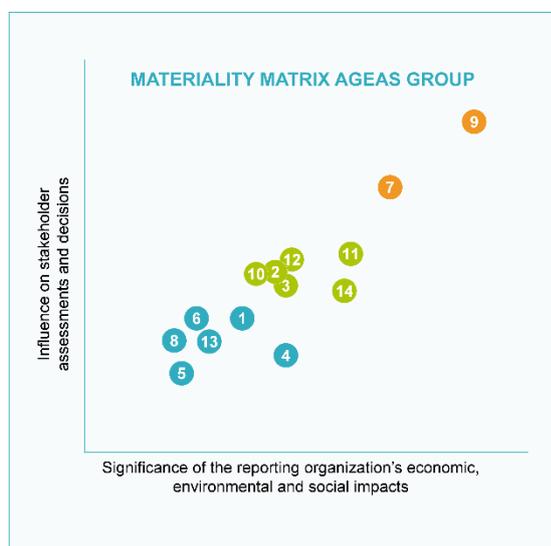
The second phase consisted of stakeholder and management consultations that were held to help prioritise the relevant topics. Different stakeholder groups were selected based on Ageas' impact on them and their influence on Ageas and categorised under Employees, Investors, Society and Business Partners. The direct contacts with the end customer were limited, also due

to the ongoing Covid-19 crisis. Alternatively, business partners (brokers) did provide good insights on the expectations of the end customer. The following geographies and entities were included in these consultations: Belgium, UK, Continental Europe and the Ageas headquarters in Brussels and Hong Kong.

For the internal perspective the Executive Management and Board of Directors, as well as the business CEOs and HR managers were involved. Both the stakeholder and management consultations consisted of an online survey, combined with in-depth interviews. Ageas received a total of 1,234 answers for the surveys (response rate of 54%), in combination with some 20 in-depth interviews, spread across the different stakeholder groups and management, to ensure a deeper understanding of the expectations and performance of Ageas on these topics.

The third and final phase consisted of analysing all the input received, drawing conclusions. This resulted in a consolidated materiality matrix for the entire Ageas Group (see below). To make the results more tangible for the local businesses, a specific materiality matrix for each of them was also built.

The first materiality matrix for Ageas shows as follows:



# TOPIC

**HIGHLY MATERIAL TOPICS**

- 9 Financial resilience
- 7 Responsible governance

**MATERIAL TOPICS**

- 11 Insurance products and services protecting against societal challenges
- 14 Social responsible investments focusing on societal challenges
- 12 Easy to understand, fair and transparent information to customers
- 2 Health and well-being of our employees
- 3 Personal and professional development of our employees
- 10 Insurance products and services incentivising responsible behaviour

**MODERATELY MATERIAL TOPICS**

- 1 Environmental footprint of our business operations
- 4 Equal opportunities of our employees
- 6 Employees and customers' data protection
- 13 Financial inclusion of customers (accessibility of protection)
- 8 Local community engagement
- 5 Public debate participation on societal challenges.

It is no surprise that the topics Financial Resilience and Responsible Governance rank highest from both a stakeholder and management perspective. For an insurance company, having a solid financial performance, strong and reliable governance and continuously anticipating (societal) challenges is crucial to fulfil all stakeholders' needs.

Ageas has connected the top 8 ESG materiality topics to the capitals of the International Integrated Reporting Council (IIRC<sup>1</sup>), as included in Ageas's business model, and then by Ageas selected SDGs. The overview clearly demonstrates the use of the IR capitals and supports the selected SDGs which are actively supported by Ageas.

#	MATERIAL TOPIC	IR capitals	SDGs
9	Financial resilience	Financial	8 Economic Growth
7	Responsible governance	Intellectual, Human, Social & Relationship	17 Sustainable Cities and Communities
11	Insurance products and services protecting against societal challenges	Intellectual, Social & Relationship	1 Human Dignity, 2 Well-being, 3 Education, 4 Quality Education, 5 Gender Equality, 6 Clean Water and Sanitation, 7 Affordable and Clean Energy, 10 Reduced Inequalities, 11 Sustainable Cities and Communities, 12 Responsible Consumption and Production, 13 Climate Action
14	Social responsible investments focusing on societal challenges	Financial, Intellectual, Social & Relationship	8 Economic Growth, 11 Sustainable Cities and Communities, 12 Responsible Consumption and Production, 17 Sustainable Cities and Communities
12	Easy to understand, fair and transparent information to customers	Social & Relationship, Intellectual	4 Quality Education
2	Health and well-being of our employees	Human	3 Good Health and Well-being, 8 Economic Growth
3	Personal and professional development of our employees	Human	4 Quality Education, 8 Economic Growth
10	Insurance products and services incentivising responsible behaviour	Social & Relationship, Intellectual	3 Good Health and Well-being, 4 Quality Education, 13 Climate Action

1 Integrated Reporting model see <https://integratedreporting.org/wp-content/uploads/2013/12/13-12-08-THE-INTERNATIONAL-IR-FRAMEWORK-2-1.pdf>

## 2.2 Partnerships

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In addition to the materiality analysis, Ageas undertook various initiatives to stimulate, encourage and support the transition towards a more sustainable world and this through partnerships at different levels.

Ageas has a strong tradition of investing in long term partnerships and alliances as many of its customers are served by them. Selecting SDG 17 was a natural choice for Ageas as partnerships are in our DNA.

Groupwide, Ageas serves close to 40 million customers directly or indirectly in 14 countries across Europe and Asia. Ageas operates mainly in mature markets in Western Europe and in developing areas through joint ventures in Asia.

Within the current strategic plan, the focus has been expanded to include activities in the area of prevention and assistance helping customers to anticipate potential risks in addition to regular protection and assistance in case of an adverse event. This more explicit ambition is in line with our updated purpose and allows us to offer solutions for our customers that create economic value and respond to certain societal issues for instance in the domain of Health and Well-being, Ageing or Mobility. This extended ambition also typically results in new types of partnerships beyond the traditional alliances.

For instance, regarding Health, our companies take a leading role in informing our customers in a timely fashion about potential

risks, providing advice also on how they can live a better life focussing more and more on prevention. AG Insurance offers specific programmes around mental health in the context of its Employee Benefits for employees of its corporate clients. AG Health Partner supports organisations in defining a real wellbeing and prevention strategy for employees offering services built together with external recognised experts in the field of mental, social, and physical wellbeing.

In Portugal, Médis built out an ecosystem connecting all main players in health care. The opening of Dental Clinics is an initiative which was driven by the fact that access to dental care is less organised and hence by investing in dental care for every individual, Médis aims to provide a structural solution for this important Health issue in Portugal.

And more related to climate change, AG Crop Insurance helps farmers manage the impact of climate change as they are often one of the first victims of these adverse climate events, at worse losing entire harvests, and in turn their livelihoods. AG and Dutch specialist insurer Hagelunie joined forces at the start of 2020 and developed jointly an offer that allows farmers in Flanders to insure their crops against the damage caused by natural phenomena through comprehensive climate risks weather insurance. This partnership combines Ageas's knowledge of the farming sector and extensive distribution network with the specialist expertise of Hagelunie in the field of agricultural risks, allowing it to tackle together a societal challenge.

## 2.3 Relationships with suppliers

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Finally, within our relationships with suppliers, internal policies have been modified to require that ESG standards are considered among other criteria to select suppliers. Ageas updated its purchase policy to strengthen the inclusion of ESG criteria. In a first stage, the policy was rolled out for the Corporate Centre and will be extended to all companies in the course of the year.

Within IT, one of the key supply domains within Insurance, selection standards have been set even higher and more

explicitly going forward. Since the beginning of 2021, Ageas has been a member of ISIT, the Institute for Sustainable Insurance, signing the charter and thus affirming a strong commitment to a sustainable IT approach for our organisation.

Ageas also has a firm Anti-Bribery and Corruption (ABC) Policy which is a major pillar in the prevention of corruption, to which Ageas firmly applies the zero-tolerance principle.

# 3

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

Having an effective dialogue, an active support or stewardship with external organisations is also one of the areas within ESG to which Ageas pays a lot of attention. Initiatives are taken both at the level of the Group but also within the respective businesses.

Various examples to illustrate this can be shared:

### **3.1 Collaboration with the academic world**

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At a Group level, Ageas initiated already back in 2019 a collaboration with the University of Antwerp in Belgium via several assignments with a master student in Applied Economics specialising in “sustainable insurance”. The collaboration has been very successful resulting among others in an award for the student, given by Etion, a Flemish organisation that focuses on entrepreneurship with a purpose, with respect to young entrepreneurship. In October 2021, an academic chair between Ageas and the University of Antwerp will be officially launched as an extension of the partnership and providing additional body and substance to the initiative.

The aim of the chair in the coming four years is to better understand and implement sustainability within the insurance sector. This academic work should also result in practical recommendations for Ageas and the insurance sector at large on how to reflect among others on impact measurement,

sustainable insurance products and a real sustainable investment approach for the long term to really contribute towards a world in transition.

Ageas also enjoys active partnerships with other universities and management schools such as Vlerick Management School in Belgium and Singularity University in Portugal. In line with our commitment to SDG 4 on Quality Education, in Portugal Ageas invests in promotion of financial literacy for youngsters through several initiatives with schools and in partnership with “Entrepreneurial Minds”. Also, AG in Belgium has a specific offer called Yongo to educate youngsters from an early age in financial planning and working together with schools in this respect.

In Asia, several examples of partnerships with universities exist as this is the case for the Philippines and Malaysia (Zakat University).

## 3.2 Collaboration with national and international governance bodies

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Ageas is actively involved in several national and supranational organisations which participate in the reflection process on how ESG should be embedded within the businesses in general and the insurance sector in particular going forward.

As one of the leading listed companies in Belgium, representatives of the Group up to the level of the Board are represented in several governance bodies such as among others Geneva Association (Insurance for a better world), VBO-FEB (Association of Belgian Enterprises) or Guberna in Belgium. At

an international level Ageas is a member of the World Economic Forum and seated within the dedicated ESG workstreams which study among other things the possible harmonisation of ESG reporting going forward.

Ageas also takes an active role in more functionally specialised bodies in the insurance industry such as the CFO Forum and CRO Forum or EIOPA via representation of members of the Executive Committee or senior management.

## 3.3 Support of local philanthropic organisations

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Extensive information about Ageas' initiatives towards philanthropic organisations are available in the annual report. In 2020, Ageas invested more than EUR 6 million in donations.

One of the interesting initiatives in this domain is the investment of Grupo Ageas Portugal in Culture and Arts. It starts from the

basis that Ageas considers "Culture as everyone's right" and as such it must be made accessible and inclusive without exception. In this context Ageas actively supports young talent among others and contributes towards preserving national cultural heritage as is the case through sponsorships of Teatro Dona Maria and Ageas Porto Coliseu, contributing to the SDG 11.

## 3.4 Memberships of representative organisations

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Ageas is also a member of among others The Shift in Belgium and Transparency International, all organisations who aim globally or in a specific domain to stimulate structural change towards a more sustainable society. As an institutional investor, Ageas also signed its membership of CDP (Carbon Disclosure Project). Ageas also commits to the guidelines of TCFD illustrating its active commitment to the global climate challenge and supporting its climate ambitions as expressed within Impact24.

Ageas follows up on initiatives of the UN and adheres to several of its frameworks. Next to its adherence to PRI Ageas is also a member of UN Global Compact and committed to the UN SDGs.

As well as Group Commitments, our local businesses are also partnering with several institutions. In Portugal for instance where we enjoy an active partnership with the Business Council for Sustainable Development (BCSD) and the European Venture Philanthropy Association (EVPA).

In Belgium, AG joined the Climate Action 100+ in 2020, an initiative to urge the world's largest GHG emitters to take necessary action on climate change and help to achieve Paris Agreement's goals.

### 3.5 Active dialogue with government and regulators

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As mentioned, Ageas is an active member in various bodies of governmental or semi-governmental organisations, especially in Belgium where Ageas headquarters are located, via which it can participate and steer the reflection around the ESG discussions that are ongoing.

In Belgium, the VBO-FEB, Federation of Belgian Enterprises, is the organisation that aims to represent and defend the interests of the Belgian companies towards the political world. In this context Ageas is also a structural partner of the VBO and plans

in the coming years to set up jointly with them several initiatives around sustainability for the wider business world.

Ageas' management team members are also actively involved locally within Assuralia, the Belgian Association of Insurers and internationally within bodies like CFO Forum and CRO Forum where ESG related topics are also being discussed.

At the level of Ageas, an annual joint meeting with the regulators/supervisors of all countries in which Ageas is active is being organised at which ESG related matters are also on the agenda.

# 4

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

With respect to accountability and transparency Ageas refers to its most recent annual report over 2020 (<https://reporting-2020.ageas.com/en/condensed-report>) which includes all relevant non-financial disclosures available. Note 3 of the annual report includes all relevant ESG information and provides a set of KPIs by stakeholder in line with the key objectives of Ageas' strategy. Other notes contain additional information such as the risk management related structure and variable remuneration principles related to non-financial targets.

Ageas reports in accordance with the EU directive on non-financial information, national ESG related legislation and regulatory recommendations such as the Euronext guidance on ESG reporting. The 2020 annual report was also made for the first time in accordance with the GRI standards: Core. Selected elements of other reporting frameworks such as Integrated Reporting (IIRC) are also referred upon if deemed relevant in the context of Ageas' strategy. It also follows up closely the ongoing harmonisation initiatives around the non-financial reporting KPIs initiated by the World Economic Forum, IFRS and other instances and proactively aligns striving towards a full set of relevant ESG related KPIs over time in line with the strategic ambitions of Ageas and in compliance with all relevant standards.

These disclosures are constantly evolving following up closely all regulatory evolutions at national, European and supranational

level such as the updated non-financial reporting disclosure (CSRD), EU Taxonomy or SFDR.

Ageas' sustainability website (<https://sustainability.ageas.com/>) includes various reports and disclosures which should allow all stakeholders to achieve a comprehensive view of the global strategy. Among others, progress reports against our commitments towards UN PRI, TCFD and UN Global Compact are available as well as disclosures regarding topics such as tax and CO2, and various policies or guiding principles in the domains of Social, Environment and general topics of ethics such as anti-bribery or corruption or whistleblowing.

AG Insurance, Ageas insurance subsidiary in Belgium, also published its first integrated sustainability report over 2020. The document is available via the following link: <https://ag.be/over-ag/content/dam/transversal/aboutus/documents/fr/AGI2100019%20-%20Manifesto%20AG%20-%20EN%20RGB%20low.pdf>.

With respect to ESG ratings, Ageas actively works with six of the main rating agencies, more specifically CDP, ISS, MSCI, Sustainalytics, SAM and VigeoEiris and has an ambition to reach top quartile. This ambition comes obviously with working on disclosures and updating policies enhancing the transparency on our ways of working and doing business.

# 5

## Conclusion

### Hans De Cuyper, CEO Ageas :

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“I started as CEO of Ageas in October 2020 and was positively surprised how the topic of sustainability vibrates in all layers of the organisation and in all countries in which we are active, both in Europe and Asia. Thanks to the hard work of many people in the organisation, led by a passionate central Sustainability team, substantial progress has been made in a short period of time to put Ageas on the map. At the start, the issue was not that Ageas did not include ESG in its processes but rather that we did not actively communicate enough. And the work accelerates... incorporating the principles of sustainability into a company’s culture is a journey where every employee has a part to play. Moreover, we face a multitude of regulatory initiatives coming from all political layers, national and supranational. And while these all have their merits and will help to change a number of things structurally, it is our clear ambition to stay ahead of things and to make the right choices in terms of sustainability, supporting and facilitating the transition to a more sustainable world for each of our stakeholders. This is why we focus within Impact24 on a number of specific goals leveraging upon our strengths and conscious of where we can make the most impact. We aim to implement sustainable principles structurally within everything we do. This is the DNA of Ageas and is one of the main reasons that this company will be able to celebrate its 200<sup>th</sup> anniversary in 2024, with the aim to stay fit and resilient to add another 200 years to our history.”