

# Dutch insurers: What it means to be sustainable

Sustainability is a topic that defines the policies of both financial institutions and corporates. In this article, we look at what sustainability really means for Dutch insurers



## Aegon has broad ambitions

One of the key focuses of Aegon is action related to combatting climate change. The primary tool for Aegon is transitioning to a net-zero carbon economy. As a member of the Net-Zero Asset Owner Alliance, Aegon's general account investment portfolio is set to be fully switched to net zero greenhouse gas emissions by 2050, with 25% of the change to be achieved by 2025. Aegon's direct business operations have been carbon neutral since 2019. Apart from being a member of the Net-Zero Asset Owner Alliance, the insurer also made other commitments, such as reporting in line with the Task Force on Climate Related Financial Disclosures, being a member of the Carbon Disclosure Project and being a signatory to the Paris Pledge for Action.

---

*Aegon aims to behave as a responsible business and seeks to have a positive impact on society and the environment - Aegon*

## *Investor Relations*

---

The insurer is committed to investing responsibly, helping companies it invests in diminish their environmental impact. ESG issues are reflected in insurers' responsible investment principles. IR Policy was first published in 2017 and since then has been regularly updated (the latest update was in March 2022 to exclude investments in Russian and Belorussian companies). These principles include not only climate change, but also such areas as biodiversity (such threats as pollution, land and ocean overexploitation, loss of natural habitats), human rights (refraining from investment in the government debt of countries which are in systematic violation of human rights), labour rights (promoting a productive, safe, healthy and harassment-free environment), health (exclusion of investment in tobacco companies), corporate governance (taxes, corruption, transparency, executive remuneration), weapons (exclusion of not all but certain types of controversial weapons which cause disproportionate impact on civil population), financial institutions (encourage other financial institutions to develop ESG and RI policies) and animal welfare (ensuring sustainable conditions where animals are free from physical and mental distress).

While responsible investment policy is directly applicable only to the assets over which Aegon has full ownership, the Dutch insurer says it also looks to act as a steward of assets of joint venture companies seeking to encourage the application of RI principles.

### **NN focuses on investments**

Responsible investment principles are at the core of NN's sustainability efforts. ESG factors are deeply embedded in the investment process.

---

*At NN we believe that... we can contribute to a healthy economy as well as a stable society - NN Investor Relations*

---

The insurer set up a Responsible Investment Framework to steer its investment policy and even has an RI Committee which is chaired by the CIO of the group. The goal of the committee is to make sure NN stays as close as possible to the Paris agreement goals.

Its seven RI principles are the following:

- ESG is a part of investment analysis
- Voting rights in the companies NN invests in are made active and considered
- Encouraging other companies to adopt ESG practices
- Work with policymakers to create a more sustainable financial system
- Use investment restrictions
- Seek investment opportunities that could help solve sustainability challenges
- Offer transparency of RI activities through public disclosure

## Achmea sets up Green Finance Framework

Achmea describes itself as a socially responsible business with sustainability being its key priority. Achmea supports ESG and has signed up to the UN Principles for Sustainable Insurance (PSI) which provides for a framework to deal with the changing social and ecological risk environment.

---

*We want to contribute to a healthy, safe and future-proof society, looking beyond today - Achmea Investor Relations*

---

The insurer highlights the ageing population, the rising cost of healthcare, rapidly declining biodiversity, economic inequalities, and climate change as the main areas where it is looking to help implement changes. Through the principles of RI, all companies that the Dutch insurer engages with are expected to be aligned with Achmea's sustainability ambitions. Human rights are at the core of Achmea's policy as well as that of its partners. Achmea has also already set up a Green Finance Framework (based on Green Bond and Green Loan Principles). Proceeds from the issuance of green instruments are to be used to finance green loans and investment in the area of energy-efficient residential buildings in the Netherlands and energy-efficient commercial buildings in the Netherlands and internationally.

## a.s.r. develops new sustainable products

a.s.r. states that sustainable value creation for all stakeholders is key. It focuses on customers, employees, society and investors. Three main sustainability themes for a.s.r. are financial self-reliance and inclusiveness, vitality and sustainable employment, climate change and energy transition. Of the UN's sustainable development goals, a.s.r. selected six to focus on:

- no poverty
- decent work and economic growth
- good health and well being
- affordable and clean energy
- climate action
- life on land

a.s.r. also applies RI policies to its investment portfolio.

---

*The sustainable solutions a.s.r. offers take into account the interests of people, environment, society and future generations - a.s.r. Investor Relations*

---

By 2024 the insurer aims to have made €4.5bn of impact investments, targeting clean energy, clean tech, health, social enterprises, and infrastructure projects. By the end of 2021, such investments amounted to €2.5bn. a.s.r. aims to achieve net zero emissions in its investment portfolio by 2050 (in line with Aegon's goals), with a 65% reduction made by 2030.

ESG is also at the heart of a.s.r. activities as an insurance provider. This is embedded in its sustainable insurance policy, underwriting policy and product policy. The process of product development takes into account both the interests of the customer and society. As such, a.s.r. became the first Dutch insurer to protect against floods. It also developed products to support entrepreneurs after sickness and provided starter mortgages with a 40-year duration.

## Athora's focus is long term

Athora is focused on long-term value creation, therefore corporate social responsibility is part of its business strategy.

---

*The choices we make today determine the world of tomorrow -  
Athora Investor Relations*

---

The insurer selected three sustainable developments outlined by the UN:

- decent work and economic growth. Athora has efficient and sustainable business operations, with a focus on such aspects as financial strength, human rights, inclusion and diversity, anti-corruption and bribery as well as sustainable employability.
- responsible consumption and production. Athora doesn't seek fast money, but looks for long-term value creation for its customers. The insurer develops easy-to-understand products and works together with the clients on preventive measures.
- climate action. Athora recognises climate change as a major threat and keeps that in mind when developing new products and services. The insurer also seeks to limit the impact of its own actions.

As an investor, Athora applies Fundamental Investment Principles (RI Principles). It invests in companies and countries that operate in line with the sustainability framework, and the rest are excluded from the insurer's portfolio.

## Author

### Marina Le Blanc

Sector Strategist, Financials

[Marina.Le.Blanc@ing.com](mailto:Marina.Le.Blanc@ing.com)

## Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose

possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit <http://www.ing.com>.