

# Achmea Climate Transition Plan

How we are working to  
realise our climate  
ambitions

December 2023

# Contents

<b>Foreword</b>	<b>3</b>	<b>Insurance and services</b>	<b>43</b>
		Sustainable non-life insurer	44
		Sustainable health insurer	53
<b>Dutch financial sector's Climate Commitment</b>	<b>5</b>		
<b>Climate ambitions</b>	<b>8</b>	<b>Governance</b>	<b>56</b>
Our carbon footprint	9		
Our climate transition roadmap	11	<b>Annexes</b>	<b>59</b>
<b>Business operations</b>	<b>12</b>	<b>Glossary</b>	<b>63</b>
Target	13		
Action plan	13	<b>Colophon</b>	<b>67</b>
Carbon footprint	16		
Compensation	17	<b>Disclaimer</b>	<b>68</b>
Monitoring & reporting	18		
<b>Investments &amp; Financing</b>	<b>19</b>	<b>Sources</b>	<b>69</b>
Corporate investments	21		
Mortgages	28		
Real estate	35		
Government Bonds	39		
Infrastructure	41		

# Foreword

Achmea stands for Sustainable Living Together. An inclusive society in which everyone participates and lives happily and healthily side by side. In a way that can last for a long time. A good reason to treat our living environment well and make sustainable solutions more accessible. This also means that we take our responsibility to contribute to achieving global climate goals. And that we are committed to making society and our customers resilient to the consequences of climate change.

Climate change is a key theme containing major social, economic and financial challenges. The effects of climate change are visible all around the world, such as bushfires, lengthy periods of prolonged drought, extreme precipitation and flooding. It is essential to restrict the increase in global temperatures to avoid us facing uncontrollable risks.

Achmea signed the Paris Pledge for Action<sup>1</sup> in 2015 and the Dutch financial sector's Climate Commitment<sup>2</sup> in 2019, in which we demonstrate how we implement the Dutch National Climate Agreement in our role as an investor and lender. →

1. Source: [Paris Pledge for Action](#)
2. Source: [Dutch Financial Sector Climate Commitment](#)



In 2021, we also joined the Net-Zero Insurance Alliance (NZIA), in which we commit to making our insurance portfolios climate-neutral no later than 2050. And of course we also ensure that we minimise and compensate for the climate impact in our own business operations.

In 2021 Achmea formulated its transition strategy for achieving climate neutrality and in 2022 we published our first climate transition plan. This is an updated version of this plan. Our strategy is aimed at making our customers and society more resilient to the consequences of climate change and stimulating the transition to a climate-neutral society. We distinguish three roles in which we can have an impact. Firstly, in our business operations, for example via our buildings and operating assets, mobility and procurement policies. Secondly, via the investments and loans. And thirdly, via our insurance and services.

Our goal is to achieve climate neutrality in our business operations by 2030, in our corporate investments by 2040 and in our insurance portfolio no later than 2050. This document describes how we want to achieve these goals and how we measure them. We also set out the governance we use to oversee and report on this.

The national and international climate goals require an enormous transition. Together with our partners, other market parties, the government and our customers, we are working to combat further climate change and limiting its consequences as much as possible. By accelerating the process as much as possible now, we are assuming responsibility and not putting this off till some future date. Previous generations were able to rely on us; future generations can also do so. ●

**Bianca Tetteroo**

Chair of the Executive Board

## Dutch financial sector's Climate Commitment

Together with other financial institutions, Achmea has committed itself via the Dutch financial sector's Climate Commitment to the climate goals of the Dutch Climate Agreement.

In the 2015 Paris Agreement<sup>3</sup> and later in the Glasgow Climate Pact<sup>4</sup> many countries agreed to reduce greenhouse gas emissions (hereafter referred to as CO<sub>2</sub> or carbon emissions). The goal here is to restrict the increase in the average global temperature to 1.5°C compared to the average global temperature prior to the industrial revolution.

The international goals of the Paris Agreement have been translated into national plans. In 2019, the Netherlands passed a Climate Act that states that greenhouse gas emissions in the Netherlands must be 49% lower in 2030 compared to 1990 and as much as 95% lower in 2050<sup>5</sup>. The targets from the Climate Act were subsequently translated into a Climate Agreement for several sectors (the built environment, mobility, industry, electricity and agriculture and land use)<sup>6</sup>. →

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3. Source: [UN Climate Change, The Paris Agreement](#)

4. Source: [UN Climate Change, The Glasgow Climate Pact](#)

5. Source: [Dutch government, Climate Policy](#)

6. Source: [Dutch National Climate Agreement](#)



As part of this Climate Agreement the financial sector has drawn up a Climate Commitment. In it, the financial sector has committed to contributing to implementation of the Paris Agreement and Dutch Climate Agreement.

By signing this commitment, the financial sector has agreed the following:

- The parties will participate in financing the energy transition and to this end accept a best-efforts obligation within the framework of laws and regulations and risk/return objectives.
- The parties will undertake to measure the carbon footprint of relevant loans and investments. Starting in the 2020 financial year they will publicly report on this.
- No later than 2022, the parties will publish their action plans including reduction targets for 2030. The parties will explain the actions they will take to contribute to the Paris Agreement.

This commitment forms an integral part of the Dutch Climate Agreement. The parties will organise an annual meeting with all stakeholders to discuss the progress on implementing the agreements.

In the summer of 2022, the Dutch government presented ambitions that go even further. Carbon emissions need to be reduced by at least 55% in 2030. To achieve this, the government presented the Climate Policy Programme. This aims to realise a 60% reduction in carbon emissions in 2030 and outlines the policy for the coming years. In publishing this policy, the government is providing direction for the transitions needed to achieve climate neutrality in 2050. ●

## Climate ambitions

Ambitious climate plans are needed if we are to have a chance of restricting global warming to 1.5 degrees.



Achmea is aware of the important role that financial institutions such as insurers, investors and lenders have in the transition to a carbon neutral society. We set the bar high for ourselves and have defined ambitious targets:

- Climate-neutral business operations in 2030.
- Climate-neutral corporate investment portfolio in 2040 (equities and corporate bonds).
- Climate-neutral property and mortgage portfolios in 2050.
- Climate-neutral insurance portfolio by no later than 2050.

## Our carbon footprint

The amount of greenhouse gases associated with our company's activities are expressed in 3 scopes:

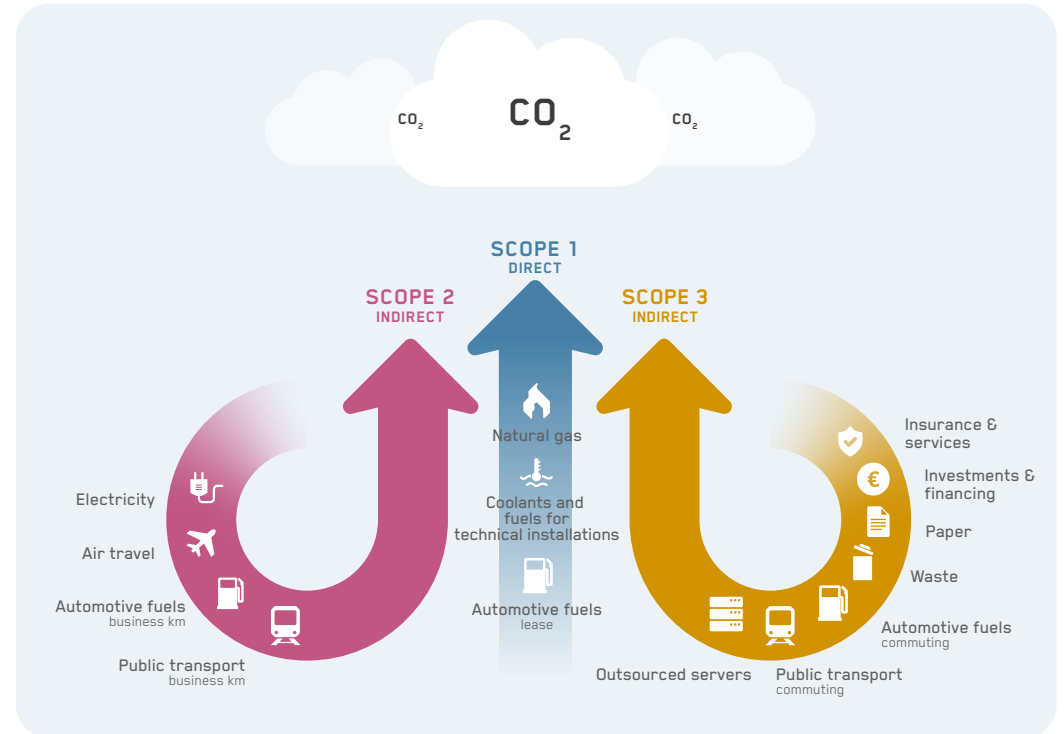
- Scope 1: direct CO<sub>2</sub> emissions caused by our organisation's own resources. This concerns among others emissions from our buildings, lease-cars, IT systems and data storage.
- Scope 2: indirect CO<sub>2</sub> emissions from the generation of purchased and consumed electricity or heat. →



- Scope 3: indirect emissions, caused by activities of other organisations in our value chain, such as our procurement, but also the financed emissions from our investments and lending, and our insurance-associated emissions.

The carbon footprint also comprises the emissions of other greenhouse gases, such as methane, nitrous oxide or chlorofluorocarbons (CFCs). To be able to add up the impact of the individual greenhouse gases, emissions data are converted into CO<sub>2</sub> equivalents.

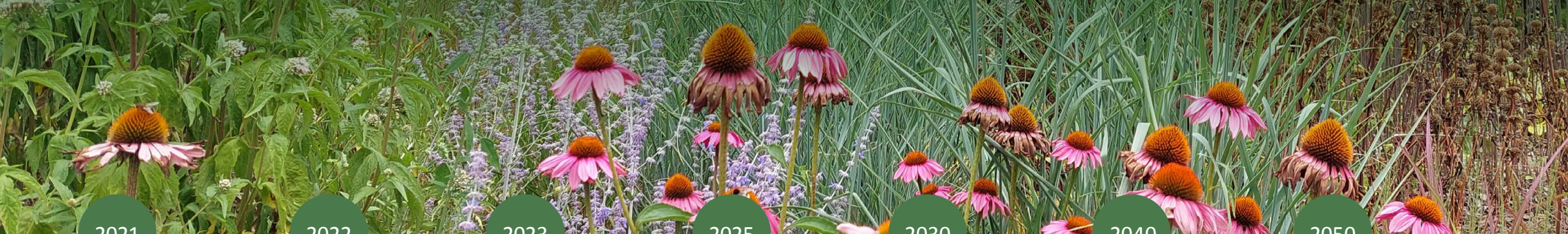
We use the standards of the Partnership for Carbon Accounting Financials (PCAF)<sup>7</sup> to measure and report the CO<sub>2</sub> emissions associated with our lending-, investment- and insurance portfolio. PCAF is the most widely used standard for measuring and reporting on CO<sub>2</sub> emissions. We are also a member of the PCAF and contribute to the development of new standards. →



Source: GHG Protocol<sup>8</sup>

7. Source: [Partnership for Carbon Accounting Financials](#)

8. Source: [GHG protocol](#)



2021

- Climate ambitions for our business operations, investments and insurance portfolios set.
- Exclusion of companies that derive more than 5% of their revenue from coal, shale oil/gas and Arctic oil/gas.
- Member of Net-Zero Insurance Alliance (NZIA).
- Loss or damage caused by flooding of non-primary flood defences insured as standard for retail customers (personal lines).
- Plan announced to plant 1 million trees in partnership with Land Life Company.

2022

- CO<sub>2</sub> roadmaps defined for corporate investments, mortgages and real estate.
- Climate budget for employees included in the collective labour agreement.
- Implementation of EcoVadis for the assessment of sustainability performance of suppliers.
- Member of Net Zero Asset Manager Initiative (NZAMI).
- Loss or damage caused by flooding of non-primary flood defences insured as standard for businesses (commercial lines).
- First issuance of €500 million green bond under the Green Finance Framework.

2023

- All-electric car leasing policy for employees.
- Opening of online climate shop for employees.
- Green mortgage loan part for sustainable home improvements introduced.
- Launch of Climate Infrastructure Fund with investments in 2 wind farms.
- Updated CO<sub>2</sub> measurement method and roadmap Achmea Bank loan portfolio.
- First carbon reduction targets defined for the insurance portfolio (personal motor line).

2025

- 32% reduction in CO<sub>2</sub> emissions corporate investments compared to the market benchmark 2020.
- 51% reduction in CO<sub>2</sub> emissions from business operations compared to 2019.
- 80% of our impactful suppliers have an EcoVadis rating.
- Apeldoorn office energy neutral.

2030

- Climate-neutral business operations.
- 100% circular and energy-efficient product and service procurement for our business operations.
- 68% reduction in CO<sub>2</sub> emissions corporate investments compared to the market benchmark 2020.
- Real estate portfolio minimum energy label A.
- Mortgage portfolio average energy label A.

2040

- Climate-neutral corporate investments.

2050

- business operations, investments and insurance portfolio.

## Our climate transition roadmap

## Business operations

Achmea aims to achieve fully sustainable and climate-neutral business operations by 2030.

## Targets

Achmea aims to achieve fully sustainable and climate-neutral business operations by 2030. In tangible terms, this means that as of 2030 the carbon footprint of our business operations will be net zero. We will accomplish this by reducing our emissions as much as possible, generating sustainable energy locally and by offsetting the remainder of our carbon emissions through large-scale reforestation. The target for our business operations is based on our scope 1, 2 and 3 emissions. To realise this, we are:

- cutting energy consumption in our buildings and data centres.
- reducing the number of journeys our employees make and making their travel more sustainable.
- cutting paper consumption.
- separating our waste wherever possible.
- conducting sustainable procurement (energy-efficient and circular).

## Action plan

### Cutting energy consumption in our buildings and data centres

We use electricity, gas, heating and cooling to meet the energy needs at our locations. To the extent that we do not generate the energy ourselves, we purchase green energy. We are aiming to cut electricity and gas

consumption as much as possible and generating energy locally wherever feasible. One component of this is making our offices energy neutral. To underline this ambition we signed the Dutch Green Building Council's (DGBC) Paris Proof Commitment in 2021. In doing so, we committed to the making all existing and new buildings under our direct control and own use Paris Proof by no later than 2040. We are aiming to achieve this goal already by 2030. This means that the actual energy consumption of our office buildings in Leeuwarden, Tilburg and Apeldoorn may not exceed 70kWh/m<sup>2</sup>.

We are taking various initiatives. For example, we want to make the Apeldoorn location energy neutral by 2025. Other measures involve using:

- LED lighting instead of fluorescent lighting
- Thermal Energy Storage (TCS)
- heat pumps for heating
- solar boilers for hot water
- solar panels for generating electricity →

## Reducing the number of journeys our employees make and making their travel more sustainable

We are making our employees' travel more sustainable by, for example, implementing an electric vehicle lease policy and reducing carbon emissions from commuter and business journeys. The carbon emissions from the fossil fuel use of our lease cars are offset by the fuel supplier. We also have a range of mobility schemes that encourage the use of public transport and/or bicycles, such as the provision of a public transport card including use of rental bikes and an allowance for journeys conducted on the employee's own bicycle. At the same time, we have a clear vision of our new way of working that includes working from home. When it comes to international travel, our policy states that employees will in principle not travel by air within a radius of 700km.

We participate in the [Anders Reizen](#) coalition together with over 70 other large organisations. The common ambition of this coalition is to halve carbon emissions from business travel as of 2030 compared to 2016. Business travel is taken to mean commuter journeys and travel undertaken on behalf of the employer, including flights.

## Separating our waste

Achmea has collected, disposed of and processed separated waste since 2015. We aim to reduce the percentage of residual waste even further to create a 'waste-free' office as of 2030.

## Cutting paper consumption

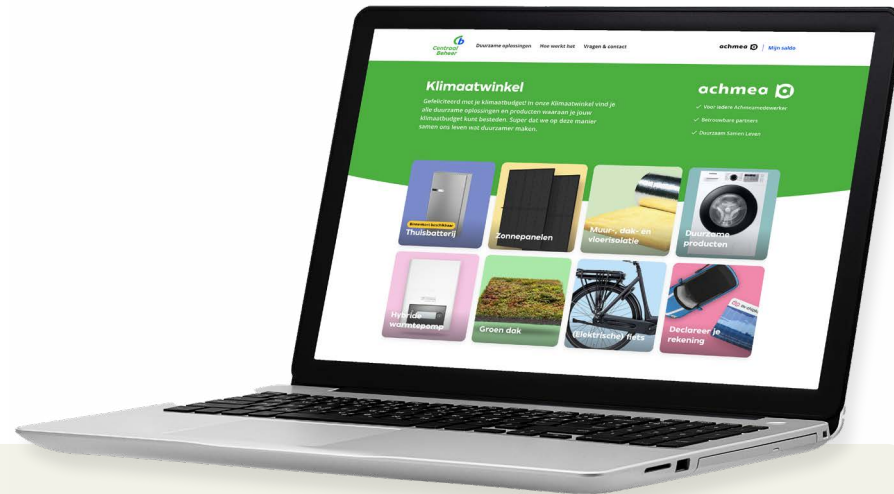
The amount of paper consumed at Achmea has fallen dramatically in the past few years. A growing amount of communication with customers takes place via digital channels. And, as employees increasingly work from home, far fewer documents are printed out. This is aligned with our ambition to become a digital insurer. In 2018, the volume was still more than 1.3 million kg. This has fallen to 625,000 kg in 2021 and to 457,000 kg in 2022. A reduction of almost 65%.

## Sustainable (energy-efficient and circular) procurement

The ecological footprint from our products and services are inextricably linked to the business operations of our (outsourcing) partners and suppliers. In 2030 we aim to buy 100% circular and energy-efficient products and materials for our internal business operations. We have a [Sustainability statement](#) for suppliers that is part of the procurement contracts. Achmea's model contracts also contain a sustainability clause and generic and specific sustainability arrangements are laid down in the appendix to the contract.

Together with our partners and suppliers, we are taking measures to combat climate change in the procurement chain. EcoVadis, an international sustainability rating platform for suppliers, gives us insight into the sustainability performance of our (potential) suppliers and enables us to monitor their performance. With this information we can hold targeted →

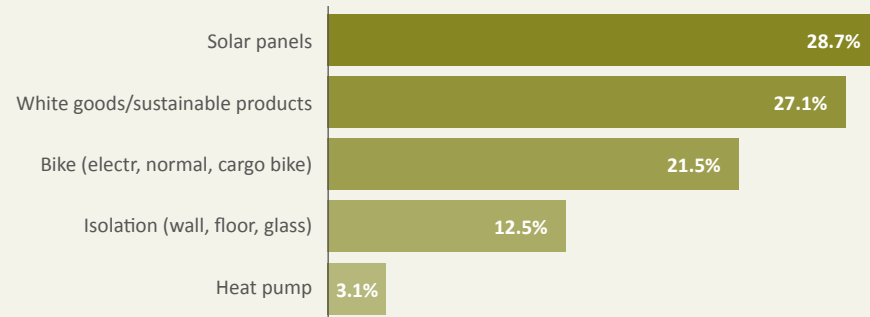
discussions on specific topics. In 2025 we want 80% of our impactful suppliers to possess a rating. A supplier is impactful to us if it can make a significant contribution to Achmea's sustainability objectives and/or to sustainability in general. The size of the contract is also considered. For 2023 we expect to exceed 60% (approx. 100 suppliers). →



### Climate budget for employees

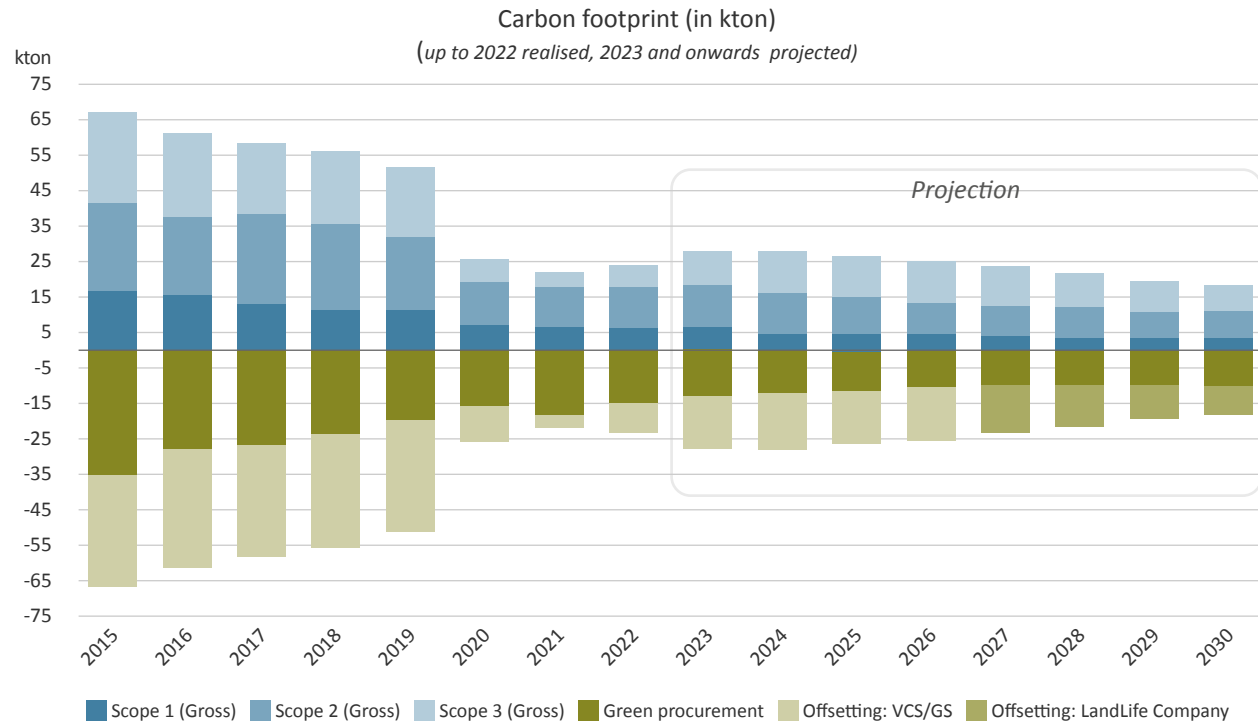
On January 1, 2023, all Achmea employees received a climate budget of € 2,500. The employees can use the climate budget until December 2025 to make their own living environment more sustainable. For this we launched a dedicated climate shop. The budget can among others be used for solar panels, home insulation, a green roof or a heat pump. An electric bicycle or electric car is also possible. By mid-2023, 55% of employees have already used the budget.

### Top 5 climate budget expenditures



## Carbon footprint

We have made projections for our plans up to 2030. The figure below shows the forecast carbon footprint from our business operations. This carbon footprint was temporarily lower in 2020, 2021 and 2022 because fewer (commuting) journeys were made, and employees stayed away from the office or only came in occasionally. →





## Compensation

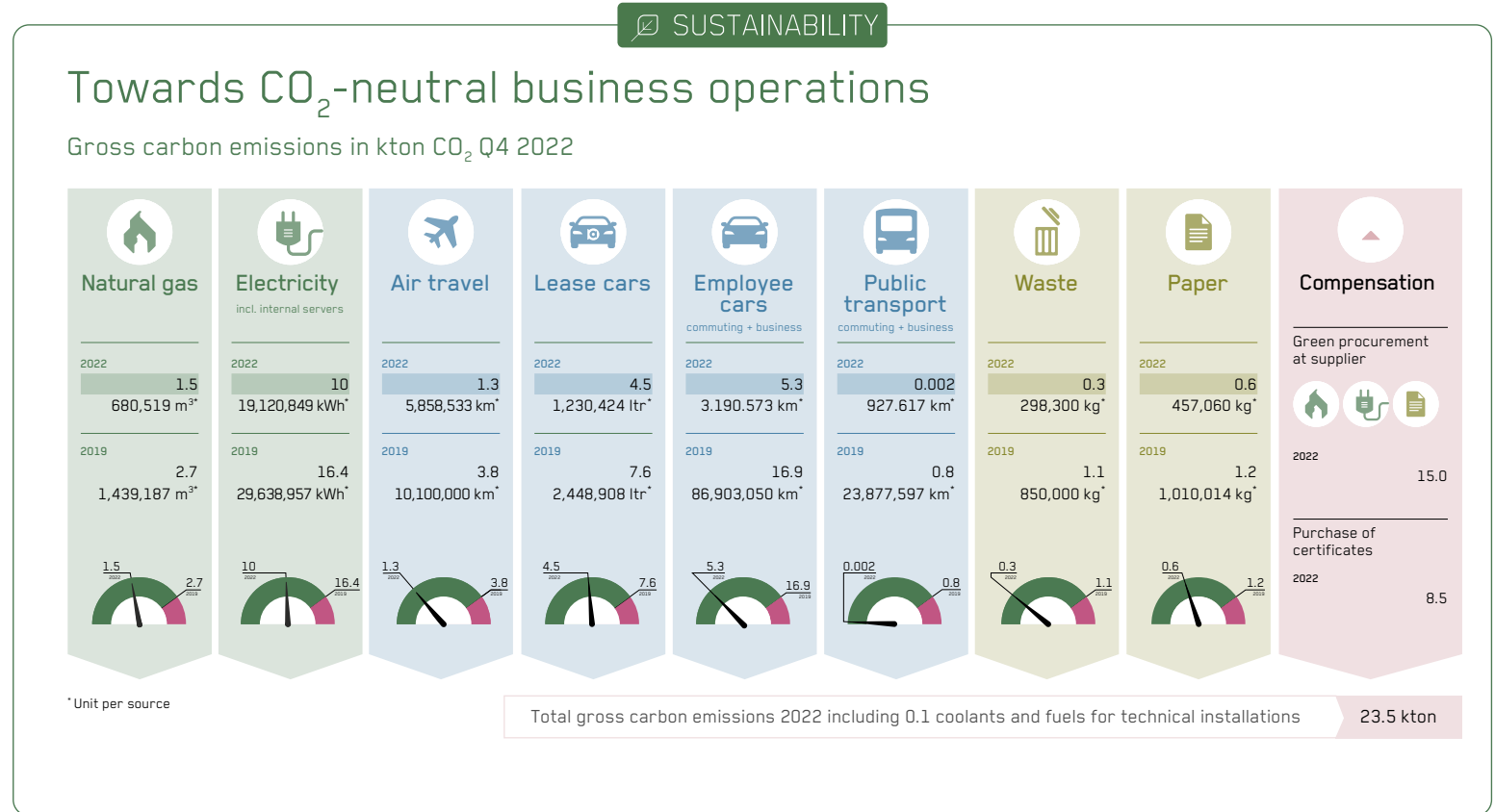
In line with our ambition of having climate-neutral business operations in 2030, we are mainly working on measures to further reduce our carbon emissions. These emissions will fall further thanks to measures that have already been implemented as well as actions scheduled for the coming years. It is technically impossible to bring carbon emissions completely down to zero. In other words, there will always be residual emissions. Therefore, since 2011 we have offset these emissions by buying Gold Standard certificates<sup>9</sup>, whereby we select projects with clear, quantifiable emissions reductions. For the medium and long-term we have opted for compensation via large scale tree planting projects. To do so we have entered into a partnership with Land Life Company. Over a three-year period (2021-2024), approximately 1,000,000 trees will be planted on 920 hectares of degraded land in Australia, Spain and Iceland. This enables us to offset our residual carbon emissions for a period of 40 years from 2027. By mid-2023, 70% of this was already planted. As these are young saplings, it will take several years before they can absorb enough CO<sub>2</sub> and be certified. →

9. Source: [Gold standard CO<sub>2</sub>-certificates](#)



## Monitoring & reporting

We monitor our carbon emissions using a dashboard. Each quarter, the carbon emissions are inputted into a dashboard that we can then use as a basis for adjustments. Here you will find an example of this dashboard. We publish our scope 1, 2 and 3 emissions in our annual report and on our [website](#). The [annex](#) contains a table with the figures for the years 2017 to 2022. ●



## Investments & Financing

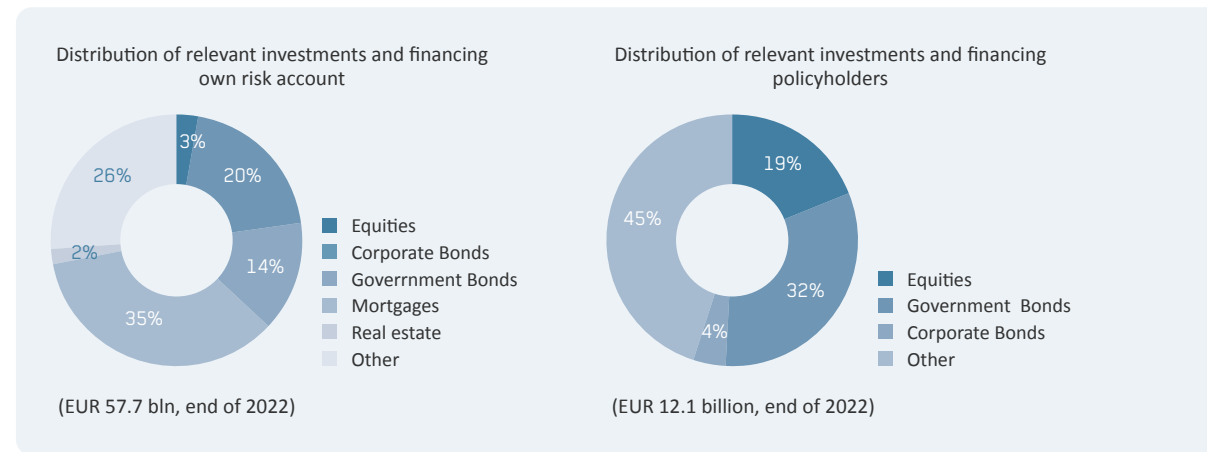
We measure the carbon footprint of the most relevant investments and loans, have set reduction targets and drawn up action plans.

Achmea’s role as a large financial service provider means we are also a major institutional investor. In addition to this we are a mortgage lender. We want to use these roles to contribute to the national and international climate goals by reducing the carbon emissions from our investments and loans and facilitating the energy transition. Among other things, we do this by entering into dialogue with the companies in which we invest and by investing in green initiatives. Furthermore, as a real estate investor, we make the residential properties we own more sustainable. And as a mortgage lender we help our customers to make their homes more sustainable.

We measure the carbon footprint of the most relevant investments and loans, have set reduction targets and drawn up action plans. Relevant investments are those in which we can make the greatest contribution to restricting climate change. This might be because we ourselves own and control them, such as in the case of real estate, corporate bonds and equities. Yet relevant can also mean that these investments have a large weight in our investment portfolio, such as government bonds and mortgages. As of year-end 2022, Achmea held a total of €69.8 billion in investments and loans on the balance sheets of its Dutch entities. The investments of our foreign activities amount to about 2% of total investments and are out of scope of this plan<sup>10</sup>.

10. Source: [Annual Report Achmea 2022](#)

Other categories include investments in private equity, private debt, infrastructure, derivatives and cash. Private equity and private debt have not been included in this plan as these currently form less than 1% of the investment portfolio. Nor are derivatives and cash included as we can have little climate impact with these investments. Infrastructure has been included in this plan because investments in this asset class make a positive contribution to the energy transition. →



## Corporate investments

By corporate investments we mean (listed) equities and corporate bonds. We have set reduction targets and drawn up action plans for these investments. These relate to the investments of the Dutch entities for our own account and for the account of our policyholders. These targets and action plans do not relate to the investment portfolios of our institutional clients, such as pension funds, for which we perform asset management services. We do not decide on their sustainability goals.

### Targets

A variety of international initiatives have developed strategies for working out carbon reduction targets in line with the Paris Agreement. These methods are based on scenarios developed by the IPCC (Intergovernmental Panel on Climate Change). These scenarios show that to avoid global warming more than 1.5°C we need to achieve climate neutrality by 2050<sup>11</sup>. Achmea is more ambitious and has set itself the target of being climate-neutral in 2040 for its corporate investments. This means that we will reduce the carbon footprint of the equity and corporate bond portfolios to net zero by 2040.

Our ambition was given tangible form in 2022 by setting intermediate carbon reduction targets for the relevant portfolios. We aim to achieve a 32% reduction in 2025 and a 68% reduction in 2030 compared to the market benchmark as of year-end 2020. The emissions from the market benchmark are the average emissions from all the companies in which we could have invested as of that date. Our targets will be accomplished by an average reduction of 7% per year up to 2025 and 12.9% per year after that. These targets are based on the scope 1 and 2 emissions of the companies in which we invest. In setting our targets and drawing up our plans we have made use of the Target Setting Protocol of the Net Zero Asset Owner Alliance<sup>12</sup>. The data used comes from MSCI ESG. The carbon footprint is measured using the EVIC-method (see the text box on the next page for an explanation). →

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11. Source: [IPCC](#)

12. Source: [Target Setting Protocol, Net zero Asset Owner Alliance](#)

## We measure carbon emissions using the EVIC method

There are several methods for defining the carbon footprint. Wherever possible, for its investments Achmea uses the standard developed by the Partnership for Carbon Accounting Financials (PCAF). The PCAF recommends the CO<sub>2</sub>/EVIC method for measuring and reporting the carbon footprint of investment portfolios. To define a company's CO<sub>2</sub>/EVIC, its total carbon emissions are divided by its EVIC (Enterprise Value Including Cash). This is the sum of the market value of the outstanding equities and debt. To define our CO<sub>2</sub>/EVIC as an investor, this amount is subsequently multiplied by the market value of the equities and/or bond position we hold in the company. The result of this calculation indicates which portion of the company's emissions can be attributed to Achmea.

Our goal is to reduce the carbon footprint of our investments as much as possible. We do not expect to be able to reach net zero by 2040 using reduction alone. The residual carbon emissions will need to be offset via a form of negative emissions. Options for doing this are currently limited. Carbon Capture and Storage (CCS) is essential to many negative emission technologies. CCS is the technology required to capture and store CO<sub>2</sub> for the long term. The problem is that CCS is still in the developmental phase. We expect the companies in which we invest to assume responsibility for offsetting emissions themselves.

## Action plan

Our action plan is based on 5 pillars:

1. Encourage companies to commit to a net-zero strategy via engagement.
2. Active use of our voting rights at shareholder meetings.
3. Exclusion when companies have unsatisfactory policies or make insufficient progress.
4. Exclusion of the most polluting fossil fuels producing companies.
5. Investment in the energy transition via among others green bonds and infrastructure.

Achmea aims to make an impact in the real economy. This is why we do not immediately exclude companies, apart from those that derive more than 5% of their revenue from the most polluting fossil fuels. While we could reduce our own carbon footprint by selling the equities of carbon-intensive companies, this would not change anything in the real economy.

The equities would simply be bought by another investor. We initially aim to meet the carbon reduction targets by reducing greenhouse gases emissions by the companies in which we invest. This means that the companies in the portfolio need to have a credible transition strategy. Via engagement and voting at shareholder meetings we encourage companies to follow this transition pathway and report on their progress. →

### **Instruments**

We use a range of instruments to achieve our targets. In the future we only want to invest in companies that have a transition strategy that is aligned with the Paris Agreement and on which they render account. If companies do not have a transition strategy, we enter into dialogue with them, use our voting rights or resort to exclusion. We will explain these three instruments in more detail below.

### **Engagement**

We exert our influence as an investor to encourage companies to become more sustainable and contribute to the energy transition. It is our conviction that dialogue is the best way of encouraging businesses to reduce their carbon emissions. Our asset manager uses a set approach to periodically assess companies in the most carbon-intensive sectors on their transition plans and progress based on these plans. They need to have a clear transition roadmap and demonstrate that their activities mean they remain within a global warming scenario of a maximum of 1,5°C.

Achmea has been conducting engagement discussions with companies on climate for several years. In 2023 we started a new engagement programme involving a 10 high emitting companies. The objective of this programme is to get companies to commit to the target of being net zero no later than 2050 but preferably in 2040. We expect them to have a climate transition plan that forms part of their strategy and is linked to their remuneration →



policy. Moreover, the companies need to be transparent about how they measure and monitor climate-related opportunities and risks. Finally, the companies must be transparent about the progress made on implemented measures and about results.

In addition to our own engagement programme, we collaborate with other institutional investors and join collective engagement initiatives. These include participation in existing initiatives such as Climate Action 100+<sup>13</sup>, the Investor Decarbonisation Initiative<sup>14</sup> and the CDP's Science Based Targets Campaign<sup>15</sup>.

Through the "Dutch Climate Coalition" (DCC), a group of like-minded Dutch investors, we also engage with 8 oil and gas companies. We report on the progress of these dialogues in our SRI semi-annual report. Our direct and collective engagements currently cover approximately 23% of the companies in the portfolio and approximately 70% of the financed emissions. →

### CDP Science Based Targets Campaign

To ensure that companies set science-based emission reduction targets in line with the Paris Agreement, the Carbon Disclosure Project (CDP) has created the Science Based Targets Campaign. The campaign, aimed at accelerating action against climate change in the financial sector, gives CDP signatories the opportunity to work together to engage with companies on setting science-based targets. Achmea is a co-signatory to the CDP letters in which companies that have the biggest impact on the climate are encouraged to do this. The CDP is a non-profit organisation funded by the European Union that manages the global system for environmental reporting for investors, businesses, countries, states and regions. Achmea started reporting to CDP in 2023 (reporting year 2022) on its emission reduction targets.

13. Source: [Climate Action 100+](#)

14. Source: [Investor Decarbonisation Initiative](#)

15. Source: [CDP, Science-Based Targets Campaigns](#)



### Voting

If the engagement process yields insufficient results, we can use our voting rights as a shareholder to exert additional pressure on a company. When deciding whether this kind of escalation is necessary, we examine how effective and constructive the engagement process has been. If a company is open to dialogue, engages in constructive discussions and we have an effect, there will be no escalation. Escalation is an option if the company is not open to dialogue or fails to implement enough steps.

Achmea pursues an active [voting policy](#) in order to initiate desirable policies or reject undesirable policies at listed companies in which we invest. We expect companies to have a transition plan that is part of their mission, vision and strategy and linked to their remuneration policies. We demand transparency on tangible climate risks to the company, such as carbon pricing. We take a critical look at the climate plans that these companies present to their shareholders for advice. We vote against these plans when they are not in line with the Paris Agreement. We also vote against the remuneration policies of companies if they fail to link these to climate risks.

In addition, we support climate resolutions that call for drawing up climate plans in line with the Paris Agreement, such as the climate resolutions that Follow This submits at shareholder meetings of several major oil companies. We have supported these resolutions over the past few years<sup>16</sup>. →

### ESG benchmark report: Achmea ranked number 1 worldwide on ESG voting

ShareAction, the UK's leading responsible investment NGO, conducted a global benchmark study in 2022 into how asset managers voted on shareholder proposals. The research group included 68 of the largest asset managers in the world. Achmea Investment Management (which carries out the voting policy for Achmea) ranked first in this benchmark as the asset manager that supported the most shareholder resolutions regarding sustainability, including climate resolutions.

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16. Source: [Follow This](#)

### Exclusion

We do not invest in companies that derive more than 5% of their revenue from:

- coal-related activities.
- electricity generation from thermal coal (including brown, bituminous, anthracite and steam coal).
- the extraction of oil from tar sands
- the extraction of shale gas and oil.
- the extraction of Arctic gas and oil.

We are aware that not all our engagement efforts will lead to the desired results. In this case we are forced to conclude that our influence as an investor is insufficient to get companies to make the necessary changes. We will then gradually divest ourselves of these companies and remove them from our portfolio. In doing so we ensure that our portfolio follows the desired carbon reduction pathway over the course of time.

### Investing in the energy transition

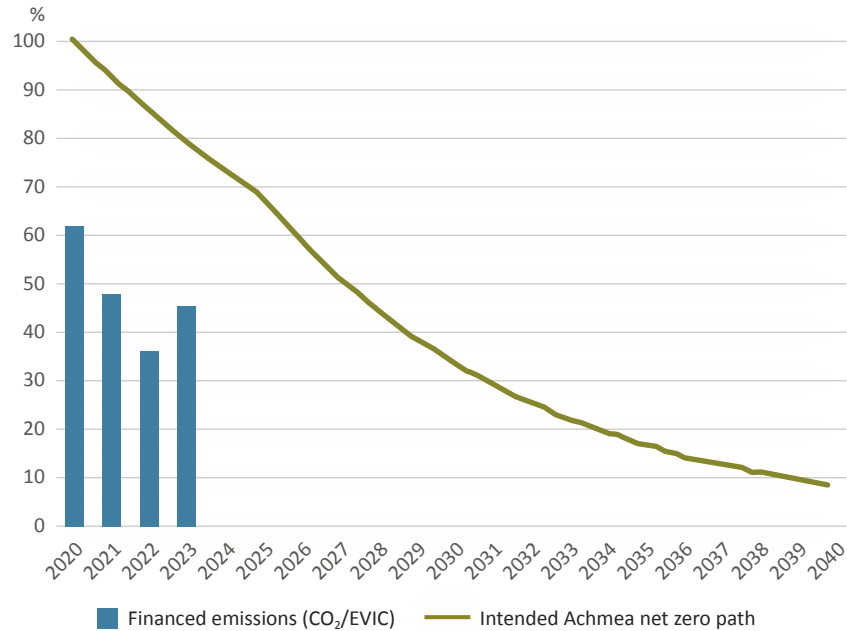
Another way of making an impact is to invest in the energy transition. For instance, Achmea invests in Green Bonds. These are issued by governments, international institutions or businesses, with the proceeds explicitly being used to finance sustainable or green projects. These projects are among others geared to generating renewable energy, improving energy efficiency in buildings, sustainable transport or sustainable water

and waste management. A minimum of 7% of the corporate bond portfolios is invested in Green Bonds. By mid-2023 this was 1.1 billion euros. On top of this, Achmea invests in sustainable real estate and sustainable infrastructure. For more information on this please see the action plans in the sections on Government Bonds, Real Estate and Infrastructure in this plan.

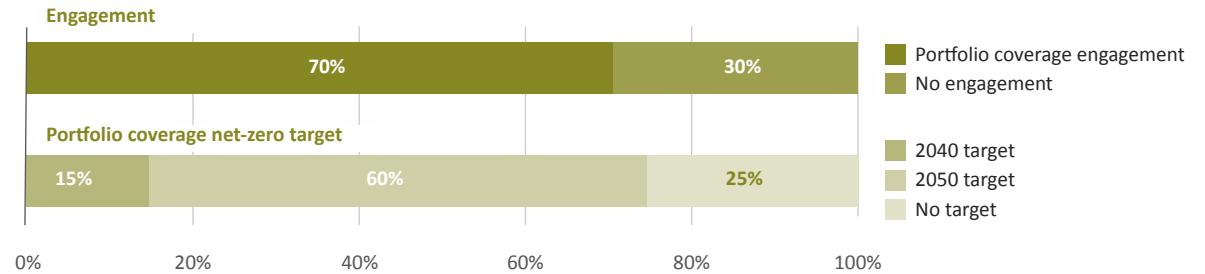
### Monitoring & reporting

Each quarter we monitor the carbon footprint of our investments in companies. We report on the CO<sub>2</sub> emissions of our investments in our annual report. The most important figures for 2022 are included in the [annex](#). We measure and report on scope 1 and 2 emissions because the data on scope 3 emissions is still unreliable and not widely available. We expect the availability of scope 3 data to improve in the coming years, partly due to new legislation. We will start measuring scope 3 emissions from 2024 onwards. We will expand our reporting accordingly. →

The graph shows the financed carbon emissions of our investments in equities and corporate bonds compared to the intended reduction path (last updated June 30, 2023).



In 2023, we started monitoring which companies in the portfolio already have a net-zero target. We use the insights, among other things, for the selection of companies for our engagement program and the monitoring of the results. The figure shows the share of the portfolio has a net-zero target and the share of the portfolio with which we are in dialogue (directly or collectively) as a percentage of the financed emissions.



We report on our progress and the results of our engagement programme, voting and the carbon emissions of our investment portfolio via the Socially Responsible Investment half year report and the annual report. The voting records can also be found on our website via a [‘vote disclosure system’](#). We also publish a list of excluded companies. →

## Mortgages

Achmea is both an investor in mortgages and a mortgage lender via Achmea Bank. The difference here is that for the mortgage portfolio in which we invest we have no direct customer relationship and therefore less influence. We have set reduction targets and drawn up action plans for the mortgages on our own (consolidated) balance sheet. These targets and action plans do not relate to the mortgages of external institutional clients that we manage. We do not decide on their sustainability goals.

## Targets

We have set targets both for energy labels and for reducing carbon emissions. Our ambition is for our mortgage portfolio to be climate-neutral, with net-zero carbon emissions, no later than 2050. Our ambition is based on the scope 1 and 2 emissions from homes (energy consumption). We aim to accomplish this by increasing the proportion of green energy labels in our mortgage portfolio, in part by helping customers to make their homes more sustainable. Our goal is to bring the portfolio to an average A energy label by 2030. When homes receive better energy label, CO<sub>2</sub> emissions will automatically decrease.

We have compared our mortgage portfolio to a science-based transition pathway. Using the Science Based Targets Initiative (SBti)<sup>17</sup> method we have calculated how much we need to reduce carbon emissions for Achmea Bank's mortgage portfolio to have an almost climate-neutral mortgage portfolio by 2050. The latest transition pathways from the Carbon Risk Real Estate Monitor (CRREM) were used for this purpose. These pathways are based on the 1.5°C scenario from the most recent IPCC reports<sup>18</sup>.

We also looked at the expected development of carbon emissions from the built environment in The Netherlands. For this we used the Climate and Energy Outlook from the PBL Netherlands Environmental Assessment Agency<sup>19</sup>. In this report the government's existing and proposed plans have been used to calculate expected carbon emissions up to 2030. The expectation is that carbon emissions from the built environment will be 37% lower in 2030 than in 2021. This forecast shows that there is still a significant difference between the current reduction in the carbon footprint of the Dutch housing stock and the pace that is necessary according to climate science. →

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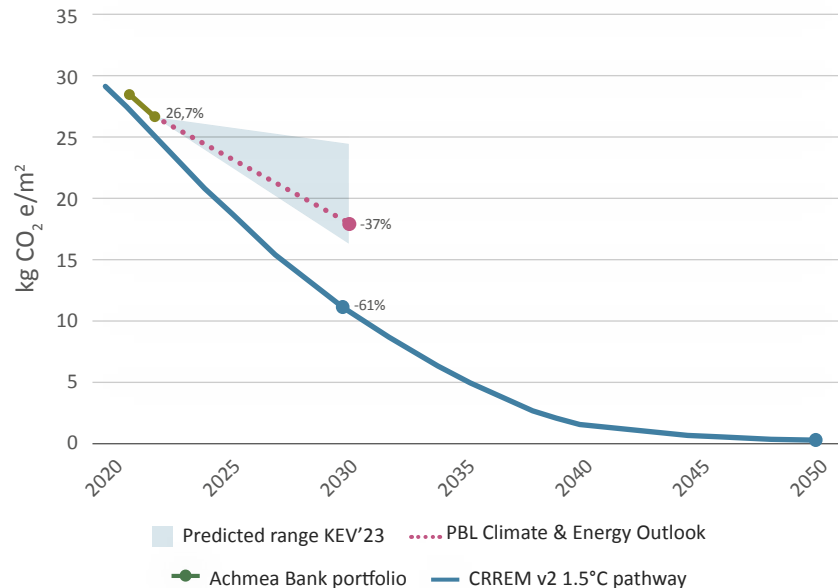
17. Source: [Science Based Targets](#)

18. Source: [IPCC, sixth assessment report](#)

19. Source: [PBL Netherlands Environmental Assessment Agency](#)

For 2021 and 2022, we have redetermined the financed emissions of our mortgages using the most recent PCAF methodology. The figure shows that at year-end 2022, the CO<sub>2</sub> intensity was slightly above the CRREM transition path.

### Achmea Bank mortgage portfolio



Because Achmea does not own the homes on which the mortgages rest, the objectives for improving the energy label and reducing the carbon footprint can only be achieved if homeowners make their homes more sustainable.

Achmea expressly does not choose to exclude customers with homes that have poor energy labels. Our focus is on helping these customers to reduce heat- and electricity consumption, for instance via insulation and solar panels. This makes homes ‘net-zero ready’. From 2026, homeowners will gradually switch to the use of a (hybrid) heat pump as soon as new government regulations for home heating come into effect. Given that the lifespan of a gas-fired heating boiler averages 12-15 years, carbon emission reductions will occur gradually.

The extent to which our objective can be achieved depends, among other things, on the (external) factors over which Achmea has no influence, such as:

- The speed at which the energy mix is becoming more sustainable
- The speed at which homes are being made more sustainable
- The development of the number of new-build homes
- Progress on natural gas-free neighbourhoods
- Legislation and government regulation →

We explain this further below.

### **The speed at which the energy mix is becoming more sustainable**

As Achmea has no insight into the individual energy demand and energy mix of homeowners (due to the protection of privacy), our carbon emissions are defined based on the carbon emission factor of the average Dutch energy mix. The electricity mix is becoming increasingly green thanks to e.g. biomass co-combustion, the construction of heat networks, connection to solar and wind farms and the phasing-out of coal-fired power stations. Achmea has no influence over this, but the Dutch Climate Act does stipulate that this energy mix needs to be nearly climate-neutral in 2050.

### **The speed at which homes are being made more sustainable**

The biggest contribution of carbon emissions comes from heating homes. This can initially be reduced by improving home insulation to a level where it is also possible to switch to a different form of heating (making them net-zero ready), such as a (hybrid) heat pump. How fast homes are being made more sustainable depends in part on external factors, such as energy prices, the cost and availability of alternatives (such as heat pumps), subsidies, regulation and financing options.

### **The development of the number of new-build homes**

The government wants to build approximately 900,000 new homes in the years up to 2030. These new homes will mostly be energy neutral. This will improve the average energy label of the total housing stock but will have no impact on existing housing stock. This ambitious construction goal is extremely challenging, in part because of the high price of materials, higher interest rates and slow procedures for obtaining building permits<sup>20</sup>. Any delay will affect the average energy label of the overall Dutch housing stock and therefore also our portfolio.

### **Progress on natural gas-free neighbourhoods**

The government has set the goal that approximately 1.5 million existing homes will be natural gas-free by 2030. Municipalities are responsible for planning and implementing this transition. There have been delays in rolling out these plans and as a result it is possible that the emission reduction targets for 2030 for the built environment will not be achieved. This will of course also have repercussions for the extent to which Achmea succeeds in accomplishing its targets for the mortgage portfolio. →

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20. Source: [Statistics Netherlands, number of new-build homes](#)

### Legislation and government regulations

There is a real possibility that in future the government will make it mandatory to make homes more sustainable. Measures that have already been introduced by the government include a (proposed) ban on gas-fired boilers from 2026 and interest-free loans for people on low incomes.

### Action plan

We want to help our customers make their homes more sustainable. We therefore provide information on how to do this as well as options for doing so. On the one hand by offering services via Centraal Beheer for making homes more sustainable (insulation, solar panels, green roofs and heat pumps) and on the other by providing the option of financing energy-saving measures as part of the mortgage and assisting with subsidy applications. Our approach is based on 5 pillars:

1. Informing and engaging customers
2. Offering product- / financing solution
3. Providing sustainability services
4. Supporting and engaging mortgage brokers
5. Green funding

### Informing and engaging customers

We inform customers both when they take out a mortgage and during the term of the mortgage about the options and potential savings involved in making their homes more sustainable.

Buying a new house is a natural moment to think about making the home more sustainable. We therefore offer our customers the option of financing energy-saving home improvements as part of their mortgage. Customers do not immediately need to present a plan. The extra loan (Energy-Saving Budget) can be kept in deposit for up to two years. If there is any money left after two years, we deduct this unused budget from the mortgage principal.

The additional loan can exceed the property's market value up to a maximum of 106%. Under certain conditions, this additional loan is also excluded from the income assessment. In doing so we adhere to the lending standards set by the government. Since 2023, we pro-actively offer the Energy-Saving Budget in our mortgage offers. The idea is that customers will immediately be aware that a sustainability budget can be included as part of the mortgage.

Agreeing a new fixed-rate period for the mortgage is another good time for customers to consider issues that are relevant now or in the future, such as making their home more sustainable. Three months before the fixed-rate period expires, our customers receive not only a new interest rate offer but also information on options for making their home more sustainable.

#### **Offering product- / financing solution**

In 2023 Achmea added a green loan component to its mortgage products. This is an additional loan for making the property more sustainable being borrowed as part of the mortgage but at a lower interest rate. We also want to make it easier for existing customers to take out an additional loan for energy-saving home improvements. In addition, we are planning to offer an interest rate discount on mortgages for homes with A+ labels or higher. We expect to implement these improvements in 2024.

#### **Providing sustainability services**

Via our Centraal Beheer brand we offer complete solutions for sustainable home improvements: from personalised sustainability advice to realisation by skilled technicians. Customers receive personalised advice via an online scan or online appointment with a sustainability advisor. We offer roof, wall and floor insulation and solar panels via a network of partners. In 2023 we expanded our offering with heat pumps. We also assist customers with applications for subsidies or loans.

We also help homeowners associations to make their building more sustainable, from advice to implementation. Via Centraal Beheer, they can arrange to have their building insulated (roof, facade, floor, windows and frames), generate electricity using solar panels and make their building natural gas-free by switching to a different heating system. They are also given assistance on arranging financing, applying for subsidies and obtaining permits.

#### **Supporting and engaging mortgage brokers**

Mortgage advisors occupy an important role in the mortgage process for our customers. It is therefore important that advisors discuss options for making properties more sustainable during mortgage advice meetings with customers. We encourage this by highlighting the option of including an Energy-Saving Budget in the mortgage offers. →



### Green funding

To attract green financing Achmea has set up a Green Finance Framework (GFF). With this we are offering our investors sustainable investment opportunities in high-quality Dutch mortgages and real estate. Achmea uses the proceeds from the issue of financial instruments under this framework to (re)finance new and existing energy-efficient homes. Achmea was the first Dutch insurer to set up a Green Finance Framework. This framework is based on the Green Bond Principles<sup>21</sup> and Green Loan Principles<sup>22</sup> and has been rated positively by ESG rating bureau ISS and CFP Green Buildings. Although this framework is primarily used for (re)financing existing mortgages, it is an important driver in making the mortgage portfolio more sustainable. Achmea issued its first bond of EUR 500 million under this framework in 2022. More information about the Green Finance Framework can be found on our [website](#).

### Energy Efficient Mortgage Netherlands Hub (EEM NL Hub)

Achmea Bank joined the Energy Efficient Mortgages NL Hub (EEM NL Hub) in 2021. This is an alliance that includes mortgage providers, investors and service institutions from the mortgage sector. The EEM NL Hub was set up to interpret regulations on sustainability, such as the EU Taxonomy and the goals of the Paris Climate Agreement, and to apply them to the Dutch

21. Source: [ICMA Green Bond Principles](#)

22. Source: [Green Loan Principles](#)

mortgage and housing market. Its objective is to develop a clear standard for green mortgages. For more information visit the EEM NL Hub [website](#).

### Monitoring & reporting

In 2019 we started measuring the carbon emissions from the mortgage portfolio. To do so we use the standard developed by the Partnership for Carbon Accounting Financials (PCAF) and we use the data of grid operators. We report annually on the carbon emissions from our mortgage portfolio in our annual report. The most important figures for 2022 are included in the [annex](#).

To assess how effective our actions are, we monitor the effect of our activities. We review the energy labels in our mortgage portfolio each quarter. In addition, we measure how often sustainability is discussed in mortgage advice consultations and the number of applications that include energy-saving measures. This information enables us, together with our customers, to work on making homes more sustainable. →

# Sustainability dashboard mortgages



Applications for which sustainability has been discussed in the mortgage advice

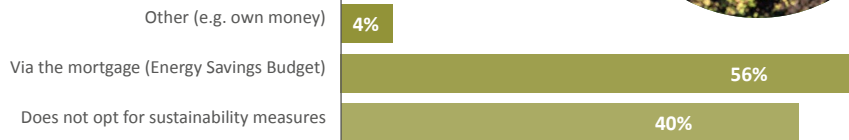
Not discussed: 71.1%

Discussed: 28.9%

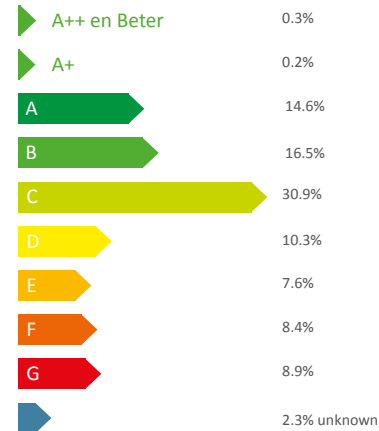


## How do customers finance sustainability?

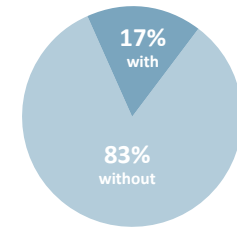
Applications for which sustainability has been discussed in the mortgage advice.



## Distribution of energy labels



## Applications with energy-saving measures



## Real estate

It is important to us that our property portfolio is sustainable. This is why we invest in real estate that meets high sustainability standards and matches the wishes and needs of our (future) tenants. We buy new sustainable real estate and invest in making our existing property portfolio more sustainable.

In the case of investment properties, sustainability guarantees a high quality of life for current and future generations by making restricted use of natural resources and having a minimum negative impact on the climate.

Sustainable real estate means properties with a good energy label and low carbon emissions. In the long term, sustainable properties will also provide comfortable housing for a variety of target groups and make a positive contribution to the immediate (physical) surroundings. The long-term nature of real estate demands a long-term vision on how real estate will evolve in a social context.

Achmea is investing in minimising the impact of the built environment on climate change. There is a chance to make a difference for future generations here. As the built environment is responsible for approximately

15% of carbon emissions<sup>23</sup>, there are significant opportunities and responsibilities for implementing the climate agreement. We have set reduction targets and drawn up action plans for the real estate on our own balance sheet. These targets do not relate to the real estate we manage on behalf of institutional clients. We do not decide on their sustainability goals.

### Targets

We have set targets both for energy labels and for reducing carbon emissions for our property portfolio. Our goal is that every object in portfolio has at least an energy label A by 2030. In doing so we want to achieve at least a 50% reduction in carbon emissions in 2030 compared to 1990. We also aim to have a climate-neutral property portfolio by 2050. These targets are based on the scope 1,2 and 3 emissions of the properties.

In 2019 we drew up a carbon emission reduction roadmap for the residential property portfolio and this was updated in 2021. In the roadmap several scenarios were calculated for reducing the portfolio's carbon emissions. The energy performance of buildings is defined using the NTA8800 calculation method for energy labels. Based on the structural features of the individual buildings, five scenarios were calculated that → model the demand for energy and in turn the carbon emissions from

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23. Source: [Greenhouse gases by sector, Statistics Netherlands](#)

Achmea's residential properties until 2050.

1. **Basic:** under certain conditions, insulate properties to insulation standard. CO<sub>2</sub>-powered ventilation, solar panels on effective roof surfaces, electric heat pumps (from 2030 onwards).
2. **Basic + heat:** identical to scenario 1 but with use of theoretical potential for connection to heat networks.
3. **Insulation standard:** identical to scenario 1 but insulate buildings without applying conditions.
4. **PV only:** no insulation and no installations, only solar panels.
5. **Maximum:** insulate to new-build standard, solar panels including part of façade, geothermal heat pumps, all properties treated equally.

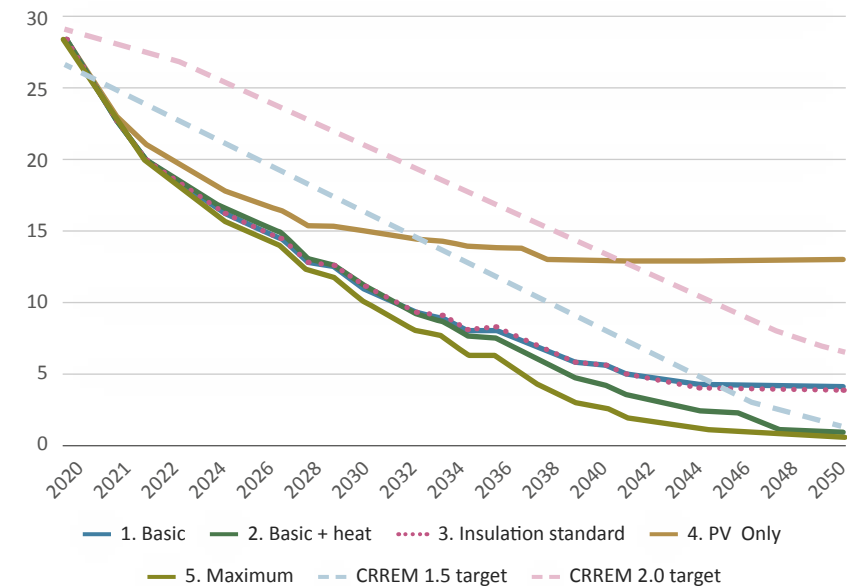
We also compared these scenarios to the pathways of the Carbon Risk Real Estate Monitor (CRREM) for maximum temperature increases of 1.5°C and 2°C<sup>24</sup>.

Our roadmap provides insight into the theoretical carbon emission reduction of the property portfolio over time, in different sustainability scenarios. In all the scenarios we consider existing plans for making the portfolio more sustainable and any acquisitions or sales. In nearly all the scenarios carbon emissions are cut by over 50% in 2030. The scenarios do not yet reach net zero as of 2050. However, developments in making

24. Source: [Carbon Risk Real Estate Monitor](#)

buildings more sustainable are expected to accelerate in the coming years, which will enable us to achieve this target in the future. The roadmap is updated once every two years. We will update our roadmap by 2024 at the latest, applying the latest climate scenarios. →

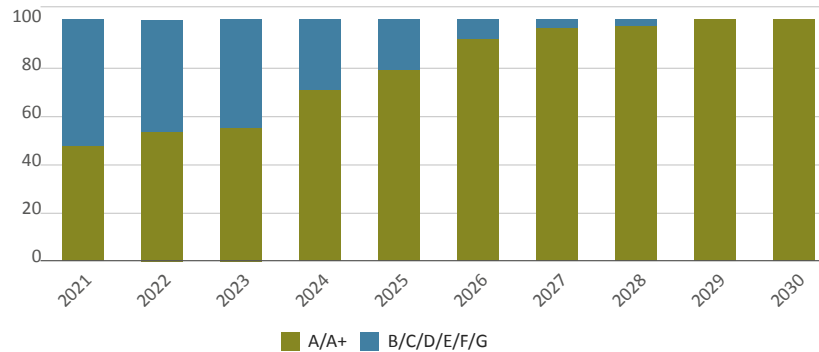
### Specific emissions - kg CO<sub>2</sub>/m<sup>2</sup> per year



## Action plan

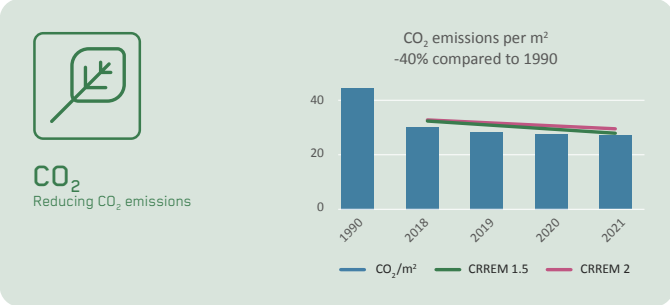
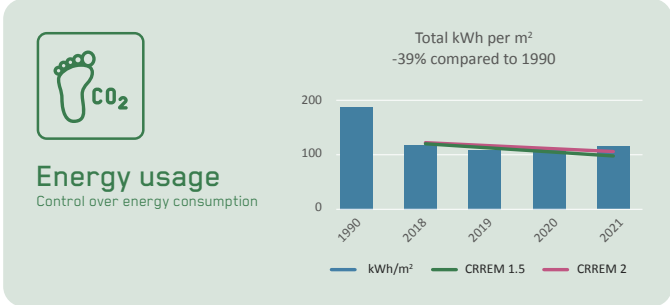
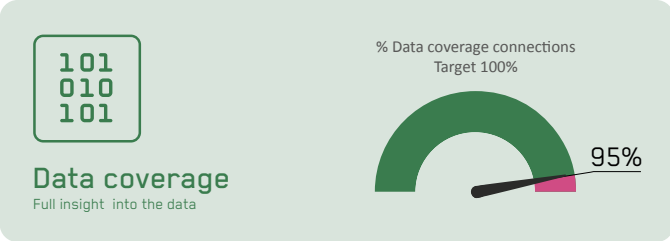
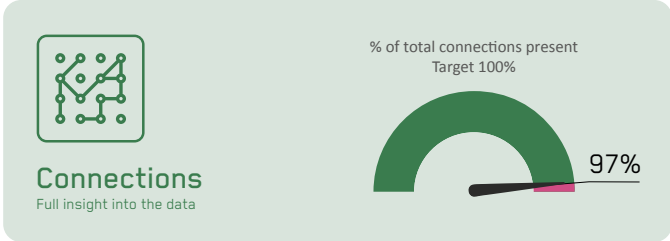
Reducing energy consumption is an important precondition for meeting these carbon emission targets, with the measures for doing so going further than just implementing measures to upgrade the energy labels. The portfolio's carbon emissions are reduced by making properties more sustainable and by defining sustainability criteria when buying or developing new properties. We have carried out research to identify the most appropriate solution for each property. In doing so, we plan the sustainability improvements in regular maintenance schedules as much as possible. These have been taken as a basis for compiling an investment plan for making properties more sustainable. The percentage of A labels in the portfolio will increase as a result of this sustainability drive. As of 2030, 100% of the portfolio will possess an energy label A or higher. →

Percentage of objects in the real estate portfolio with at least energy label A



## Monitoring & reporting

We monitor both the proportion of A labels in the portfolio and the carbon emissions. A dashboard has been developed to monitor emissions and this is updated annually. We also report on the carbon emissions from the property portfolio in our annual report. The most important figures for 2022 are included in the [annex](#). →



## Government Bonds

A large portion of Achmea’s investment portfolio comprises government bonds. The bulk of this amount is invested in Dutch government bonds. Furthermore, there are relatively large allocations to Spanish and French government bonds, while we also invest in German and Italian government bonds, amongst others. These countries have all ratified the Paris Climate Agreement.

### Top 5 investments in Government Bonds (€ million)

	31 DECEMBER 2022	31 DECEMBER 2022	RATING
The Netherlands	2,829	4,808	AAA
Spain	581	355	A-
France	547	1,082	AA
Germany	444	1,140	AAA
Italy	308	306	BBB

Source: Annual report 2022, Achmea

## Targets

Achmea aims to have a climate-neutral investment portfolio for government bonds by 2050. We have not yet set any interim reduction targets. In 2023, we have increased the minimum allocation to green government bonds within the government bond portfolio from 5% to 7%.

## Action plan

We have very few options for influencing the carbon footprint of this investment portfolio. It would involve convincing governments by means of engagement to reduce emissions or removing investments in countries with relatively high carbon footprints from the portfolio. Neither action would be likely to contribute much to actual reductions in global carbon emissions. For this reason, we are initially focusing on those investments where we can make the most impactful contribution to the energy transition, i.e., investments in companies.

We are nevertheless taking steps to contribute to the energy transition via our government bond investments. For instance, we invest in government bonds for which the proceeds will specifically be used to contribute to a country’s transition to sustainable energy (infrastructure) or for making (public) transport more sustainable. Germany, Sweden, Italy, the UK, Spain and the Netherlands have already issued this type of green government bond, also known as green bonds. The number of green bond issues is expected to increase sharply in the coming years. As of 30 June 2023, Achmea had invested approximately €618 million in green government bonds. Over the next few years, we aim to invest a larger portion of the government bond portfolio in green bonds. →

### Investments in Green, Social and Sustainability bonds (€ million)

Asset class	Amount
Government bond portfolio	618
Corporate bond portfolio	1,135
<b>Total</b>	<b>1,753</b>

Source: SRI half year report H1 2023

### Engagement

Achmea has developed a policy for engaging with governments. Under this policy we aim to conduct engagement focused on the country's efforts to contribute to (international) climate goals, such as meeting those of the Paris Agreement. We prefer engagement processes with governments in collaboration with other investors and local parties, if possible. A coalition of investors has bigger financial resources and more external influence, which means that a collective effort has a greater impact and is more effective than an individual initiative. Another advantage of a collective initiative is that tasks can be shared.

### Global Investor Statement to Governments on the Climate Crisis

One example of a collective engagement process that Achmea has endorsed is the Global Investor Statement to Governments on the Climate Crisis. The goal of this engagement was to convince governments to enhance their climate plans during the climate conference held in Egypt in November 2022 (COP 27) and ensure that the goals of the individual countries are aligned with each other. This was an initiative of the Net Zero Asset Manager Initiative of which Achmea Investment Management is a member.

### Monitoring and reporting

In 2019 we began to measure the carbon footprint of our investments in government bonds. We report on the CO<sub>2</sub> emissions of our government bond portfolio in our annual report. The most important figures for 2022 are included in the [annex](#). In December 2022, PCAF published a new method for measuring financed emissions of government bonds. We intend to implement this method by 2024 at the latest. →



## Infrastructure

The goals from the Paris Agreement require the world to switch to sustainable energy. We need to drastically reduce both our dependence on fossil fuels and carbon emissions must be strongly reduced. This switch to sustainable energy is called the energy transition. The energy transition poses enormous technological, economic and financial challenges for society. They demand large-scale investment in sustainable infrastructure.

This involves e.g. generating sustainable energy via wind and solar power, expanding and upgrading the electricity grid, creating network stability and storage solutions. Achmea wants to contribute to this by investing in infrastructure funds. These funds in turn invest in businesses and/or projects that work to generate sustainable energy from e.g. wind and solar power. Most infrastructure fund managers have aligned themselves with the net-zero climate goals and are working on making their investment portfolios Paris Proof. There is a clearly visible trend towards sustainable energy investments.

### Targets & action plan

We want to invest more in infrastructure in the coming years and decided in 2022 to increase the target allocation to the sustainable energy sector within this asset class from 10% to 35%. At the end of 2022, a major step was taken towards the target allocation with an investment of €55 million in





the Achmea IM Climate Infrastructure Fund. This fund aims to accelerate the energy transition in Europe (with a minimum mandatory allocation to investments in the Netherlands) by creating a well-diversified portfolio of investments in proven technologies, mainly relating to wind and solar power and hydro-electric projects. The fund has made its first two investments in a large operational onshore wind farm in Norway and in an onshore wind farm under construction in Lithuania<sup>25</sup>.

### Monitoring and reporting

We report on our investments in infrastructure funds in our Socially Responsible Investment half year report. At the end of 2022, the exposure to sustainable energy within the infrastructure portfolio was 37%. In the coming years, we will make additional investments in infrastructure funds in phases to further expand the portfolio and thus achieve our ambitions in the field of sustainable energy. Achmea does not yet measure and report on the carbon emissions from the infrastructure portfolio due to a lack of available data. We are investigating whether we can set up this measurement. ●

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25. Source: [Achmea IM Climate Infrastructure Fund](#)

# Insurance and services

Insurers play an important role in the transition to a sustainable economy and accelerating the move to net-zero emissions.

Achmea wants to make sustainable solutions accessible to all. With over 10 million customers in the Netherlands, we see it as our responsibility to contribute to the transition to a climate-neutral society and to accelerate it wherever possible. We do this together with our partners and customers.

## Sustainable non-life insurer

We offer products and services that help our customers to restrict climate-related loss and damage, adapt to the changing climate (climate adaptation) and reduce their carbon footprint (climate mitigation).

### Climate adaptation

Climate adaptation means that we adapt ourselves to climate change and in doing so increase our resilience. This primarily involves focusing on prevention, because it is more sustainable to prevent damage than to repair it. And when damage does occur, we repair it in the most sustainable way possible. The insurability of flood risk plays an important role in our approach as well.

### Prevention

Prevention is an important element of our sustainability strategy. We therefore offer our customers support in implementing adaptation measures. Prevention lies at the heart of the Interpolis strategy. Customers can use an online tool to work their way through a questionnaire that can yield a prevention discount on their insurance.

This tool contains several questions related to sustainability and climate adaptation. Safety and prevention are likewise important to the new technologies being used in the energy transition, such as: wood construction, solar panels, hydrogen, biogas, charging stations and electricity storage. →

### Focus on a safe and sustainable working environment

Sustainability is important to many businesses. A growing number of businesses are investing in solar panels to generate electricity sustainably and keep their electricity bills affordable. A positive trend, in which a focus on insurability and making properties more sustainable safely is also important. This is because all these sustainable - primarily electric - applications, such as solar panels, involve new risks. These include fires caused by unsafe or outdated electrical systems, leaking roofs caused by roofing material that does not meet the correct safety standards or storm damage. We support businesses by offering prevention services so that they can become more sustainable safely. Together with businesses, partners and experts, we are developing solutions and services that help to create a safe and sustainable working environment, such as electric wiring inspections, construction advice and green roofs. For more information, please visit the Interpolis [website](#).

### Sustainable repairs

When a customer submits a claim, we examine how we can resolve this as sustainably as possible. This means that wherever possible we repair things rather than replacing them. One example of a sustainable repair is a spot repair. Here, we only repair the damaged part of e.g. a floor, kitchen worktop or sanitary facilities. The idea is not to waste raw materials unnecessarily. Repair is not always an option. Cars that are total loss are sold to certified buyers that recycle over 99% of the vehicle's total weight sustainably. Another way of making the repair chain more sustainable is by restricting travel. With the aid of a digital intake, we conduct a remote damage assessment so that our repair companies have to travel less to do their intakes on location.

We believe that sustainable repair rather than replacement should be the norm when settling claims. This is why we support the Sustainable Repairs Manifesto. Together with our partners we are working to make the repair chain more sustainable. We do this by setting criteria when contracting our repair companies and by repairing the damage as sustainably as possible. In the past few years, over 90% of all the relevant home repair companies in our network (construction, glass and reconditioning companies) have received ISO 14001 certification (target for 2024: 95%). Furthermore, all the relevant repair companies in our mobility network have a BOVAG Certified Sustainable quality seal or GroenGedaan quality seal awarded by Stichting

Duurzaam. In 2024 we will start dialogues with our car repair partners to create an ecological footprint for each car repair company on top of the current certification. In the coming years we will use the various inputs to determine a definitive form for the ecological footprint for the repair companies in our network, taking into account the applicable laws and regulations.

### Insuring flood risk

Due to climate change we see that flooding is happening more often. Our insurance policies cover the flood risk from non-primary flood defences as standard for both retail and business customers. In addition, together with the Dutch Association of Insurers and the government we are working on the development of a flood coverage for primary flood defences. Offering a public-private solution that covers breaches in primary flood defences will give people better protection against floods from the sea, inland waterways and major rivers. →

## Climate mitigation

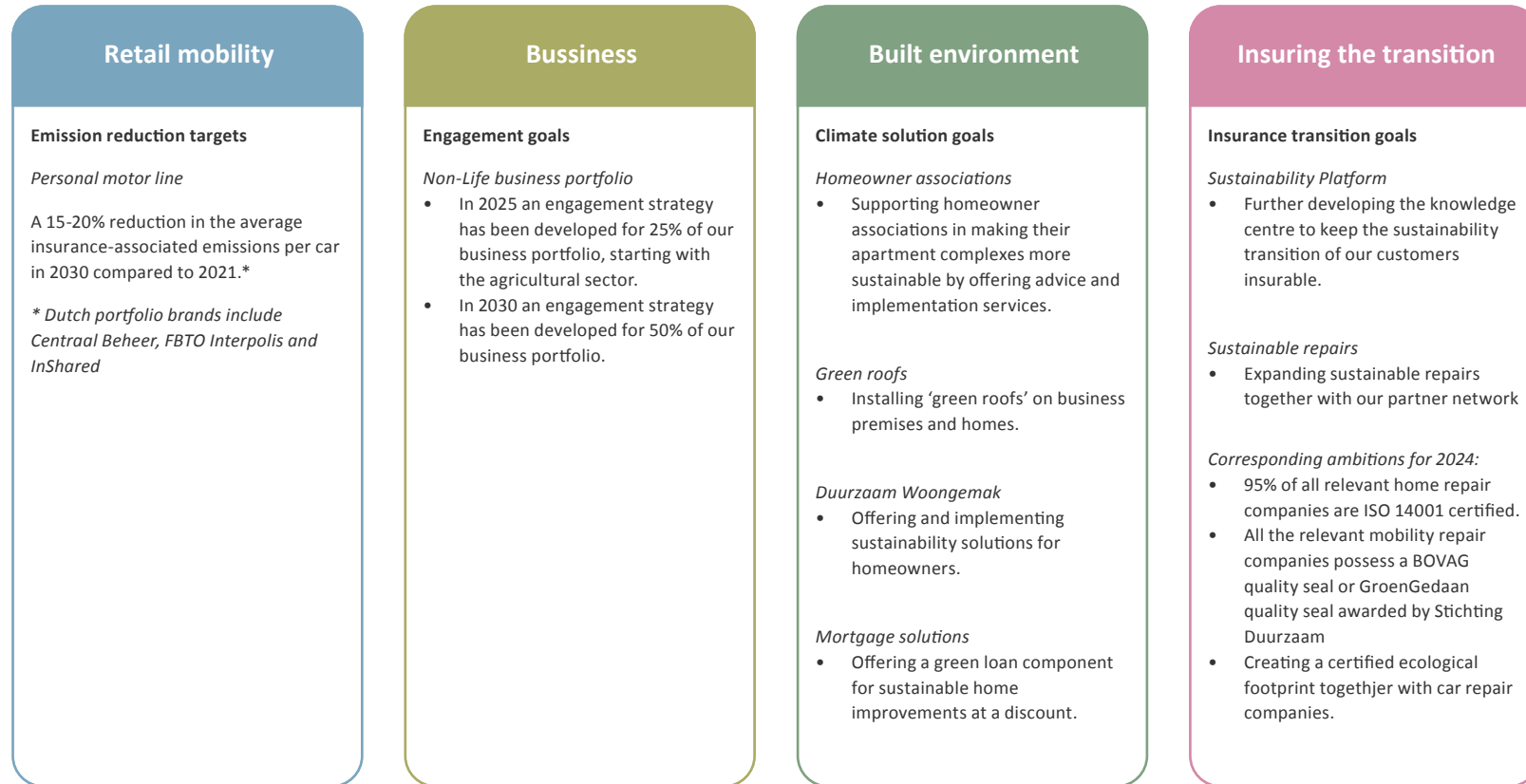
Climate mitigation means reducing greenhouse gas emissions to restrict further global warming. Our ambition is for our insurance portfolio to be climate-neutral no later than in 2050. Via our brands and distribution channels we offer a variety of solutions for helping our customers to become more sustainable and in doing so also reduce the carbon footprint of our insurance and service portfolios.

To underline our climate neutrality ambition, we joined the Net-Zero Insurance Alliance (NZIA) in 2021. The NZIA, an international alliance of insurers, has published standards for measuring and reducing the carbon emissions of (re-)insurance portfolios. Instruments that have helped us taking the first steps in measuring the carbon footprint of parts of our insurance portfolio include the PCAF Insurance-Associated Emissions Standard and NZIA Target-Setting Protocol<sup>26</sup>. →

26. Source: [NZIA Target-Setting Protocol](#)



## Interim goals and actions for a climate-neutral insurance and service portfolio in 2050



Our interim goals are set out in the chart below. We divide these into four themes: Retail mobility, Businesses, the Built environment and insuring the transition.

In putting our climate ambitions into practice, we are initially focusing on our non-life portfolio for retail and business customers in the Netherlands.

Gross written premium (€ million)	2021	2022
Total non-life Netherlands	3,766	3,881
In scope of emission reduction and engagement goals	1,709	1,759
• Personal motor	1,060	1,070
• Businessess	649	689
Outside scope of emission reduction and engagement goals	2,057	2,122

Source: Achmea Annual Report 2022

### Personal motor line

Within the retail non-life portfolio, the personal motor line is material given the size of this portfolio and the climate impact. Moreover, data and measurement methods are available for this portfolio. For the personal motor line in the Netherlands, we aim to reduce average insurance-associated emissions per car by 15-20% in 2030 compared to 2021. Our emission reduction target is based on calculations of the insurance-associated emissions in recent years and scenario analyses. We have used data from the Netherlands Vehicle Authority (RDW) and Statistics Netherlands. We see a minor downturn in both average emissions per car and the absolute emissions in the period 2021-2022.

Personal motor line	2021	2022
Insurance-associated emissions (ton CO <sub>2</sub> )	469,880	450,525
Average insurance-associated emissions per car (gram/kilometre)	25.3	24.6

The calculations are based on the PCAF Insurance-Associated Emissions Standard, Personal Motor line<sup>27</sup>. Statistics Netherlands data were used for the average number of kilometres driven. The data from 2021 were used for both years as the data for 2022 were not yet available. Coronavirus restrictions were still in place during 2021. For 2021 92% of the insured portfolio was included in the calculation. The presented absolute emissions were extrapolated to 100% by means of scaling.

All the scenarios we examined show that there will be a limited reduction in emissions from cars in our portfolio in the years up to 2030. Only in subsequent years there will be a sharper downturn as a result of planned government measures, such as road pricing and all newly sold cars being emission-free from 2035. →

27. Source: [Partnership for Carbon Accounting Financials, Insurance- Associated Emissions](#)

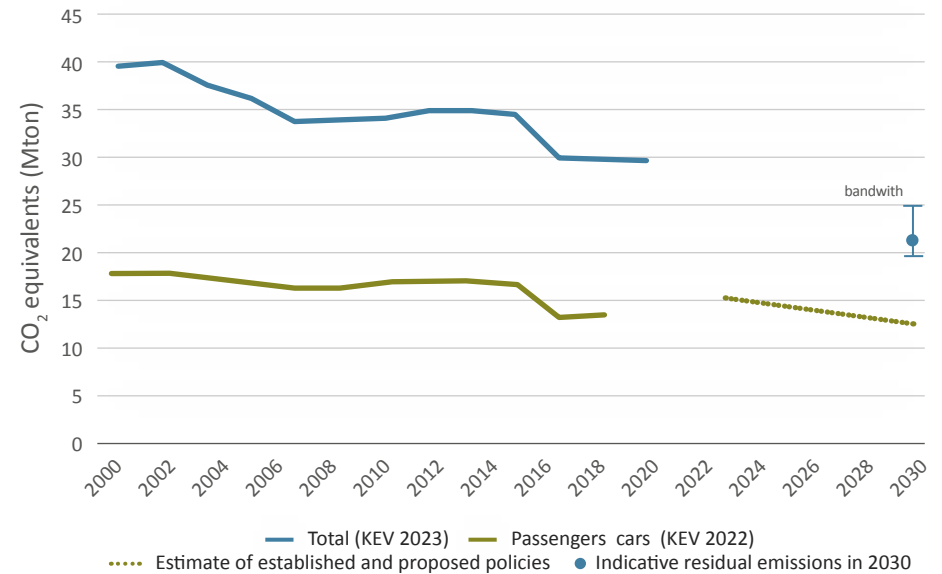


In addition to our own scenario analyses, we have made a comparison with the projections published annually by the PBL Netherlands Environmental Assessment Agency of the carbon emissions from the mobility sector and cars in particular. We see confirmation of our own forecasts in the 2022 and 2023 Climate and Energy Outlook. According to the 2023 Climate and Energy Outlook, in 2022 road traffic emissions did not revert to pre-coronavirus levels but remained more or less the same as emissions in 2021. Some of this can be explained by the larger portion of kilometres driven in electric vehicles. Partly as a result of scheduled policy, the PBL anticipates a sharp reduction in emissions from the mobility sector in the coming years. Measures that will also contribute to this include the further blending of renewable fuels and the planned introduction of Pay-as-you-use in 2030<sup>28</sup>.

How quickly the forecasted structural reduction in emissions from cars will ultimately occur depends on several factors, such as the availability of affordable (second-hand) electric cars, tax on fossil fuels, the density of charging stations and willingness of the public to become more sustainable and switch to electric vehicles. We will engage with customers to raise awareness of the benefits of sustainable mobility options and use. And we will monitor the developments around the transition of mobility closely and where possible adjust our targets and policy accordingly.

28. Source: [Planbureau voor de Leefomgeving, KEV 2023](#)

### Greenhouse gas emissions through mobility in the Netherlands



Source: PBL Environmental Assessment Agency, Climate and Energy Outlook 2022 and 2023.

## Businessess

In addition to the emission reduction target for the personal motor line, we have likewise formulated an engagement target for our non-life business portfolio. In 2025 we aim to have developed an engagement strategy for 25% of our business portfolio and for 50% of our business portfolio in 2030. We will start with the business customers in our agricultural portfolio. For Achmea the agricultural portfolio is a material insurance portfolio. The lessons we learn here will be used to further refine the concept before applying it to other relevant sectors. We will select these sectors based on an assessment of the risks or where we can make the greatest impact.

In the case of the agricultural sector, we have consciously opted for an engagement strategy. In 2021 there were 52,100 agricultural and horticultural businesses in the Netherlands<sup>29</sup>. Many of them hold one or more insurance policies at Achmea. We insure agricultural activities in the covered cultivation (greenhouse), outdoor cultivation (arable farming, arboriculture and flower bulbs) and livestock sectors. Discussing issues with stakeholders, sharing knowledge and solving problems is in keeping with our traditions as a company. In our view this is also the most effective way of helping the sector move towards a climate-neutral future. We are taking the following actions to achieve our engagement targets in 2025:

1. Supporting agricultural businesses by providing potential solutions in the transition.
2. Supporting the greenhouse horticulture sector in its ambition to be climate-neutral in 2040.
3. Stimulating and facilitating the development and application of solutions geared to a safe and sustainable livestock sector.

### *Supporting agricultural businesses*

To know what is important to our customers we have for many years participated in a consultation structure along with the sector. This comprises three sector councils (for covered cultivation, outdoor cultivation and livestock) and an Advisory Council. Both consultation bodies meet three times a year and may also be consulted in the interim.

The aim of this consultation structure is to discuss (current) trends and developments in the agricultural sector, test adjustments to products and learn from each other. The discussions also give us insight into what is going on in the sector in terms of sustainability, the image the sector has in this respect, the innovations that have already been put into practice and the resulting problems and risks. By talking to agricultural businesses, we obtain insight into sustainability issues and can brainstorm on potential solutions. →

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29. Source: [Wageningen University Research](#)

### ***Supporting the greenhouse horticulture sector***

The greenhouse horticulture sector has set itself the ambition of producing crops in an economically viable and climate-neutral manner as early as in 2040. The sector has noted that it cannot achieve this goal alone. From our partnership with the sector, we will support the sector in achieving its ambition and keep it insurable by providing knowledge and expertise.

### ***Stimulating and facilitating a safe and sustainable livestock sector***

This involves stimulating and facilitating promising, future solutions and preventive measures that contribute to the safety and sustainability of the livestock sector. This might include systems that achieve nitrogen emission reductions in livestock sheds or prevent barn fires and the organisation of knowledge sessions to improve dialogue on safety and sustainability in the livestock sector.

### **Built environment**

Insurance for buildings of retail customers and businesses is an important component of Achmea's portfolio. The Dutch government has set climate goals for the built environment. All homes and business premises must have sustainable and emission-free heating no later than in 2050<sup>30</sup>. Via our propositions we help our customers make their homes or business premises

more sustainable. For example, we assist homeowner associations in making their apartment complexes more sustainable and we support private individuals and companies in the construction of green roofs. →

#### **Duurzaam Woongemak**

The Centraal Beheer Duurzaam Woongemak service arranges complete solutions: from personalised sustainability advice to realisation by skilled technicians. Customers receive personalised advice via an online scan or online appointment with a sustainability advisor. We offer roof, wall and floor insulation, solar panels, charging stations, heat pumps and green roofs via a network of partners. We also assist customers with applications for subsidies or loans.

30. [Planbureau voor de Leefomgeving, KEV 2022](#)

### Green roofs

Achmea helps both retail and business customers to construct green roofs. A green roof leads to greater biodiversity, lower carbon emissions and a lower ambient temperature. This also saves money because the roof will last longer if it is green. And it will cost less to heat the property as a green roof provides insulation. An added advantage is that a green roof makes the property cooler in summer, meaning there is less need to use air conditioning. And if a green roof is combined with solar panels, this can yield as much as 6% greater efficiency. A green roof also stores water. The plants absorb a large amount of water and in doing so spare the drainage system. We also look at fire prevention and the impact on the building's construction. Not all roofs are suited to being turned into green roofs.

### Insuring the transition

Sustainable alternatives such as electric cars, e-bikes and sustainable improvements that form part of the home, such as solar panels, solar water heaters, heat pumps or a home battery, are insured via our products. We also stimulate and facilitate lending and sharing items because the sustainable trend 'from ownership to usage' will also reduce carbon emissions. More information on the insurance coverage if customers wish to share their boat, belongings or car, can be found on the Centraal Beheer [website](#).

We offer our customers, both retail and business, products and services for making the transition. For instance, we help businesses to make their fleets of lease vehicles and business premises more sustainable. We inform our (potential) customers of the available options for becoming more sustainable and reducing their carbon footprint. As part of this we provide support and convenient solutions to lower the threshold for acting. Thanks to our risk management we are aware of many of the risks associated with climate change and the energy transition. →

We are committed to making and keeping the transition to a sustainable society insurable. To this end we are undertaking several actions.

- We have set up a Sustainability Platform in our organisation. This is the centralised knowledge centre for sustainability in organisation. The goal of this knowledge centre is to keep the sustainability transition of our customers insurable.
- The recently created Sustainable Non-Life Insurance Committee of the Dutch Association of Insurers enables insurers to work together on making the sector more sustainable. Each insurer naturally chooses its own strategy and route to change, but together we are examining issues such as (lobbying for) improved data quality and frameworks for safeguarding solidarity and insurability. Knowledge is also shared and developed about insuring sustainable innovations in the energy transition (e.g. wood construction) with the aim of accelerating the transition towards a climate-neutral insurance portfolio in 2050 where possible.
- Together with a working group of the Vereniging Achmea, we have initiated a process for further developing our engagement strategy. The question under joint discussion is: “How can Achmea best involve its customers in achieving the climate ambitions for a sustainable business insurance portfolio?” In this process we primarily examine the development of an engagement strategy with the goal of climate mitigation. In addition, we will discuss other relevant topics, such as

ensuring greater awareness of climate risks (adaptation and insuring new risks in the transition), sustainable repairs and new sustainable products and propositions for our customers.

## Sustainable health insurer

Achmea, including via its Zilveren Kruis brand, is the largest health insurance company in the Netherlands. We want to bring good healthcare closer to everyone. This is done by paying for healthcare, organising healthcare and improving general health in a manner that is best for people and their living environment, now and in the future. We believe in a broad definition of health. One that involves more than just eating healthily and taking enough exercise. That involves more than just your body and soul. Everything counts towards this: the living environment also has an impact on health. Climate change and environmental pollution are leading to more and different healthcare needs. Healthcare institutions, governments and businesses have reached agreements under the Green Deal on Sustainable Healthcare. The goal is that healthcare is good for people, planet and prosperity in the long term as well, without causing extra pollution or health complaints. →

## Targets

The healthcare sector emits an enormous amount of carbon. It also creates a large amount of waste owing to the single-use equipment it uses. In the Netherlands, the healthcare sector is responsible for 7% of greenhouse emissions, 4% of waste and 13% of raw material consumption. Conversely, climate change also has a substantial impact on our health. Climate change is leading to more and different demand for healthcare. This includes infectious diseases and heat stress.

A growing number of healthcare providers and health professionals want to make a bigger contribution to a healthy living environment. This is why in 2022 several healthcare organisations collaborated on creating a new Green Deal ([Green Deal on Sustainable Healthcare 3.0](#)). As part of this, targets have been set for improving health. Yet also for reducing carbon emissions and the use of raw materials. Achmea also wishes to contribute to this and has therefore signed up to the Green Deal. The five goals of the Green Deal are:

1. Promote health among patients, clients and employees.
2. Raise awareness and understanding of the impact of healthcare on climate and vice versa.
3. Reduce CO<sub>2</sub> emissions by 55% by 2030 and to be climate neutral by 2050.
4. Reduce the consumption of primary raw materials by 50% by 2030 and maximise circularity in healthcare by 2050.
5. Reduce the environmental harm caused by (use of) medication. →



The parties in the healthcare sector have agreed to collaborate on translating the targets and agreements into sector plans. These clarify how the agreements in the Green Deal are implemented and what is required for this. This process is being facilitated by the Ministry of Health, Welfare and Sport. In making the healthcare sector sustainable, health insurers are focusing specifically on reducing carbon emissions, circularity and reducing the environmental impact of medication. Healthcare providers bear individual responsibility for making their organisations sustainable and stimulate the sustainability of the healthcare sector via their health procurement.

### Action plan

In 2023, our health procurement officers attended a training course on how to incorporate sustainability into health procurement meetings. In 2024 our focus will be on:

1. Implementing the agreements in the Green Deal on Sustainable Healthcare 3.0 by translating these into (health) procurement terms and conditions for 2025. Wherever possible linking these to the regional healthcare transformation via pilot schemes that contribute to sustainable healthcare.
2. Greening our products and service offering and making it even more inclusive. We want to be able to measure our own offering against sustainability aspects. The ultimate goal: a climate-neutral products and

service offering in 2050. As an example, we have offered a more sustainable maternity care pack since 2023.

3. Explaining the relationship between health and climate/social sustainability to employees, policyholders and healthcare providers and helping them to contribute to this.
4. Adopting stances on sustainability, publicising these and encouraging public debate on them among stakeholders. For instance, together with Achmea Real Estate and Royal Haskoning we put proposals for funding and laws and regulations on making healthcare real estate sustainable to the Ministry of Health, Welfare and Sport.
5. Helping customers to make more sustainable choices when they use healthcare and/or work on improving their health.

## Governance

End responsibility for our sustainability policy, ambitions and climate transition plan lies with the Executive Board. The Supervisory Board supervises this.



In 2021, Achmea’s Executive Board set up the Achmea Sustainable Together programme to implement Achmea’s sustainability ambitions and corresponding plans and activities. The programme contains separate workstreams for the segments described in this plan:

1. Internal business operations
2. Investments and financing
3. Insurance and services

In addition, there are separate workstreams involving the implementation of sustainability legislation and reporting, our foreign operating companies and creating internal awareness. All the relevant business units are represented in the workstreams. Each workstream has defined long-term ambitions and translated these into annual targets and activities. Responsibility for each workstream lies with a member of the Achmea Directors’ Council.

The programme is under the direction of a Programme Board which supervises the implementation of the sustainability ambitions the associated activities and monitors the progress. The Programme Board, which comprises the workstream chairs, directors of several business units and two members of the Executive Board, takes decisions on sustainability policy and plans. The Chief Risk Officer heads the Programme Board on behalf of the Executive Board and reports to it on a quarterly basis. →



All impactful decisions made by the Programme Board are presented to the Executive Board for adoption. A range of consultative bodies advise and support implementation of the workstreams.

In addition to the programme, Achmea has a Sustainability Team at group level. There are also ESG officers in various business units, such as Achmea Bank, Achmea Real Estate and Zilveren Kruis. And Achmea Investment Management has a dedicated Socially Responsible Investment team.

### Incorporating sustainability into investment policy

The Balance Sheet Management department is responsible for the Socially Responsible Investment (SRI) policy and monitors its implementation. This is done in close cooperation with the Sustainability department and SRI department of Achmea Investment Management. The directors of these departments form the SRI Table in which proposals for policy development are considered. This guarantees expertise and coordination from a range of perspectives. There is also coordination with the Achmea Sustainable Together programme from a broader sustainability perspective.

### Incorporating sustainability into the product development process

Sustainability is also incorporated into the product development policy and process. Here, an assessment is made as to whether a product contributes to Achmea's environmental or social objectives, taking into account relevant laws and legislation such as the European Union's taxonomy and transparency directive.

### Incorporating sustainability into the remuneration policy

Achmea's general remuneration policy focuses on encouraging effective and sustainability-oriented risk management. The incorporation of sustainability into the remuneration policy underpins achieving the sustainability targets and does not incite Achmea to take irresponsible sustainability risks. It includes key performance indicators (KPIs) relating to reducing carbon emissions from the investment portfolio and business operations. More information on incorporating sustainability into the remuneration policy can be found in this [document](#). ●



# Annexes

## Annex: Carbon footprint business operations

### Carbon footprint (values in kilotons of CO<sub>2</sub>)

	2017	2018	2019	2020	2021	2022
<b>Scope 1</b>						
Natural gas (100% green procurement)	3.3	3.0	2.7	2.4	2.3	1.5
Coolants and fuels for technical installations	0.3	0.3	0.9	0.4	0.2	0.1
Automotive fuels - lease fossil fuels (100% compensated)	9.0	8.0	7.6	4.1	3.8	4.5
<b>Subtotal</b>	<b>12.6</b>	<b>11.3</b>	<b>11.2</b>	<b>6.9</b>	<b>6.3</b>	<b>6.1</b>
<b>Scope 2</b>						
Electricity (100% green procurement)	20.0	18.5	14.5	11.1	10.3	8.7
Air travel	2.7	2.6	3.8	0.2	0.1	1.3
Automotive fuels - business kilometres	2.9	2.5	2.1	0.8	0.9	1.6
Public transport - business kilometres	0.0	0.0	0.0	0.0	0.0	0.0
<b>Subtotal</b>	<b>25.6</b>	<b>23.6</b>	<b>20.4</b>	<b>12.1</b>	<b>11.3</b>	<b>11.6</b>
<b>Scope 3</b>						
Paper	0.6	1.6	1.2	0.8	0.8	0.6
Waste	0.7	1.2	1.1	0.5	0.2	0.3
Automotive fuels - commuting	15.7	15.3	14.8	3.3	1.5	3.7
Public transport - commuting	0.8	0.8	0.8	0.2	0.0	0.0
Outsourced servers / cloud	2.3	2.2	1.9	1.8	1.8	1.3
<b>Subtotal</b>	<b>20.1</b>	<b>21.1</b>	<b>19.8</b>	<b>6.6</b>	<b>4.3</b>	<b>5.9</b>
<b>Total (gross)</b>	<b>58.3</b>	<b>56</b>	<b>51.4</b>	<b>25.6</b>	<b>22.1</b>	<b>23.5</b>
Compensated by suppliers	26.8	23.8	19.7	15.6	18.3	15
<b>Total (net)</b>	<b>31.5</b>	<b>32.2</b>	<b>31.7</b>	<b>10</b>	<b>3.8</b>	<b>8.5</b>

The values shown in the table are rounded numbers, therefore total counts may differ.

## Annex: Carbon footprint investments and financing

Achmea calculates the carbon footprint of relevant investment categories according to the Global GHG Accounting and Reporting Standard for the Financial Industry, developed by PCAF. The CO<sub>2</sub> footprint is calculated based on the investments in companies on December 31, 2022. Due to the processes of the data supplier and data validation, it takes some time before the emissions reported by companies become available. The calculation of the carbon footprint of investments in 2022 is therefore mostly based on (company) emissions in the financial years 2020 and 2021.

When calculating the carbon emissions of these investments, we include the Scope 1 and 2 emissions. The Scope 3 emissions have not been considered, because these emissions are not yet consistently reported by companies. To calculate the footprint for our investments in equities and corporate bonds, data purchased from MSCI ESG was used.

For a more detailed overview, we refer to the Achmea annual report 2022.

## Carbon footprint (scope 1 and 2) own risk investments 2022

Investments and financing	Invested capital (in million EUR)	% investments for which CO <sub>2</sub> footprint was calculated	Absolute CO <sub>2</sub> footprint (kton CO <sub>2</sub> e)	Relative CO <sub>2</sub> footprint (ton CO <sub>2</sub> e/EUR million)	Indicator data quality
Equities	1,760	72%	61.3	48.3	2.12
Corporate Bonds	11,870	76%	423.1	46.9	2.02
Government bonds	8,202	71%	15.6	2.7	(*)
<b>Mortgages</b>					
-Investment in mortgage portfolio's	7,657	100%	121.6	13.8	5
-Mortgage portfolio Achmea Bank	12,373	95%	157.6	13.4	5
Real Estate	1,028	65%	7.1	10.1	2
<b>Total</b>	<b>42,890</b>		<b>786.3</b>		<b>n/a</b>
Other investments	14,817	Not calculated	Not calculated	Not calculated	n/a
<b>Total</b>	<b>57,707</b>		<b>786.3</b>		

(\*) For government bonds we do not yet use the revised version of PCAF and a PCAF quality score is not available.

## Annex: Carbon footprint insurance portfolio

### Carbon footprint private motor line

	2021	2022	Indicator data quality
Gross written premium personal motor line (€ million)	1,060	1,070	n/a
Insurance-associated emissions (ton CO <sub>2</sub> )	475,353	469,880	2
Average insurance-associated emissions per car (gram/kilometre)	25.3	24.6	2

## Glossary

## Carbon Capture and Storage (CCS)

CCS stands for Carbon Capture and Storage. CCS means the capture and permanent storage of CO<sub>2</sub> (carbon dioxide). Use of CCS ensures that less CO<sub>2</sub> enters the atmosphere or that CO<sub>2</sub> is extracted from it.

## Carbon dioxide (CO<sub>2</sub>)

Carbon dioxide, or CO<sub>2</sub>, is a gas that is naturally present in the atmosphere. However, human activity has resulted in the amount of CO<sub>2</sub> in the atmosphere increasing extremely sharply in the last 150 years. This is mainly from burning fossil fuels, such as coal, oil and gas. CO<sub>2</sub> is the principal greenhouse gas. The steep rise in the amount of greenhouse gases is causing the earth's climate to change.

## Carbon footprint

This is the amount of greenhouse gases relating to all the activities of a person or entity (e.g. a building, business, country). It includes direct and indirect emissions expressed in scope 1, 2 and 3 emissions.

- Scope 1: direct emissions from the organisation's own sources. These are emissions from the organisation's own buildings, transport and production-related activities.
- Scope 2: indirect emissions from the generation of purchased and consumed electricity or heat.
- Scope 3: indirect emissions from another organisation's business

operations. These are emissions from sources that are not owned by the organisation itself and over which we are unable to exert direct influence. Scope 3 also includes the financed emissions from our investment, mortgage and property portfolios and the insurance-associated emissions.

The carbon footprint often also comprises the emissions of other greenhouse gases, such as methane, nitrous oxide or chlorofluorocarbons (CFCs). To be able to add up the impact of the individual greenhouse gases, emissions data are converted into CO<sub>2</sub> equivalents.

## Carbon Risk Real Estate Monitor (CRREM)

The Carbon Risk Real Estate Monitor is an EU-funded science-based model that defines specific threshold values and carbon emission reduction pathways for real estate. It is an internationally recognised standard that provides a sound basis for selecting a scenario for cutting the carbon emissions from our property portfolio.

## Climate Act

The Dutch Climate Act states that the Netherlands must reduce greenhouse gas emissions by 49% in 2030 and by 95% in 2050 compared to 1990. This has been laid down in law. The Climate Act does not stipulate how these targets need to be met. The specific measures were agreed in the Dutch National Climate Agreement with social partners that participated in →



consultations. Greenhouse gases other than CO<sub>2</sub> are converted into CO<sub>2</sub> equivalents.

### Climate compensation and CO<sub>2</sub> compensation

Climate compensation and CO<sub>2</sub> compensation are terms that indicate that the greenhouse gas emissions, such as CO<sub>2</sub>, from an organisation, activity, product or process are being offset.

### Climate-neutral (net zero or CO<sub>2</sub>-neutral)

By climate-neutral we mean that specific activities do not exacerbate the greenhouse gas effect, in other words that the activities do not contribute to the amount of CO<sub>2</sub> and other greenhouse gases in the atmosphere. This can be achieved by sharply reducing greenhouse gas emissions and by extracting these gases from the atmosphere, e.g. by planting trees. Climate-neutral, net-zero or CO<sub>2</sub>-neutral are terms that are often used as synonyms.

### CO<sub>2</sub> equivalents (CO<sub>2</sub>e)

There are other greenhouse gases besides CO<sub>2</sub>. To be able to add up the impact of the individual greenhouse gases, these gases are normally converted into carbon dioxide equivalents (CO<sub>2</sub>e). The greenhouse gases included under international treaties are methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen fluoride (NF<sub>3</sub>).

### Dutch National Climate Agreement

The Dutch National Climate Agreement is a package of measures and agreements between companies, social organisations and authorities to work together to halve greenhouse gas emissions in the Netherlands as of 2030 (compared to 1990).

### Energy label

The energy label of a property tells us how energy-efficient it is and what you can do to make it even more so. Possession of an energy label is mandatory on selling, leasing or completing construction of a residential property. Energy labels are registered in an online public nationwide database in which energy advisors can register energy performance indicators and energy labels. Homeowners need to register their labels themselves.

### Engagement

The term engagement is mostly used in the context of Socially Responsible Investment (SRI). It constitutes an active dialogue between investors and companies on the environment, society and corporate governance with the goal of achieving a positive change in behaviour. The term can also be used in a customer-supplier relationship or in the financial service provider relationship between e.g. the insurer and customer. Here it likewise refers to an active dialogue with the aim of achieving a positive change in behaviour with respect to the environment or society. →

## Enterprise Value including Cash (EVIC)

As the name suggests, Enterprise Value (EV) is the value of a company. It is an alternative valuation method that gives the market value of a company.

EVIC is the sum of:

- the market capitalisation: this is equal to the company's current equity price multiplied by the number of outstanding shares.
- total debt: this is the sum of all the company's short-term and long-term liabilities.
- cash and cash equivalents: this is cash, foreign currencies and cash equivalents (bank accounts, short-term bonds etc.).

## Financed emissions

Financed emissions are the greenhouse emissions that banks and investors finance via their loans and investments. An attribution factor is used to define the portion of the emissions that can be attributed to the bank or investor. The methods for this are described in the Partnership for Carbon Accounting Financials (PCAF) standard.

## Insurance-associated emissions

These are greenhouse gas emissions that can be associated with (re) insurance policies. An attribution factor is used to define the portion of the emissions that can be attributed to the insurer. The methods for this are described in the Partnership for Carbon Accounting Financials (PCAF) standard for insurance-associated emissions.

## Intergovernmental Panel on Climate Change (IPCC)

The Intergovernmental Panel on Climate Change (IPCC) is an intergovernmental body of the United Nations. Its job is to advance scientific knowledge about climate change caused by human activities. The panel consists of hundreds of experts from around the world, from universities, research centres, companies, environmental organisations and other organisations.

## Primary and non-primary flood defenses

Primary flood defenses are objects, works, constructions, banks or other (natural) water-retaining structures that provide protection against flooding by external water. The flood defence structures qualifying as such, are defined in the Dutch Water Act. Non-Primary flood defenses are objects, works, constructions, banks or other (natural) water-retaining structures that provide protection against flooding and are not defined as primary flood defence structure.

## Net zero ready

Net zero ready means that homes are so well insulated that the primary heat source can switch to an alternative to gas and therefore be electrified.

## Partnership for Carbon Accounting Financials (PCAF)

The Partnership for Carbon Accounting Financials has developed a standard for measuring and reporting on the carbon emissions from loans and →

investments. The PCAF standard is the most used standard internationally for measuring and reporting on financed carbon emissions from loans and investments. PCAF has also developed a method for measuring insurance associated emissions.

### Science Based Targets Initiative (SBTi)

The Science Based Targets Initiative (SBTi) is a partnership between the Carbon Disclosure Project (CDP), United Nations Global Compact, World Resources Institute (WRI) and World Wide Fund for Nature (WWF). SBTi is developing standards for defining science-based carbon reduction targets and reduction pathways. The SBTi also validates CO<sub>2</sub> targets and plans of businesses. ●

## Colophon

This is the Climate Transition Plan of Achmea B.V. This plan will continue to evolve as new climate insights, methods and standards become available. The quantity and quality of data are also expected to improve over the coming years. This will create new insights that could lead us to adjust our targets and plans. We will therefore update this plan annually.

## Colophon

Achmea Climate Transition Plan  
December 2023

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## Disclaimer

This report contains climate-related declarations, such as emission reduction targets and statements on Achmea's current intentions in relation to its climate targets. These are based on the information, knowledge and opinions as of the date of this report's publication.

New climate insights, new legislation and technological developments are constantly emerging. Methods for measuring CO<sub>2</sub> and setting reduction targets are constantly under development. Availability and quality of data is often still a problem. However, the amount and quality of available data are expected to improve in the coming years. This will create new insights that could lead us to adjust our targets and plans. We will therefore update this plan annually.

Although Achmea is of the opinion that the targets and plans have a sound basis and have been stated in good faith and to the best of our ability, they involve uncertainty and depend on a variety of known and unknown risks. The targets, plans and actions may, for instance, be affected by the following (non-exhaustive list):

- Changes to government policy, regulations and legislation and their interpretation and application.
- The availability of reliable data, such as data on greenhouse gas emissions or energy labels.
- Uncertainties and changes to and in the use of (emission) calculation methods and models for measuring greenhouse gas emissions or setting reduction targets.
- New or altered scientific insights regarding climate change.

Sustainability claims regarding our business operations, investments and financing, and our products or services are checked against (conduct) guidelines regarding information provision standards. Where Achmea (possibly) joins partnerships, the rules for competition law are observed.

Despite the constant care and attention Achmea has devoted to compiling this plan, it is possible that the information is incomplete or inaccurate. Amendments may be made at all times with immediate effect and without any notice being given. If inaccuracies are nevertheless found or if the information is no longer up to date, this is regrettable but Achmea will not accept any liability for any errors. This report has not been audited by an external auditor.



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