

# SUSTAINABILITY REPORT 2021





ATHORA AT A GLANCE

Athora (Group) is an insurance and reinsurance group fully focused on the European market. We are a specialised operator with focus on savings and retirement services. Our business model allows us to fully focus on delivering financial security for our 2.3 million customers and stable returns for our investors. We offer innovative reinsurance and transaction solutions to insurers seeking to enhance their capital position or enact strategic change.

We aim to become a leading provider of guaranteed life and pensions products and solutions in Europe. Our ambition is to provide return and security to an increasing number of customers in the European market through disciplined accumulation of stable and long-dated insurance liabilities, a sophisticated approach to investment, capital and risk management, and an efficient operating model. This is underpinned by our strategic relationship with Apollo Global Management, Inc. (Apollo), which provides Athora with specialised asset management expertise and differentiating access to investment opportunities.

We take our responsibilities seriously and are committed to supporting a sustainable future for our customers, partners, communities and other stakeholders. This commitment is reflected in our culture, mission and social purpose to create value for our customers and the wider society. Our culture is founded on a clear set of values:

**Dare to be different**

We create more value for our customers and our business by doing things differently. Together, we challenge the status quo, we do things differently where it brings more value, we share ideas and we embrace new ways of working.

**Seek simplicity**

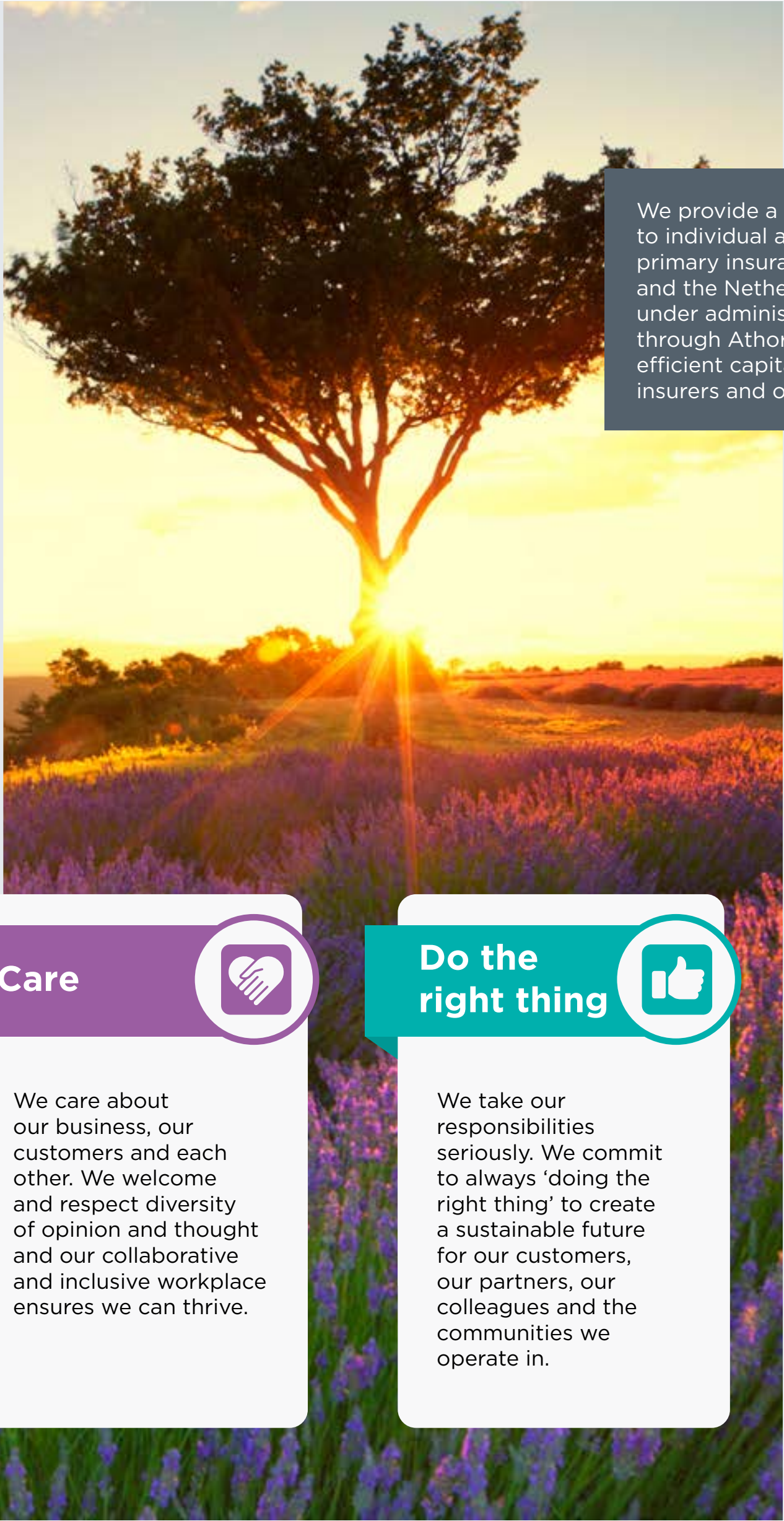
We aim for simplicity in a complex business environment. We strive to design simple and cost-effective products and processes that benefit our customers, our partners and our colleagues.

**Care**

We care about our business, our customers and each other. We welcome and respect diversity of opinion and thought and our collaborative and inclusive workplace ensures we can thrive.

**Do the right thing**

We take our responsibilities seriously. We commit to always 'doing the right thing' to create a sustainable future for our customers, our partners, our colleagues and the communities we operate in.



We provide a range of life and pension products to individual and corporate customers through our primary insurance operations in Belgium, Germany and the Netherlands (comprising 81% of assets under administration). Our reinsurance solutions, through Athora Ireland and Athora Life Re, offer efficient capital management to other European insurers and our operating Business Units.

**6 global locations**  
incl. European operational offices

**€79.4 billion assets**  
under administration



**2.3 million**  
customers

**€4.8 billion**  
total IFRS equity

**1,900**  
global employees

(AS OF 31 DECEMBER 2021)<sup>1</sup>



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# 2021 SUSTAINABILITY HIGHLIGHTS



## Sustainability is a key theme for Athora as part of our ambition to do right by our customers, investors, employees, communities, planet and other stakeholders.

Due to the history of our Group, which has grown primarily through acquisitions, each of our Business Units within the Group has historically taken a different approach to Sustainability, although with similar goals and objectives.

In 2021, we took the decision to unify our approach to Sustainability across the Group. We have made significant progress in developing our joint approach. The Group, as a whole, is committed to taking collective ownership of a new, unified strategic approach to Sustainability to achieve common goals and objectives, building on our accomplishments to date.

In 2021, we established our commitment to Sustainability in our role as an Insurer, an Employer, a Corporate citizen and an Investor.

### OUR ROLE AS AN INSURER

Served 2.3 million customers globally

Athora Germany announced the highest total interest rate for life insurance policies for the upcoming 2022 financial year

Athora Belgium launched the Responsible Finance Club in May 2021

Improved customer satisfaction



### OUR ROLE AS AN EMPLOYER

Established the Athora Group Inclusion, Diversity and Equality (IDE) Council

Athora Netherlands signed the Diversity Charter initiative

Launched Athora's Group Smart Working framework

Maintained overall employee engagement levels despite challenging conditions (COVID-19 pandemic and internal transformation)



### OUR ROLE AS A CORPORATE CITIZEN

Contributed €499.6 million in total taxes

Donated €750,000 to charities

Reached total donations of \$1.14 million to the Bermuda College Foundation

Athora Netherlands became signatory to the Finance for Biodiversity Pledge



### OUR ROLE AS AN INVESTOR

Managed €79.4 billion worth of assets under our administration as of December 2021

€13.6 billion of assets under administration invested directly into the economy<sup>2</sup>

Continued to add impact investments to our portfolio

Athora Netherlands named the 'most Sustainable insurer' by the VBDO benchmark



KEY 2021 HIGHLIGHTS INCLUDE:





# CEO message

**I am pleased to introduce Athora Group's first Sustainability Report. The publication of this report asserts our commitment to Sustainability and to a transparent communication on the topic. We recognise that this is of importance to our customers, investors, employees and other stakeholders, as well as to ourselves.**

## SUSTAINABILITY AT ATHORA

As a relatively young Group backed by committed, long-term private investors, we have the opportunity to shape our approach to Sustainability from the ground up. We also have the advantage of having acquired businesses with strong Sustainability credentials, which are being integrated into the Group's processes and culture.

In the last 12 months, we have taken significant steps towards establishing a coherent approach to Sustainability across the Group. We have developed a Sustainability strategy framework to emphasise the importance and scale of the topic, but which reflects our key value to "Seek Simplicity". Our approach encompasses our renewed Sustainability endeavours and key areas where we believe focusing our efforts would deliver the highest impact.

We have reflected on the COP26 Summit, which highlighted the reality of the great and immediate global challenges we are facing and the importance of the topic of biodiversity alongside climate change. We have listened to our key stakeholders and their priorities in relation to Sustainability. We have reflected on our business activities and practices, and clarified the kind of impact we want our organisation to have on the world. This is crystallised in our Sustainability vision: *We aim to ensure that our work genuinely generates value for all our investors, and enables our customers, employees, communities and planet to thrive, without compromising the means of future generations.*

We recognise that the journey to achieve our Sustainability vision will continue for many years. However, I am proud of the meaningful progress made in the last period which provides a strong foundation for Athora to achieve this vision. It is very encouraging to see momentum across the organisation, with many of our employees truly and personally engaged on several Sustainability topics.

Given the importance of Sustainability at Athora, it has become a regular topic on the agenda of our Board and Management Executive Committee (MEC) meetings. The MEC at Athora now owns the Sustainability agenda on behalf of our Board. We have delegated the day-to-day execution of the Sustainability agenda to our Chief of Strategy. Over time, we aim to ensure that Sustainability responsibilities are appropriately embedded within each function and team.

## LOOKING FORWARD

As we continue our Sustainability journey, we will face increasing expectations from our key stakeholders on the impact of our work in this area. We embrace this challenge and have an ambitious agenda ahead of us as we set out to deliver on these expectations. We will continue to monitor our own efforts and our success in delivering the Sustainability strategy through improved data collection and disclosures, and we look forward to our industry's continued joint contribution on this topic.

**Michele Bareggi**  
Chief Executive Officer



# Chief of Strategy message

**Welcome to Athora's first Sustainability Report. We are committed to taking our Sustainability responsibilities seriously and are increasingly allocating resources to our Sustainability agenda following a key principle – to strive for the highest concrete impact.**

We have dedicated time and resources towards developing our Sustainability approach, framework and activities, and I am excited to share some details on our progress through this inaugural Sustainability Report. We are simultaneously launching our renewed Group Sustainability strategy, which captures additional detail around our Sustainability approach and framework.

## SELECTED 2021 HIGHLIGHTS

In 2021, we established a monthly Sustainability forum with representatives across our Business Units and functions, to discuss and progress Athora's Sustainability approach and activities. The COVID-19 pandemic has posed challenges for us in terms of furthering our Sustainability agenda, but it also presented us with new opportunities.

**In our role as an Insurer**, we continued to provide our customers with access to guaranteed long-term savings products and further improved our customer satisfaction outcomes. With our current profit participation, we are offering the highest rates on traditional life insurance policies in Germany. Similarly, we offer leading rates on our savings insurance in Belgium. We have also continued to increase the sustainable choices offered to customers, with over 80% of unit-linked funds offered to customers in the Netherlands, and over 50% in Belgium, labelled article 8 or 9 in line with the Sustainable Finance Disclosures Regulation. Our pending acquisition of Amissima Vita in Italy (subject to regulatory consent) will allow us to extend our commitment to providing savings and retirement solutions in another market.

**In our role as an Employer**, we established our Inclusion, Diversity & Equality (IDE) Council to further drive an inclusive culture. Through our Smart Working framework, we introduced flexibility in the way our colleagues work. We also continued to monitor the engagement of our employees as a top priority, paying particular attention to the impact of challenges such as the COVID-19 pandemic and our internal change and transformation initiatives.

**In our role as a Corporate citizen**, we continued to support our communities through financial and non-financial donations whilst in-person volunteering events remained challenging. The COVID-19 pandemic has led us to reduce our carbon footprint, in particular through limiting business travel, and we aim to retain some of this reduction going forward. In Athora Netherlands, we have already made good progress and set net-zero targets. We continued to adhere to our principles of a transparent tax approach, a strong compliance culture and high governance standards.

**In our role as an Investor**, Athora Netherlands was named the 'most Sustainable insurer' in the Netherlands by the VBDO benchmark, a benchmark on responsible investment by insurance companies. To further ensure robust practices, we approved our ESG Investment Risk Policy in 2021, and worked on our Sustainable Investment Policy which has been approved by our Board. As part of our differentiated investment approach, we make meaningful direct investments into the economy through direct lending to corporates that do not have access to the listed capital market, mortgage lending to households, financing of specific assets and provision of private equity capital to corporations.

## LOOKING FORWARD

In 2022, we continue to develop and embed our Sustainability practices. Concurrently, we are improving the way we collect information and report on our Sustainability impact through defined metrics and targets. We will further document our Sustainability expectations and enhance our disclosures in line with selected standards and frameworks.

**Valerio Beccacci**  
Chief of Strategy





# INTRODUCTION TO SUSTAINABILITY AT ATHORA

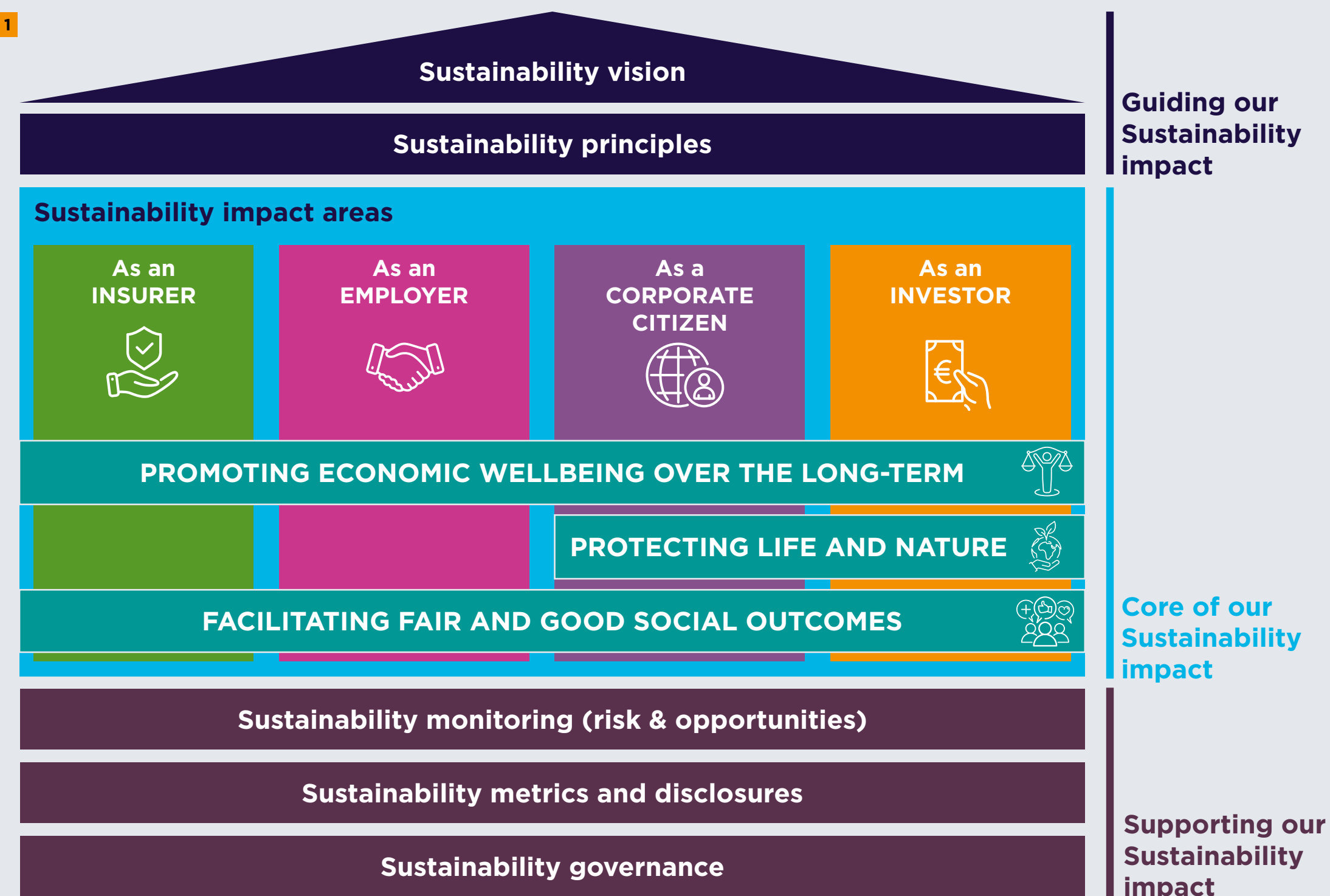


## Athora's Sustainability vision:

*We aim to ensure that our work genuinely generates value for all our investors, and enables our customers, employees, community and planet to thrive, without compromising the means of future generations.*

**We are in the early stages of our Sustainability journey, with an immediate focus on consolidating a Group-wide Sustainability strategy. We have invested significant time and effort in creating our own genuine and tailor-made Sustainability strategy (see Figure 1) and this benefits from the strong Sustainability capabilities and track record of Athora Netherlands, which makes up over 80% of our business in terms of assets under administration.**

FIGURE 1



This strategy was developed through extensive engagement with a broad number of employees and stakeholders across the Group and our strategic partners. To truly reflect the interests of our entire business, our Sustainability vision covers our four primary Sustainability stakeholder groups: our customers (both individual and corporate), our employees, our communities and our planet. We recognise that we have a number of additional Sustainability stakeholder groups, including amongst others: regulators, investors, rating agencies and value chain partners. As we develop our Sustainability approach, we endeavour to conduct a materiality assessment to identify the most important Sustainability topics to our business and its stakeholders.

The core of our Sustainability strategy focuses on key impact areas at the intersection of our business activities and our defined Sustainability themes. Our business activities are shaped around the four core roles we assume as:

**AN INSURER**



**AN EMPLOYER**



**A CORPORATE CITIZEN**



**AN INVESTOR**





**In order to focus our efforts and ensure the highest impact, we have identified three Sustainability themes to reflect our industry role, strengths and values. These themes are aligned to nine of the United Nations Sustainable Development Goals (UN SDGs):**

• **Promoting economic wellbeing over the long-term –**

We provide economic wellbeing to our insurance customers over the long term, and we are well positioned to broaden our role in this area to increase our impact by engaging with our communities and promoting financial literacy.



• **Protecting life and nature** – We recognise our shared responsibility to look after nature, including life on land and life below water, from our own environmental footprint to how we contribute to and invest in initiatives aimed at protecting, conserving and restoring the environment.



• **Facilitating fair and good social outcomes –**

We are committed to facilitating good social outcomes, including fairness and equality within our organisation and within our society, from reviewing our own human resource processes and policies to our investment in and contributions to broader initiatives.



Despite the varied nature of the activities across our Business Units, our Sustainability themes complement each other to reach our desired outcome of creating social value and leaving the world in a better place than we found it.

It should be noted that we have chosen to use the terminology ‘Sustainability’ in reference to efforts and activities that ensure our Group’s contribution to an ecologically and socially sustainable, ethical and fair world. Environmental, social and governance (ESG) factors form part of our Sustainability considerations.

With this report, we have begun to align our Sustainability disclosures to the Global Reporting Initiative (GRI) 2020 consolidated standards. The scope of our reporting includes all our Business Units for the calendar year 2021, and we present performance data wherever possible. We have also started to align with the 2018 insurance-industry-specific disclosure requirements of the Sustainability Accounting Standards Board (SASB). By aligning with SASB, we will comprehensively address the most prominent Sustainability challenges affecting our industry. As we advance our Sustainability data collection, we will continue to align with Sustainability disclosures and reporting frameworks such as the Task Force on Climate-related Financial Disclosures.

Whilst we have made good progress on our Sustainability journey over the past year, we are aware that we have a lot of work ahead of us in order to achieve our Sustainability vision. We will continue to unify our Sustainability approach as a Group, further develop our processes to measure and monitor our Sustainability performance, and continue to develop transparent disclosure based on best practice recommendations.

This report brings together our Sustainability efforts throughout 2021 and provides some insight to our Sustainability plans for 2022 and beyond. We truly embrace the ethos that the choices we make today will determine the world of tomorrow.

**“We have experienced tremendous internal engagement on the Sustainability topic, across Business Units and functions, as well as at MEC and Board level. It is encouraging to see the genuine interest and increasing awareness around the importance of this topic. Going forward, we have a packed Sustainability agenda with lots of development underway and I look forward to witnessing the impact we can make”**

**Sandra Hoac**  
Director, Sustainability and Strategy





# SUSTAINABILITY GOVERNANCE





**We believe that Sustainability is the responsibility of the entire business and we make a conscious effort to bring together colleagues across the Group on the topic. We recognise Sustainability as one of our key strategic foundations and have adopted a top-down approach to embed Sustainability practices and awareness across Athora.**

## ATHORA BOARD

The Athora Holding Ltd. Board of Directors (Board) is responsible for ensuring the long-term success of Athora and is responsible for the Sustainability strategy. The Board has delegated responsibility for oversight of Sustainability and related activities across the Group to the Nominating & Corporate Governance Committee which includes a number of independent non-executive directors (INEDs). This committee provides oversight and guidance on the Group's Sustainability objectives, risks and opportunities, ensuring delivery within our agreed governance framework. The Nominating & Corporate Governance Committee receives at least semi-annual updates on Sustainability from management and provides strategic input and challenge as appropriate.

## MANAGEMENT EXECUTIVE COMMITTEE

The members of the Athora Management Executive Committee (MEC) own and are accountable for our overall Sustainability agenda and strategy implementation on behalf of the Board. The MEC has delegated the responsibility for management of the Sustainability strategy and its implementation to our Chief of Strategy. The MEC receives at least quarterly updates on Sustainability. Individual MEC members are consulted on a regular basis on relevant topics by area and Sustainability is embedded in the terms of references of the relevant Group Management Committees, chaired by MEC members, as appropriate.

## CHIEF OF STRATEGY

Our Chief of Strategy drives the development and practical implementation of Athora's Sustainability strategy and agenda at a Group level. The Chief of Strategy provides regular updates to the Nominating & Corporate Governance Committee and the MEC on Sustainability-related matters and metrics. Additionally, the Chief of Strategy chairs our monthly Sustainability forum.

## EMBEDDING SUSTAINABILITY

We endeavour to integrate Sustainability across the Group to ensure that Sustainability is considered in all our activities. Each function and Business Unit is responsible for embedding Sustainability within its activities, with coordination and support from the Group Strategy team.

We run a monthly Sustainability forum which provides an open space where over 30 representatives from across our Business Units and functions meet to discuss and update on Sustainability-related matters, initiatives and future plans.

## SUSTAINABILITY MONITORING

We are committed to performance and compliance-related monitoring of our Sustainability activities and we recognise the importance of assessing and managing Sustainability-related risks and opportunities. Management of such risks is embedded across the Group and the responsibility rests with the respective functional teams and Business Units, with oversight by Group Risk (for more information, see 'Task Force on Climate-related Financial Disclosures (TCFD) considerations – Risk management' on page 33). Through management and mitigation of risks, we identify opportunities for Athora to act upon. We have selected consolidated key performance indicators to assess and drive positive, real-world change in a consistent manner across the Group.





# OUR ROLE AS AN INSURER



## Key 2021 highlights:

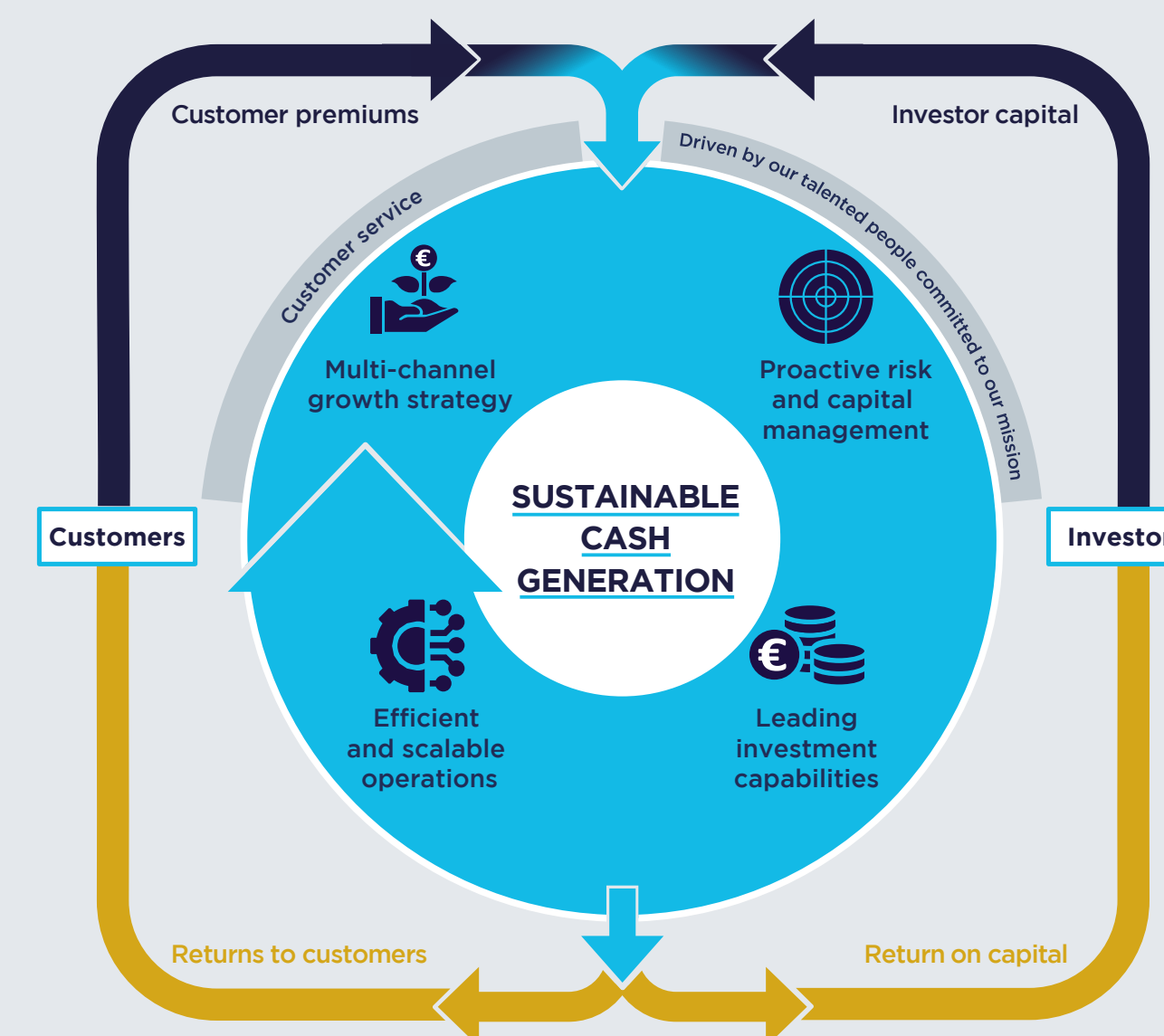
- SERVED 2.3 MILLION CUSTOMERS GLOBALLY
- HIGHEST TOTAL INTEREST RATE FOR LIFE INSURANCE POLICIES (ATHORA GERMANY)
- RESPONSIBLE FINANCE CLUB (ATHORA BELGIUM)
- IMPROVED CUSTOMER SATISFACTION

**As an Insurer, we play an important role in the lives of our customers as we help take care of their future income provisions. We are committed to providing savings and retirement services, to support our customers and their loved ones in planning for a safer future and achieve financial comfort in their retirement.**

Supported by the investment expertise of Apollo, we have developed a business model (see Figure 2) that enables Athora to acquire and invest in a set of unique and differentiated opportunities as compared to our peers. The excess return per unit of risk that we earn means that we can continue to keep promises to customers. Our Belgium, Germany and Netherlands Business Units specialise in guaranteed return offerings, complemented by our unit-linked products. Athora Ireland and Athora Life Re deliver our reinsurance offering: providing de-risking and capital solutions to other insurers who experience challenges in managing their exposure to the financial risks presented by their businesses.

We recognise the importance of contributing to the industry and are members of relevant industry associations including: the Dutch Association of Insurers in the Netherlands; Assuralia, BROCOM, FvF, BZB and ACAM in Belgium; Gesamtverband der Deutschen Versicherungswirtschaft (GDV), Industrie- und Handelskammer (IHK), and Arbeitgeberverband der Versicherungsunternehmen (AGV) in Germany; the Bermuda International Long Term Insurers and Reinsurers (BILTIR), and the Association of Bermuda International Companies (ABIC) in Bermuda; and Insurance Ireland in Ireland.

FIGURE 2



## PROVIDING ACCESS TO LONG-TERM AND GUARANTEED PRODUCTS

We are witnessing a continued market trend of European insurers withdrawing from long-duration contracts and/or guaranteed savings and retirement products. This has historically been impacted by the extended period of low interest rates across the market and exacerbated by the rising population of retired individuals in the markets we serve.

In consideration of these variables, we recognise the need for robust private retirement savings products and guaranteed return products to ensure our customers' savings remain resilient through market trends. We are committed to this market and have recently revised our strategy in the Netherlands to focus on pension products. Athora Netherlands is now the only fully dedicated large pension provider in the Netherlands, using our well-known Zwitserleven brand.

### Examples

**In Germany, we were able to add a terminal bonus of 1.0% on top of our stable profit-sharing rate, resulting in the is the highest total interest rate on the market (alongside two competitors) for life insurance policies for the upcoming 2022 financial year.**

**Similarly, Athora Belgium's single premium savings insurance offered among the highest return rates on the Belgian market in 2021.**



ENABLING OUR CUSTOMERS TO CHOOSE ATTRACTIVE AND SUSTAINABLE FUNDS

In recent years, we have noted an increase in customers expecting their money to be invested in greener funds, and we have continued to embrace this transition towards sustainable finance. Whilst guaranteed products are core to our product offering, we also offer leading unit-linked products and funds.

Across our unit-linked businesses in the Netherlands and Belgium, we experience strong customer interest in sustainable funds. Over 80% of our unit-linked funds offered to customers in the Netherlands are categorised in line with the EU SFDR as Article 8 (promoting environmental and social practices) and Article 9 (targeting sustainable investments) funds. By the end of 2021, over 98% of total unit-linked assets under management (AUM) at Athora Netherlands were invested in these funds.

Similarly, over 50% of funds offered in Belgium are classified as Article 8 or Article 9 in line with the EU SFDR. As of the end of 2021, more than half of Athora Belgium’s unit-linked AUM was invested in these funds. We expect the focus on sustainable funds to grow across the Group as the awareness of the importance of green and sustainable finance increases.

Example

Athora Belgium’s MainFirst Global Equities Unconstrained Fund was recognised at the Decavi Life Insurance Awards in October 2021 for the Best Unit-Linked Fund in the High Risk category. The award recognises the best products across various categories of insurance in Belgium. This recognition confirmed our standing as a savings and retirement services provider and expert in unit-linked products.

This year, we continue to review our unit-linked fund offering at Athora Belgium against the Febelfin’s Towards Sustainability Initiative. The initiative is a key certification and quality assurance standard highlighting that these financial products are managed with Sustainability in mind and are not exposed to unsustainable practices.

LAUNCHING THE RESPONSIBLE FINANCE CLUB

In May 2021, Athora Belgium launched the Responsible Finance Club (Club) together with fund managers Funds For Good, DNCA Investments, M&G and Nordea. This is a partnership focused on promoting sustainable investment, through which we aim to raise awareness among insurance brokers and their clients on the societal importance of responsible investment.

We recognise that the desire to invest sustainably does not come solely from our customers, but is also driven by the advice they receive. With this in mind, the Club acts as a professional intermediary presenting recommendations and guidance that inform and enable our customers to take a more responsible approach to investing. Last year, we worked with our brokers in Belgium to provide our customers with information sessions and educational brochures on the benefits of socially responsible investment (SRI) funds, as well as guidance on selecting high-quality sustainable products. The Club also aims to support low-income groups in accessing financial services; for example, through personal coaching from business leaders and brokers who educate low-income groups benefitting from microfinancing on financial literacy and sustainable financial management.

“This initiative is a remarkable example of a socially responsible approach. By promoting the exchange of information and expertise on this theme, we hope to encourage more customers and brokers to invest in sustainable funds; of course, always respecting their investor profile. Club brokers will be our ambassadors, responsible for communicating this philosophy to their customers.”

Dorsan van Hecke  
CEO of Athora Belgium

“We applaud the initiative of companies such as Athora, who manage to unite market players around a common approach, to know how to give more ethical relevance to the investments they offer to their clients. As for Athora’s donations to our association, they facilitate the creation of many jobs in Belgium.”

Nicolas Crochet  
Co-CEO of Funds For Good

In 2022, we aim to increase the number of brokers within the Responsible Finance Club. We will continue to provide Sustainability training for our brokers, which will enable them to better understand the impact of responsible investing and pass this information on to our customers.

PLACING THE CUSTOMER AT THE HEART OF WHAT WE DO

We aim to provide customers with clear, fair and balanced information about our products. Our approach to policyholder considerations within the product process is governed by our Product Development and Life Cycle Management Policy. By aligning our product development with this policy, we ensure that our products meet the needs and objectives of our customers, our communications are clear and accurate for our customers, and the scenarios we use when marketing our products are fully representative of the products and potential outcomes for our customers. The guidance laid out in this policy ensures that the development and management of our products is intrinsically framed by Sustainability criteria. As such, we increasingly steer our customers toward products with strong Sustainability credentials.



## ENHANCING CUSTOMER SATISFACTION

As an Insurer, we are committed to serving our customers. We treat all our customers fairly and act in their best interests by providing attractive and suitable savings and retirement products and services.

Customer satisfaction levels are monitored through recognised methodologies. In 2021, Athora Netherlands and Athora Belgium measured the Net Promotor Score (NPS) for a variety of customer segments. Within our open books, Athora Belgium's NPS improved by 2.9 points and the Athora Netherlands Pension Business's NPS improved by 7 points compared to 2020 levels. Athora Netherlands uses an additional internal measure of customer satisfaction in the Delighted Customer Score (DCS), which helps the business to further identify drivers for short-term improvement in key customer service processes. In Germany, where we are closed to new business and therefore measure customer satisfaction by the number of complaints, we saw a continuation of the trend of reduction in number of complaints relative to number of outstanding policies. We are in line with the average complaint rate in the market, which includes both life insurers open to new business and closed books.

## OUTLOOK

Going forward, we will continue to play an important role in the lives of our customers by continuing to offer stable, guaranteed products and increasingly provide access to sustainable fund selections, whilst maintaining focus on doing the right thing for our customers.

Our customer satisfaction surveys have identified areas of improvement across our business. We intend to continue nurturing customer relationships beyond customer satisfaction monitoring – through regular communication, insight into our investments, easy-to-understand information and continued dedicated initiatives.

As we continue to grow organically and through transactions, we will further capitalise upon the value creation for our customers to extend our customer reach and impact potential.





# OUR ROLE AS AN EMPLOYER



Key 2021 highlights:

- INCLUSION, DIVERSITY AND EQUALITY (IDE) COUNCIL
- DIVERSITY CHARTER INITIATIVE (ATHORA NETHERLANDS)
- GROUP SMART WORKING FRAMEWORK
- STABLE OVERALL EMPLOYEE ENGAGEMENT LEVELS

Our priority as an employer is to build a fair and inclusive culture, provide good career development opportunities for our colleagues and to look after their physical, mental and financial wellbeing. In order to achieve our objectives as an employer, we have developed a number of employee initiatives, including our Inclusion, Diversity & Equality Council, leadership programme and network, Smart Working framework and employee recognition initiatives.

Example

In recognition of our efforts as an Employer, Athora Netherlands has received the Top Employer certificate from the Top Employers Institute. The institute analyses the HR policies of over 1800 companies worldwide on an annual basis. To earn the title of Top Employer, a company must participate in the survey and meet various quality standards.



FOSTERING INCLUSION, DIVERSITY AND EQUALITY

At Athora, we promote Inclusion, Diversity and Equality (IDE). We seek to foster an inclusive, united and collaborative culture where we are all listened to and can safely express our thoughts, ideas and concerns. This means an environment where all employees feel valued, taken seriously and respectfully treated. Whilst developing a diverse and gender-balanced workforce has been a long-standing challenge for our industry, we believe that diversity should be considered more holistically as it includes both visible and non-visible characteristics. When comprehensively integrated into a business, IDE presents an effective tool to create high-performing teams.

Key people diversity demographics

- Our workforce across Athora is made up of 37% women and 63% men
- 29% of our senior leaders are women
- 19% of permanent employees work part-time, 74% of these are women
- The median age is 47 years

In 2021, we established our IDE Council. The purpose of the Council is to drive an inclusive culture across Athora. Chaired by MEC member Henrik Matsen (Group Head of Growth), the Council has strong sponsorship from independent non-executive directors (INEDs). The composition of the IDE Council is designed to be representative of our workforce and local communities, and currently comprises five men and four women of six nationalities from across Athora.

The Council has developed our Inclusion, Diversity and Equality vision statements:

- **Inclusion:** We want an inclusive, united and collaborative culture where we are all listened to and can safely express our thoughts, ideas and concerns. A place where we all feel valued. We rely on all our ideas, perspectives, and challenges to build our business together. We want everyone to be taken seriously and treated respectfully.
- **Diversity:** We want Athora to reflect the diversity – difference in every sense – of our people and partners, customers, the communities and societies we operate in. We believe diversity widens our perspective, fuels creativity, innovation and team performance, and mitigates conscious and unconscious bias for us as individuals and collectively. That is why we want a culture where diversity in all its forms can thrive.
- **Equality:** We want everyone to feel they are treated equally at Athora, no matter who we are or what we do. Our differences are never barriers to success at Athora.

To support our vision, we have identified objectives and key performance indicators (KPIs) which guide our IDE efforts and ensure we remain accountable for making progress.

At Group level, Athora’s Board is currently 18% female. Like many of our peers, we continue to explore how we can improve the gender balance of our Board and create an environment that encourages and facilitates greater gender balance in senior leadership positions.

Examples

Championing inclusion and to create an open culture where all employees feel safe, Athora Netherlands has introduced unconscious bias workshops to train managers on how to minimise the impact of bias and enhance awareness across their teams. In March 2021, Athora Netherlands became signatories to the Diversity Charter initiative, which is a declaration of intent to commit to self-defined goals to promote diversity and inclusion in the workplace. Athora Netherlands has now set a target to appoint candidates who identify as female to at least 50% of vacant management level roles.

Athora Belgium has also demonstrated a proactive approach to promoting diversity. Athora Belgium is a member of the [Women in Finance Belgium network](#) and has signed the charter calling for greater gender diversity in the finance sector.



## PROMOTING LEADERSHIP DEVELOPMENT AND CULTURE

In recent years, Athora Group has expanded at an accelerated rate with the acquisition of new businesses. When integrating new Business Units into the Group, we encourage each Business Unit to maintain its identity and individual strengths whilst embracing our core values.

In 2021, we introduced the I Am Athora Network (IAAN) as a leadership network across the Group. This network was developed by bringing together leaders from each of our Business Units in virtual and in-person workshops. The network now meets regularly to discuss priority topics and has proved a success, with a membership increase from 40 senior leaders in 2021 to over 50 by H1 2022.



**“For me, the I am Athora Network is a constant and important opportunity for leaders at Athora to exchange information and develop a common understanding on our strategic direction. I hope that this network continues to be used for collaboration and will ensure that we are working together to reach the same goals in an efficient manner.”**

**Bettina Hoch**  
CFO Athora Germany

In 2021, we introduced the Becoming Athora Leaders Programme, our first Group-wide leadership programme, which brought together over 50 managers from across the organisation. The programme focused on connecting future leaders from different parts of the organisation, developing them as culture change agents and growing their change leadership capabilities to support Athora through our cultural and organisational transformation.

**“The Becoming Athora Leaders Programme is a great opportunity to meet peers from across the Group and create a bigger network, which is especially important while working remotely. The programme helped me to see things from different perspectives and, importantly, from other people’s point of view. Ultimately, it equipped me with new tools to better manage change and transformation with my team, and further my personal and professional development.”**

**Sean Carolan**  
Director, Communications

## EMPLOYEE RECOGNITION

At Athora, we are proud of our employees and the great work they do. In 2020, we introduced our Group-wide recognition programme: Living Athora Values Awards. The scheme is designed for individuals to share recognition and celebrate the colleagues who exemplify the Athora values. This has helped demonstrate the collective buy-in to our values, and increase visibility and connectivity among colleagues.

Our communications teams have been active in providing opportunities for colleagues to promote one another through public commendations. For example, during our virtual townhall meetings – held across our offices – a short segment is included in the agenda to share recent achievements and exceptional work of colleagues. These small expressions of appreciation for each other demonstrate the culture of recognition we are striving to develop across the Group.





## ENABLING EMPLOYEE TALENT AND DEVELOPMENT

Regardless of seniority, we support our employees in their career development by providing a range of formal training courses, opportunities for continuous education and certification in established parts of the business. The opportunity for accelerated professional development at Athora is strong as our business model offers individuals opportunities to take greater responsibilities than in traditional life insurance companies.

### Examples

**At Athora Belgium (in partnership with our training partner FOPAS), our employees have access to over 160 courses across a wide range of professional development topics and are allocated on average three days of training each year to complete these courses. Athora Belgium worked with Solvay Business School to launch an MBA programme designed to develop leadership skills delivered via nine classroom sessions and supported by self-directed learning. Through a periodic talent and progression review, individuals with high potential are identified and offered the opportunity to undertake the MBA programme.**

**In the Netherlands, we offer special talent development programmes and each employee has a personal annual development budget which can be used at will. We also offer an annual Summer School run for and by our employees.**

## SUPPORTING EMPLOYEE HEALTH AND WELLBEING

The wellbeing of our employees is incredibly important to us. At the beginning of the COVID-19 pandemic we very swiftly introduced remote working across the Group to ensure the safety of our employees, and provided holistic support and medical assistance to help navigate any impacts.

### Examples

**At Athora Germany, we offered free COVID-19 vaccinations to all employees and their family members at a time when vaccinations were in short supply. This was initiated in 2020 and continued throughout 2021 and into 2022 for those requiring a third dose. Furthermore, all employees at Athora Germany were sent gift cards as a token of support during the challenging pandemic period. As the business transitioned to a predominately home-working model, employees at Athora Germany were given a €40 voucher per month to invest in the most practical and comfortable home office set-up. Employees were also provided with furniture, lighting, chairs and monitors.**

**At Athora Belgium, an in-house nurse is stationed at the office to support the physical and mental health and wellbeing of our Belgium-based employees. During the COVID-19 lockdowns, our nurse acted as an integral point of contact for all employees. As an example, a tailored, two-hour session was delivered on burnouts, covering early detection, symptoms and how to provide support.**

## INTRODUCING SMART WORKING

As the effects of the COVID-19 pandemic persisted throughout 2021, our colleagues continued to navigate new ways of working. Throughout this period, we ran dedicated surveys and focus groups to understand how to best support our employees. A clear outcome was that traditional office life will no longer be the norm. In 2021, we announced a new way of working through our Smart Working framework, which was developed through engagement with employee representatives. The framework equips colleagues with tools to help them tailor their daily work structure to be the most conducive to their work style. When developing the framework for the corporate centre, we gathered the input from a representative sample of our employees via surveys and focus groups. To ensure the framework is fit for purpose across the Group, each Business Unit has the freedom to develop their own working policies that reflect their functional and local nuances.





## PROMOTING FAIR AND BALANCED REMUNERATION

At Athora, we aim to attract, recruit, develop and retain the best talent, and we are focused on providing appealing employment packages to achieve this goal. Our employment packages are appropriately designed for each role and for the markets in which we operate. Our approach to how we compensate and incentivise our employees is outlined in our Group Remuneration Policy.

The Group Remuneration Policy is designed to support and drive a high-performance culture that empowers the workforce and aligns our objectives. The policy is complemented by local Remuneration policies to ensure compliance with local regulatory frameworks (e.g. Solvency II, remuneration of Controls functions), and we use relevant market data to benchmark our remuneration package in the context of the wider industry.

The Group and local Remuneration Policies are reviewed annually and signed off by the relevant Remuneration Committees. The implementation of the policy is also assessed routinely by the Board as part of our internal control assessments. The Group and local Remuneration Policies are applicable to Boards (including our INEDs), MEC, employees and external advisers.

### *Example*

**In Bermuda, we provide six months paid parental leave to all employees, regardless of gender identity. This compares to the legal entitlement of thirteen weeks paid leave for women and just five days for men.**

## OUTLOOK

Looking forward, we will continue to foster a fair and inclusive culture, support our employees in their professional development, and look after the wellbeing of our employees. We will focus on enabling a sustained increase in our employee engagement levels, and continue to progress our IDE efforts across the Group. We are committed to developing robust data on diversity upon which we can build action plans, and will continue to seek and act on feedback from our employees.



# OUR ROLE AS A CORPORATE CITIZEN





Key 2021 highlights:

- €499.6 MILLION IN TOTAL TAXES
- €750,000 DONATED TO CHARITIES
- \$1.14 MILLION TOTAL DONATIONS TO THE BERMUDA COLLEGE FOUNDATION
- FINANCE FOR BIODIVERSITY PLEDGE (ATHORA NETHERLANDS)

At Athora, we recognise the importance of leading by example with respect to environmental and social outcomes.

To drive environmental outcomes, we look to measure and reduce our greenhouse gas emissions, protect life and nature, promote responsible production and consumption, and deliver a sustainable supply chain. To drive social outcomes, we employ responsible management of our own operations, robust governance structures, transparent performance reporting and contribution through our taxes and charitable initiatives.

ATHORA NETHERLANDS HAS SET THE TARGET TO ACHIEVE NET-ZERO CARBON EMISSIONS BY 2050.

REDUCING GREENHOUSE GAS EMISSIONS

Climate change and its associated effects are visibly escalating. We understand that our actions can have a significant impact on our planet and communities, both through our investments and our business operations. We are committed to tackling the climate crisis and preventing the loss of biodiversity and nature.

To support this, we endeavour to establish a robust greenhouse gas emission baseline and calculate the Scope 1, 2 and 3 emissions across our business (for more information, see ‘Task Force on Climate-related Financial Disclosures (TCFD) considerations – Metrics and targets’ on page 34).

Examples

In the Netherlands, we have implemented green energy tariffs across our offices to reduce the carbon emissions associated with electricity procurement. To promote carbon reduction through behavioural change, we also improved employee awareness on energy use and waste recycling across our offices. At our Alkmaar site in the Netherlands, we converted to 100% LED lighting, which has resulted in energy savings of 200,000kWh per year. This was accompanied by motion detection sensors to further reduce energy consumption.

At our Dublin and London offices, our aim is to source our electricity from certified renewable sources in 2022, to reduce our market-based Scope 2 carbon emissions. Additionally, at our Dublin office, we have installed energy-saving lighting systems with sensors to reduce the consumption of electricity. At our Bermuda office, sensor lights are in operation and the air conditioning units are powered off after hours and on weekends.

Whilst we are working to measure our global greenhouse gas emissions, we have implemented several emissions reduction initiatives across our operations. Working with our facilities management teams, we are enhancing data collection for energy, water and waste, and exploring and implementing initiatives to reduce the carbon intensity of our direct operations.

Last year, due to the COVID-19 pandemic, our business travel was reduced significantly across all our offices. We aim to maintain some of the reduction in business travel going forward by replacing avoidable business travel with virtual meetings. By maintaining and expanding these measures, we expect to further reduce the carbon impact of our business travel.

For more information on how we consider climate-related risks and opportunities, see ‘Task Force on Climate-related Financial Disclosures (TCFD) considerations – Strategy’ on page 33.



PROTECTING LIFE AND NATURE

Examples

In September 2021, Athora Netherlands reinforced our commitment to protecting and enhancing biodiversity by signing up to the global Finance for Biodiversity Pledge. The pledge calls for global leaders to protect and restore biodiversity through their financial activities and investments. To underpin this commitment, we partnered with ‘Trees for All’ to plant 1,500 trees in Limbaugh, Netherlands.

As a result of climate change and a decline in food sources, the ecologically valuable honeybee species have declined by as much as 20% in the Netherlands in the past ten years. Athora Netherlands maintains two bee colonies in the garden at our Amstelveen office to support pollination and the repopulation of the honeybee species. Thanks to the diligent care of our colleagues, we have been able to install another colony, bringing the total number of bees to around 60,000. Despite the challenges the honeybee faces, our colonies remain generally healthy, stable and balanced.

We also recognise the role of our investments in protecting life and nature (for more information, see ‘Our role as an Investor’ on page 29).



PROMOTING RESPONSIBLE PRODUCTION AND CONSUMPTION

We aim to reduce our environmental impact by scaling back the number of physical materials we use in our daily activities across our offices. To date, we have focused on cutting down our paper consumption (including printer usage), reducing plastic usage through the provision of reusable catering items, encouraging the use of reusable coffee cups, and promoting the systematic sorting of waste for optimal recycling.

Examples

In Belgium, we have moved to a new building and significantly reduced our office space as well as energy consumption. Our flex desk and clean desk policy stimulates our employees to digitalise more and print less.

At our London office, we initiated a ban on all plastic water bottles and introduced refillable water pitchers, as well as compostable coffee pods. We ensure that all our non-recyclable and recycled materials, food and other compostable waste is disposed of responsibly through licensed waste providers. We also endeavour to employ circular economy practices including the upcycle and donation of our office furniture and IT equipment. Last year, our London office donated 25 computers in good working condition to Computer Aid – a charity supporting disadvantaged children in the local community.

At our Bermuda office, we have a separate bin for recyclables such as glass and tin. Porcelain dishes, cups and glasses are used as we avoid using any disposable or single-use plastic in the office.

Examples

In Germany, the transition to predominately homeworking has allowed us to significantly reduce our office space and the amount of direct energy consumption and waste production. It has also contributed to a reduction of just under 95% in work-related travel in our German Business Unit – where travel is unavoidable, we now pursue climate-neutral transport. Energy efficiency measures implemented at our German office include the installation of energy-saving lighting systems and automated controls for heating and temperature. We have also reduced our paper usage by nearly 95% over the last two years, owing to significant digitisation.

In the Netherlands, we have utilised increased digitisation of day-to-day operations to reduce our material consumption and office waste. Following an internal assessment, we introduced bins with segregated waste streams and invested in employee education on waste production and avoidance. As a result of these measures, we saw a reduction of over 50% in our total residual waste in the Netherlands. To improve on-site water efficiency in the Netherlands, we partnered with Smartvatten (a global water efficiency service provider) to install water meters which monitor and measure water consumption and provide early leak detection notifications.

In Ireland, we have dedicated recycling bins throughout the office and ensure that all our non-recyclable and recycled materials are disposed of responsibly through licensed waste providers. When possible, any reusable or excess stationery is donated to local schools and community centres to avoid going to landfill.





DELIVERING A SUSTAINABLE SUPPLY CHAIN

We set high standards for the delivery of our products and services, and our selection process for partners and suppliers is no different. Our supply chain partners are integral to our success and, as such, we make sure they are aligned to our values and standards through our vetting process. This process includes criteria relating to human rights, worker welfare, minimum wage, corruption and bribery, climate risk, and diversity and inclusion. We regularly review the vetting process for improvements to ensure it remains fit for purpose.

Our key supply chain partners undergo regular service management reviews. We conduct an annual review of our service agreement to maintain standards of delivery and service. We also undertake annual supplier due-diligence risk assessments. The annual due-diligence process looks to confirm that our partners adhere to their obligations and, where issues are identified, ensure that action plans are developed and implemented. Our Group Outsourcing and Vendor Management Policy, which includes the Vendor Code of Conduct, lays out our third-party management policies in detail.

SUPPORTING OUR COMMUNITIES

We are committed to making a difference in the communities in which we operate. We aim to support those in need and we are always looking to find meaningful ways to support organisations that make a real difference, either through financial donations or in-person volunteering.

Due to the COVID-19 pandemic, we experienced another challenging year for charity engagement and fundraising. Despite this, we continued to provide financial support to a number of charitable causes. In 2021, we collectively donated €750,000 to our charities through corporate donations and employee fundraising.

Key highlights of our 2021 charitable initiatives include:

- **Belgium, Germany and Netherlands:**  
We donated to support relief efforts in Belgium, Germany and the Netherlands following catastrophic floods in July 2021. In Belgium and Germany, each Business Unit donated €150,000 to the Red Cross. In the Netherlands, we donated €250,000 to Giro 777 (Dutch National Disaster Fund). Whilst we may not be able to alleviate the tragedy of such events, we hope Athora’s donation is playing a role in helping affected communities.
- **London:**  
We continued to work with *The Felix Project*, our London-based charity partner who collect and redistribute surplus food from supermarkets and restaurants to those in need. We have worked with The Felix Project since June 2020 and plan to resume in-person events in 2022, for the first time since the start of the COVID-19 pandemic.



- **Ireland:**  
We have a long-standing partnership with Dublin-based charity *Hugh’s House*. Hugh’s House provides accommodation for families whose children require long-term care in Dublin’s hospitals. Our partnership has enabled Hugh’s House to refurbish the accommodation units and install a new, energy-efficient central heating system. We are proud that Hugh’s House has renamed one of the family rooms the ‘Athora Room’, in acknowledgement of our fundraising efforts.



- **Bermuda:**  
We continued our ongoing support to the Bermuda College – the only higher education institution in Bermuda – through the Bermuda College Foundation. Together with our employees, we also donated \$23,700 in support of charitable causes such as The Coalition for the Protection of Children and other organisations providing services to victims of abuse.
- Recently (in 2022), we made corporate donations of €360,000 to support initiatives in the Ukraine. Additionally, our employees raised close to €40,000, which will be matched by the Group. Some of our employees have also engaged in housing or otherwise supporting Ukrainian families displaced by the conflict.

We also strive to support the job market of the communities that we serve. To this end, we pride ourselves on recruiting and developing people who are local to the country in which they are hired. Across our senior management teams, 74% of our staff are hired locally, and we plan to increase this going forward.

CHARITY PARTNER: Bermuda College Foundation

- **Charity partner description:**  
The Bermuda College has the resources to positively impact over 2,500 people per year and provides quality education to capable individuals of all ages who may not be in a position to access higher education overseas. It provides academic, technical and professional programmes across four divisions: Arts and Science; Business Administration, Hospitality and Technical Education; Nursing and Allied Health; and Professional and Career Education.



- **Initiatives:**  
In 2021, we provided funding to develop a state-of-the-art Career Development Centre at the Bermuda College. This contribution brings Athora’s total financial support to the Bermuda College Foundation to \$1.14 million to date. The project was co-funded with three other Bermuda-based (re)insurers who share the vision of supporting local workforce development and upskilling to enhance the Bermuda economy.
- **Value:**  
The Career Development Centre, which opened in 2022, provides modernised, technology-centred instructional spaces, as well as necessary skills to compete in the global economy. The addition of the Career Development Centre will enhance the upskill and retraining opportunities the College can offer. These opportunities have particularly important following the impact of the pandemic on many industries across Bermuda.



ADHERING TO A TRANSPARENT APPROACH TO TAX

We understand that the long-term interests of the communities in our jurisdictions are best served when the appropriate amount of tax is paid.

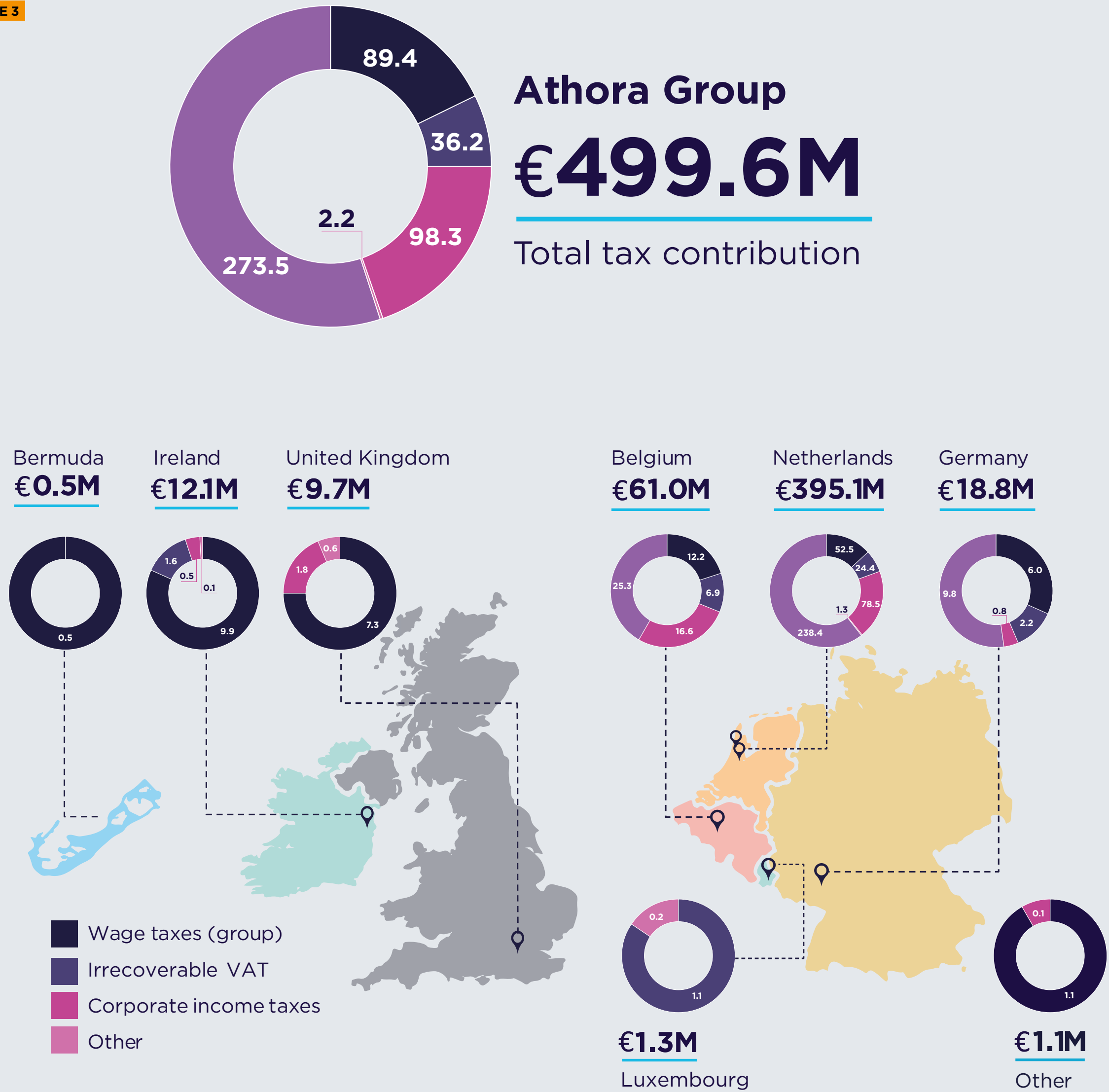
We pay taxes in the countries in which we operate and generate income. In 2021, our total tax contribution amounted to €499.6 million (see Figure 3), demonstrating our role as a responsible taxpayer.

We act as a responsible taxpayer by aligning with the Athora Code of Conduct and the applicable tax legislation of the countries we operate in. Through our [Athora Group Tax Policy](#) and our commitment to corporate social responsibility, we ensure that our approach to tax maintains high ethical standards. This includes ensuring compliance with international tax standards, ensuring that tax is reported in an efficient, accurate and timely manner, and supporting the development and training of strong tax teams, who focus on both local and global tax issues.

We manage and mitigate against any adverse financial or reputational loss risks by maintaining highly qualified experts with both the relevant tax experience and qualifications for our global business in the Group Tax Department, considering tax implications in our business decisions, and maintaining a strong relationship with tax authorities. We also participate in public commentary processes in respect of tax legislation via relevant trade groups.

Where commercial opportunities give rise to transactions between Group entities based in different jurisdictions, we ensure adherence to local and international regulations, legislation and guidance. Where the pricing of transactions is complex, we obtain the advice and input of independent experts to ensure we are conducting business legally and ethically.

FIGURE 3



MAINTAINING HIGH STANDARDS OF GOVERNANCE AND COMPLIANCE

Across our Group, we strive to maintain high standards of governance and compliance, and foster collaborative relationships with our regulators. Despite being a young organisation, we have set up a governance structure modelled on that of a listed company, with strong representation of independent directors on our Board, and a committee structure that ensures deep and specific ownership by the Board. As a financial services group, we believe that transparency and good governance is vital to the security of our customers' assets.

We strive to ensure full compliance with the Sustainability-related regulatory landscape in each of our jurisdictions, and actively monitor and manage our compliance-related risks. In the European market, the introduction of the European Union (EU) Sustainable Financial Disclosures Regulations (SFDR) in December 2019 and its subsequent application in March 2021 provided clear standards on the transparency of Sustainability risks for financial market participants and financial advisers.

The introduction of SFDR Level 1 required us to assess the potential negative ESG impact of funds under our management and to disclose the results to customers. We have embraced this challenge and transparently classified all of our products and services in accordance with SFDR reporting alignment.

In 2022, we aim to align with SFDR Level 2, whilst addressing wider EU Sustainability reporting and directives, such as the Insurance Distribution Directive (IDD) and emerging objectives under the [EU taxonomy for sustainable activities](#).

We take compliance very seriously. Our Compliance functions support the Group by monitoring applicable regulations and actively managing compliance risks in each of our jurisdictions. Our Internal Audit function assists in protecting the Group's assets and reputation by independently and objectively evaluating the effectiveness of our internal controls, risk identification and governance processes.



## OUTLOOK

Looking ahead, we will continue to drive our charitable efforts and fundraising opportunities. To unify our initiatives, we will launch our Charitable Efforts guidelines in 2022. The guidelines will govern the approach to selecting charitable organisations and allocating donation budgets. We will also seek opportunities to resume in-person volunteering for all offices.

To support our commitment to measuring and reducing greenhouse gas emissions across our value chain, we will start by establishing our baseline as a first step. We are also looking to introduce a new policy to transition to 100% hybrid and fully electric cars. Athora Germany has already implemented an ambitious target to supply carbon-neutral energy across its entire real estate, which will offset 1.2 tonnes of carbon annually out to 2024.





# OUR ROLE AS AN INVESTOR





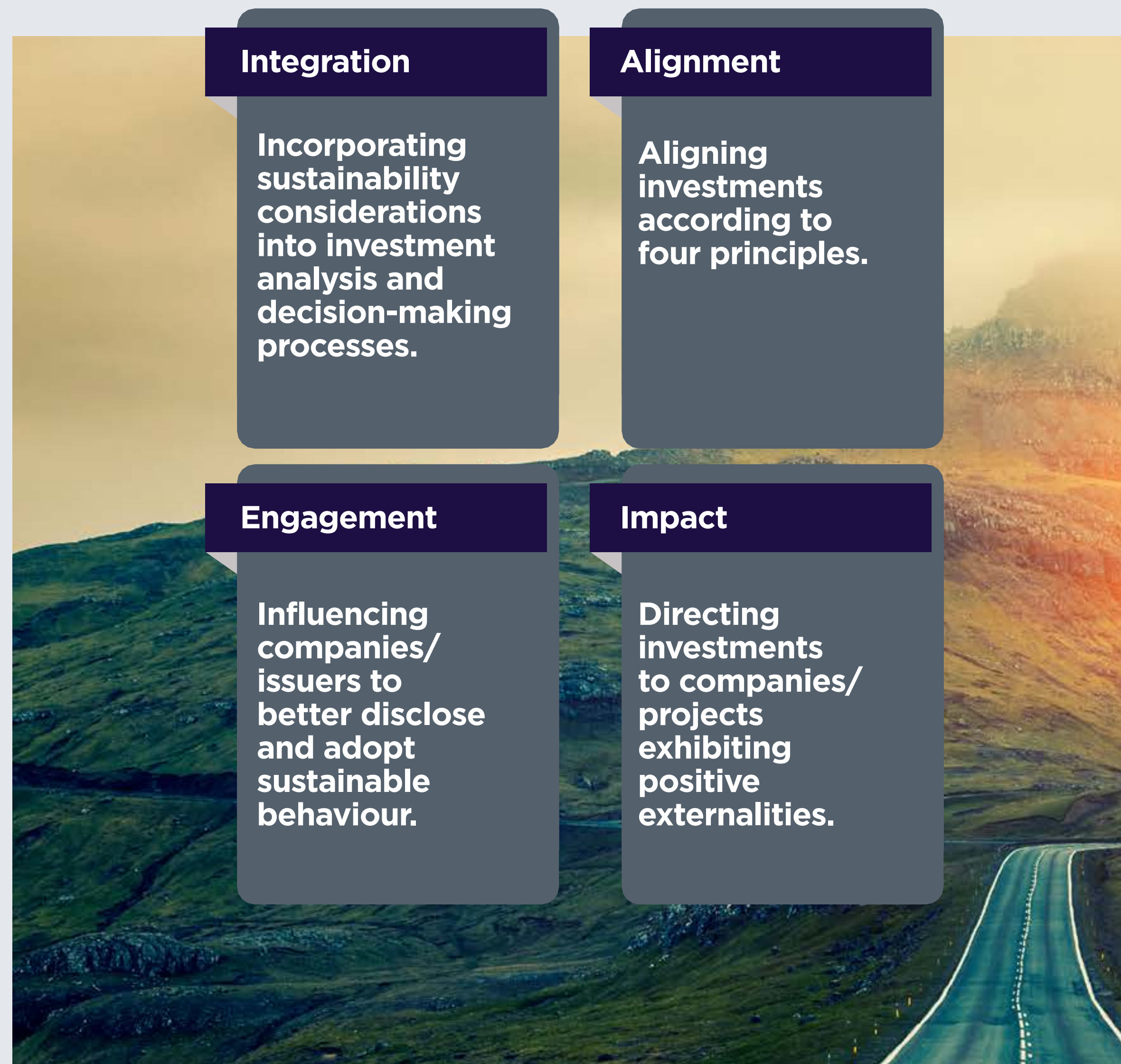
## Key 2021 highlights:

- €79.4 BILLION ASSETS UNDER ADMINISTRATION
- €13.6 BILLION ASSETS INVESTED DIRECTLY INTO THE ECONOMY
- CONTINUED TO ADD IMPACT INVESTMENTS TO OUR PORTFOLIO
- NAMED 'MOST SUSTAINABLE INSURER' BY THE VBDO BENCHMARK (ATHORA NETHERLANDS)

**At Athora, we embrace our role as a sustainable and responsible investor and leverage our business model and investment capabilities to enact real, long-lasting and positive change.**

We aim to align our investments toward companies and countries which realise opportunities to make meaningful contributions to the United Nations Sustainable Development Goals (UN SDGs), while operating within the planetary boundaries. As one of Europe's fastest growing insurance groups, with €79.4 billion worth of assets under our administration as of 31 December 2021, we have the opportunity to make a profound impact through directing our investments to responsible and sustainable funds.

FIGURE 4



## DELIVERING SUSTAINABLE INVESTMENT

We are committed to the delivery of sustainable investment across our Business Units. At a Group level, we have finalised our Athora Sustainable Investment Policy which outlines our objectives to generate strong policyholder returns, comply with regulatory requirements and uphold our fiduciary duty to support the transition to a sustainable society. To facilitate this, we have established four key pillars of our Sustainability investment framework: Integration, Alignment, Engagement and Impact (see Figure 4). The framework supports the identification of Sustainability risks and opportunities and fosters positive change in our role as an asset owner.

In line with the expectations of our stakeholders, the principles of our Sustainable Investment Policy are based on a range of international agreements and concepts including, but not limited to, the Principles of the United Nations Global Compact, the UN SDGs and the IFRS Sustainability Disclosure Standards of the International Sustainability Standards Board.

### Example

**Athora Netherlands was named the most Sustainable insurer in the Netherlands according to the Dutch Association of Investors for Sustainable Development (VBDO) benchmark. The benchmark recognises responsible investment by insurance companies in the Netherlands and celebrates Athora Netherlands' steps to continuously advance our approach to Sustainability. This is largely reflecting the high level of investment standards as outlined in our [Fundamental Investment Principles](#).**





PILLAR 1:  
Integrating Sustainability considerations in our investment process

To successfully drive sustainable investment across our business, our Integration pillar focuses on the consideration of Sustainability principles in investment analysis, decision-making and execution. Across the life cycle of our investments, we uphold our Sustainability principles from the pre-due-diligence phase to ongoing monitoring post acquisition. We collaborate with our third-party investment managers to share expertise and further refine our approach to assessing potentially material risks and seeking sustainable investment opportunities. The ongoing monitoring of our investments is facilitated through reporting in partnership with our investment managers. All parties managing our assets are expected to integrate Sustainability considerations into their processes and are encouraged to be actively involved in Sustainability industry groups and initiatives.

Example

**Athora Netherlands’ strategic partner, ACTIAM<sup>3</sup>, uses the concept of doughnut economics to examine how the transition towards a sustainable society is material to the companies and sovereigns in which it invests. This concept considers social and planetary boundaries. The social boundaries reflect the challenges resulting from a lack of life essentials (i.e. healthcare, education, equity etc.), while the planetary boundaries reflect ecological foundations upon which life depends. ACTIAM includes environmental, social and governance elements in investment decisions for the active portfolios it manages, and this is reflected in a relative company score (ESG score). The score and underlying component scores reflect ESG risks and opportunities that are financially material to the company and act as a benchmark for companies to build on.**

PILLAR 2:  
Aligning our investments with our Sustainability considerations and values

We acknowledge that, in some cases, investee companies and issuers are involved in activities that may not be aligned with our values. Investments in such companies and issuers may result in negative impacts on the environment and society, as well as posing potential investment risks as future regulatory and societal pressures continue to evolve. As such, we seek to avoid investment in products, services and activities that violate the principles of the UN Global Compact or those that operate in specific controversial industries (e.g. controversial weapons manufacture). We also limit our exposure to identified themes which are considered high Sustainability risks, such as thermal coal mining and extraction.

Exclusion is, however, a last resort for us as we prefer to initiate engagement to realise positive behavioural change. We understand that, as companies and insurers continue to adapt to increased regulatory and market pressures, some will be better equipped to align their practices than others. Acknowledging the evolution of the Sustainability agenda, we will undertake annual reviews of our portfolio to consider themes, thresholds and appropriate targets over time.

PILLAR 3:  
Engaging to drive Sustainable behaviours

We believe that taking an active position towards the companies and issuers within our portfolio is an effective way to enact change and create social value. Through engagement with, and between, our third-party managers and investee companies and issuers, we believe that we can reduce Sustainability-related risks throughout our portfolio, whilst generating long-term social and economic value.

To ensure the resilience of our investments, we engage with our portfolio companies and issuers using the relevant channels of influence, and maintain frequent communication around relevant evolutions in our Sustainable Investment principles. We work closely with our third-party asset managers who conduct this engagement on our behalf. We require that our asset managers are equipped with the appropriate knowledge and processes to drive successful engagement on core Sustainability topics including emissions reduction strategies, climate risk, IDE, and Sustainability disclosures and reporting.

We encourage our asset managers to actively execute proxy voting in line with our Sustainability principles. We also expect our asset managers to engage with the leadership teams and Boards of our investee companies to integrate relevant Sustainability issues into investee organisations. We conduct an annual review of engagement activity for externally managed strategies to track and report on our progress against our Sustainability commitments.

In addition, we encourage our asset managers to actively participate in industry events to promote our Sustainable Investment principles and represent us in stakeholder forums to advocate for the advancement of Sustainability topics across the investment landscape. Through these actions, our Sustainability efforts can span beyond our own operations, through to the wide range of companies and issuers in which we invest.

PILLAR 4:  
Delivering Sustainability impact through our investments

Prior to the COVID-19 pandemic, companies were increasingly paying attention to the role of investments in generating high economic returns, delivering social value and protecting the environment. The pandemic, although devastating, has highlighted the resilience of companies and issuers that possessed robust Sustainability credentials and has subsequently reinforced that Sustainability is here to stay.

As an Investor, we understand that we have a fiduciary and moral duty to drive sustainable behaviours, and that a significant strength of the financial system is the ability to make a positive and measurable contribution to the environment, economy and society, whilst also delivering an attractive return. Our Sustainable Investment Policy aims to support the transition to a more sustainable future through active participation in innovative solutions that target specific environmental and social impact goals.

Example

**An example of how Athora has generated real impact is through investing in sustainable bonds. In 2021, Athora Netherlands invested in loans from companies in both the financial and non-financial sector. This included a Sustainability-linked bond of a Swedish clothing company. The investee company has stated that the funds would contribute to raising circularity: increasing the proportion of recycled materials used in commercial goods in order to reduce the consumption of new raw materials and the ecological footprint of sold clothing.**

<sup>3</sup> Following the successful sale of ACTIAM to Cardano Group, ACTIAM is a strategic partner of Athora Netherlands as of 1 January 2022.



## ENGAGING IN PARTNERSHIPS TO MAKE AN IMPACT

We actively engage with our third-party asset managers to seek new opportunity to make a positive impact through our investments.

### OUTLOOK

In 2021, we continued to evaluate and assess international frameworks and standards for asset owners and we are currently planning to formalise our commitments to such frameworks and standards in 2022. We will continue to evolve and align our metrics to assess our investment portfolio on a consolidated basis, across Business Units.

### Examples

To drive sustainable investment forward, Athora Netherlands has focused on furthering our public Sustainability disclosures. We aim to increase the transparency of our Sustainability disclosures to our customers and, in collaboration with our strategic partner ACTIAM, we have created an investee dashboard for those involved in our pension schemes. The primary aim of the dashboard is to enhance the transparency of the scope and impact of our disclosures on our customers.

To create an avenue to protect life and nature through our investments, Athora Netherlands joined an initiative to deliver satellite-based engagement toward zero deforestation initiative. The initiative aims to remove barriers to achieving zero deforestation for the investee entities. A key feature of the initiative is the satellite-based mapping tool, developed by partner organisation Satelligence, which aims to increase traceability, disclosure and engagement on deforestation in the supply chain. The zero deforestation initiative uses satellite imagery and mapping to provide a visual representation of the loss of forested land.

To realise a tangible reduction in deforestation, Athora Netherlands engaged with companies in our portfolio involved in the production or sourcing of palm oil, with a focus on companies in Indonesia and Malaysia, due to the high deforestation rates in those regions. Using Satelligence's software, we were able to track the deforestation rates of these companies, shining a light on this issue and discouraging companies from directly or indirectly perpetuating its practice.

With this technology onboard, we have now set a target of 0% deforestation by 2030 throughout our Athora Netherlands portfolio. This commitment aligns with the declarations made at COP26 in November 2021.



# TASK FORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) CONSIDERATIONS





We are currently developing our approach to addressing the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. We recognise the importance of disclosing in line with TCFD recommendations, and are committed to ensuring that climate-change risks and opportunities are sufficiently considered in our activities and decisions.

GOVERNANCE

At Athora, we recognise that Sustainability and climate-related issues are the responsibility of the entire business and need to be embedded accordingly. To ensure appropriate governance, we have assigned the relevant roles and responsibilities to ensure that climate-related risks and opportunities are monitored, measured and mitigated at all levels.

At the management level, the overall responsibility ultimately rests with the Group Risk Committee, chaired by our Group Chief Risk Officer. The Board Nominating & Corporate Governance Committee receives Sustainability updates at least semi-annually within which further climate-related updates are encompassed. Similarly, the full MEC receives Sustainability updates every three months or more frequently, as necessary.

On a day-to-day basis, our Group Risk function is responsible for overseeing Sustainability and climate-related risks across our operations and investments, in collaboration with the first line. For investments, this includes developing and updating climate stress tests and scenario analysis. We have developed our ESG Investment Risk Policy to ensure that climate-related risks are properly assessed, quantified and reported across our investment portfolio and that mitigating actions are put in place when needed.

For more information on our Sustainability governance approach, see ‘Sustainability governance’ on page 12.

STRATEGY

At Athora, protecting life and nature is considered a key theme within our Sustainability strategy. We recognise our shared responsibility to look after nature in our day-to-day operations and through our investments. In 2021, we began developing our approach towards identifying and assessing our climate-related risks and opportunities.

We broadly categorise our climate-related risks into three categories.

- **Physical risks** from climate change arising from increasing severity and frequency of climate and weather-related events;

- **Transition risks** arising from the adjustment towards a low-carbon economy, which will require significant structural changes to the economy; and
- **Liability risks** arising from individuals or businesses seeking compensation for losses suffered from climate-related physical or transition risks.

We further recognise that with every risk comes a climate-related opportunity. We have identified the following significant climate-related opportunities for Athora:

- **Cost savings** associated with improved operational efficiency, both for Athora’s own operations and investments; and
- **Operational efficiency** resulting from innovation, technological improvement and enhanced research due to climate change.

RISK MANAGEMENT

Through our investment activities, we are exposed to ESG investment risks (including climate-related ones) across industries, sectors, geographies and financial instruments. We understand that the cumulative effect of such risks can have substantial implications for Athora’s financial performance and solvency. We therefore ensure that Sustainability and climate-related risks and opportunities are appropriately considered in our investment activities, from the early due-diligence stage to the continuous monitoring post acquisition.

Our ESG Investment Risk policy supports the delivery of an effective ESG investment risk management system that comprises strategies, processes and reporting procedures to measure and report on the financial impact of Sustainability, nature- and climate-related risks. Furthermore, it governs our responsible corporate behaviour towards the integration of ESG investment risk factors through ESG scoring, stress test analysis and scenario analysis.

Our ESG scoring approach assigns scores between 1 (low ESG risk) and 6 (high ESG risk) to each asset, where sector and sovereign scores are allocated based on the ESG Risk Atlas from S&P Global Market Intelligence. The total portfolio exposure to each score is subject to defined limits, reflective of our risk appetite.

Based on our assessment made in 2021, our ESG score remained within risk appetite. To identify and assess our climate-related risks and opportunities, we carry out climate scenario analysis against three scenarios, which consider both physical and transitional risks. Our 2021 analysis employed the stress testing framework developed by the UK Prudential Regulatory Authority in 2019. Our chosen climate scenarios reflect the diversity of possible climate futures ranging from a disorderly transition to net zero (global warming is kept just below 2°C), to a global transition towards carbon neutrality by 2050 (global warming is kept below 1.5°C) to a worst-case scenario in which society fails to make improvements to climate policy, whereby carbon emissions continue to exponentially increase without any mitigation (global warming increases in excess of 4°C). However, Athora recognises the continuous evolution of the climate-related stress testing area and intends to ensure our internal climate stress testing framework is updated regularly and implemented across Business Units.

Our Group Solvency Self-Assessment (GSSA) report is prepared in line with the Bermuda Monetary Authority (BMA) requirements. Our European Business Units prepare Own Risk and Solvency Self-Assessment (ORSA) reports in line with Solvency II requirements. Athora Life Re prepares a Commercial Insurers Solvency Self-Assessment (CISSA) in line with the Bermuda commercial insurers’ supervisory requirements. The GSSA plays an important part in our strategic planning cycle and is viewed as a critical indicator of our Sustainability by the Board and the BMA. In the GSSA, we outline the capital reserves we need in order to achieve our business ambitions and to remain solvent, given our risk profile, so that we can continue to provide long-term safety and return to our customers. We have incorporated climate-related scenarios within our Group Stress Testing and Scenario Analysis Standard for consideration by all Business Units as part of local Solvency Self-Assessment processes, and this is already in place for most Business Units.

Our overall risk management approach to climate-related risks is under continuous development as we recognise the rapid evolution in this area.



## METRICS AND TARGETS

We understand the importance of reducing greenhouse gas emissions across our operations and investments to support the transition to a low-carbon future. Our first step towards achieving this is to calculate the consolidated baseline of our greenhouse gas emissions to identify the most significant emissions contributions from our operations and our investments. Based on this, we will look to set our net-zero and related targets as a Group.

### Example

Athora Netherlands has for a while been taking concrete steps towards transitioning the business to a net-zero economy. Athora Netherlands (counting for ca. 80% of Group’s activities) set a long-term target to achieve net-zero greenhouse gas emissions by 2050 for all Scope 1, 2 and 3 emissions (for more information, see ‘Our role as a Corporate citizen – Reducing greenhouse gas emissions’ on page 23). Additionally, we have an intermediate ambition to reduce the greenhouse gas intensity of Athora Netherland’s investments by 50% in 2030 compared to 2020 levels. The carbon footprint for Athora Netherlands is measured in line with the GHG Protocol (internationally recognised best practice). We calculated the carbon footprint of investments according to the method developed by the Partnership Carbon Accounting Financials (PCAF) with data provided by MSCI ESG Research and Eurostat.





# Interview with Christian Thimann

**Former**

**Vice Chair of the TCFD  
Senior Adviser to Athora Holding  
CEO and Chairman of the management  
Board of Athora Germany**

## HOW CAN THE TCFD TACKLE THE GLOBAL CHALLENGES POSED BY THE CLIMATE CRISIS?

Prior to 2015, the Financial Stability Board (FSB) had noted a global cacophony on climate-related issues in the financial sector. This gave rise to the TCFD, providing a common language for climate-related financial risks, how these can be measured and reported in financial filings. The TCFD outlines key recommendations and disclosures, and has developed example disclosures for eight different sectors in the economy, including insurance and asset management.

## HOW CAN ATHORA AND THE SECTOR REALISE THE OPPORTUNITY TO TACKLE THE CLIMATE CRISIS THROUGH DAY-TO-DAY OPERATIONS AND WIDER INVESTMENTS?

Athora and the sector's distinguishing feature as financial investors is the long-term horizon. Climate change is both an acute and chronic risk. Investors are critical in tackling climate-related issues as they consider long-term financial lookaheads. The transition to a lower carbon economy requires large-scale investment from committed long-term investors, and this is where investors such as Athora come into play.

## WHAT IS THE BIGGEST CLIMATE CHANGE OPPORTUNITY FOR ATHORA?

Athora can be very successful in the private debt and equity market. We may consider specific sectors as solely responsible for climate change, but it is in fact driven by globalisation as a whole. By supporting corporate investment within the countries where Athora is operating, i.e. in so-called developed economies where production follows high standards, Athora can help strengthen local corporate activities rather than relying on long-range imports from economies with weaker environmental standards.

## WHAT ACTION WOULD YOU LIKE TO SEE GOING FORWARD ON CLIMATE CHANGE RISK REPORTING?

The adoption of the TCFD is an excellent starting point for a climate-related risk and opportunity assessment. In this context, I believe that voluntary climate frameworks are more flexible in responding to fast, unpredictable and forward-looking innovations. Legal frameworks are by definition more rigid and slow to implement, and based on historic climate data. Therefore, I wish that many corporations, such as Athora, will continue to report on climate-related issues, and become forward-looking solution providers.



# APPENDIX



APPENDIX A: ATHORA SASB CONTENT INDEX, 2021

The table below maps Athora’s disclosure against the Sustainability Accounting Standards Board (SASB) Insurance Standards (2018), and supports the disclosures made in the 2021 Sustainability Report. On an ongoing basis, we review and enhance our approach to Sustainability reporting, and we are continuously seeking opportunities to meet the SASB reporting disclosures in full.

TOPIC	CODE	CATEGORY	UNIT OF MEASURE	ACCOUNTING METRIC	DISCLOSURE
TRANSPARENT INFORMATION AND FAIR ADVICE FOR CUSTOMERS	FN-IN-270a.1	Quantitative	Reporting currency	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	€0
	FN-IN-270a.4	Discussion and Analysis	n/a	Description of approach to informing customers about products	<a href="#">Athora Sustainability Report 2021, ‘Our role as an Insurer’ (p. 15)</a>
INCORPORATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS IN INVESTMENT MANAGEMENT	FN-IN-410a.1	Quantitative	Reporting currency	Total invested assets, by industry and asset class	<a href="#">Athora Annual Report 2021</a> , ‘Chief Financial Officer’s report’ (p. 33)
	FN-IN-410a.2	Discussion and Analysis	n/a	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management strategies and processes	<a href="#">Athora Sustainability Report 2021, ‘Our role as an Investor’ (p. 30)</a> <a href="#">Sustainable Investment Policy</a>
ENVIRONMENTAL RISK EXPOSURE	FN-IN-450a.3	Discussion and Analysis	n/a	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	<a href="#">Athora Annual Report 2021</a> , ‘Principal risks and uncertainties’ (p. 49) <a href="#">Athora Financial Condition Report 2021</a> , ‘Risk and capital management’ (p. 26–31) <a href="#">Athora Financial Condition Report 2021</a> , ‘Risk profile’ (p. 35)
SYSTEMATIC RISK MANAGEMENT	FN-IN-550a.1	Quantitative	Reporting currency	Exposure to derivative instruments by category: (1) total potential exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives	Athora Group subsidiaries use derivatives for various purposes, including hedging interest rate, credit, foreign currency and equity market exposures <a href="#">Athora Financial Condition Report 2021</a> , ‘Investment performance’ (p. 9) and ‘Solvency Valuation’ (p. 47)
	FN-IN-550a.2	Quantitative	Reporting currency	Total fair value of securities lending collateral assets	<a href="#">Athora Financial Condition Report 2021</a> , ‘Risk profile’ (p. 38)
	FN-IN-550a.3	Discussion and Analysis	n/a	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	<a href="#">Athora Financial Condition Report 2021</a> , ‘Risk and capital management’ (p. 26-31) <a href="#">Athora Annual Report 2021</a> , ‘Other information’ (p. 185)



## APPENDIX B: ATHORA GRI CONTENT INDEX, 2021

This report marks the first year that we have disclosed our Sustainability performance and we have begun to align our disclosures to the Global Reporting Initiative (GRI).

To guide our first disclosure in reference to the GRI, we have undertaken a scope assessment based on relevance to our business and data availability. This table of disclosures, aligning to GRI, encompasses all of our Business Units (unless otherwise stated). We present performance data wherever possible. We will continue to refine our reporting and establish a robust approach to GRI disclosures, with particular focus on reporting metrics on topics such as emissions and waste.

General disclosures

This material references Disclosures 102-1 to 102-56 from GRI 102: General Disclosures 2016.

DISCLOSURE	REFERENCE		OMISSIONS
	Organisation Profile		
102-1	Name of the organisation	Athora Holding Ltd	
102-2	Activities, brands, products and services	<a href="#">Athora Annual Report 2021</a> , ‘Our businesses’ (p. 24–29)	
102-3	Location of headquarters	Ideation House, First Floor, 94 Pitts Bay Road, Pembroke HM08, Bermuda	
102-4	Location of operations	Hamilton, Bermuda; Dublin, Ireland; London, UK; Alkmaar and Amstelveen, Netherlands; Brussels, Belgium; Wiesbaden, Germany	
102-5	Ownership and legal form	<a href="#">Athora Annual Report 2021</a> , ‘Corporate governance’ (p. 53–54)	
102-6	Markets served	<a href="#">Athora Annual Report 2021</a> , ‘Athora at a glance’ (p. 7)	
102-7	Scale of the organisation	<a href="#">Athora Annual Report 2021</a> , ‘Athora at a glance’ (p. 7)	
102-8	Information on employees and other workers	<a href="#">Athora Sustainability Report 2021</a> , ‘Appendix C: Athora GRI Content Index 2021 – Supporting Data’ (p. 43) Athora does not have material seasonal variations in employment numbers reported in Disclosures 102-8 a-c	
102-9	Supply chain	We do not currently publish a description of our Group supply chain	
102-10	Significant changes to the organisation and its supply chain	<a href="#">Athora Annual Report 2021</a> , ‘Key milestones’ (p. 5)	
102-11	Precautionary Principle or approach	We are developing our approach in this area	
102-12	External initiatives	<a href="#">Athora Annual Report 2021</a> , ‘Initiatives and recognitions in 2021’ (p. 42) <a href="#">Athora Sustainability Report 2021</a> , ‘Our role as an Employer’ (p. 18) <a href="#">Athora Sustainability Report 2021</a> , ‘Our role as a Corporate citizen’ (p. 23, 26) <a href="#">Athora Sustainability Report 2021</a> , ‘Task Force on Climate-related Financial Disclosures (TCFD) considerations’ (p. 33-34)	
102-13	Membership of associations	<a href="#">Athora Sustainability Report</a> , ‘Our role as an Insurer’ (p. 14)	



DISCLOSURE	REFERENCE		OMISSIONS
	Strategy		
102-14	Statement from senior decision-maker	<a href="#">Athora Sustainability Report 2021, ‘CEO message’ (p. 6)</a>	
102-15	Key impacts, risks and opportunities	<a href="#">Athora Sustainability Report 2021, ‘Task Force on Climate-related Financial Disclosures (TCFD) considerations’ (p. 33)</a> <a href="#">Sustainability Strategy Document</a> , ‘Sustainability monitoring (risks and opportunities)’ (p. 10) <a href="#">Athora Financial Condition Report 2021</a> , ‘Risk and capital management’ (p. 26-31)	
	Ethics and integrity		
102-16	Values, principles, standards and norms of behaviour	<a href="#">Athora Sustainability Report 2021, ‘Athora at a glance’ (p. 2)</a>	
102-17	Mechanisms for advice and concerns about ethics	We communicate this to our employees through our Code of Conduct which is an internal document shared with employees. Local processes in line with local regulations may apply and are outlined in the relevant Employee Handbooks	
	Governance		
102-18	Governance structure	<a href="#">Athora Annual Report 2021</a> , ‘Governance structure’ (p. 55–59)	
102-19	Delegating authority	<a href="#">Sustainability Strategy Document</a> , ‘Sustainability governance’ (p. 12)	
102-20	Executive-level responsibility for economic, environmental and social topics	<a href="#">Athora Sustainability Report 2021, ‘Sustainability governance’ (p. 12)</a>	
102-22	Composition of the highest governance body and its committees	<a href="#">Athora Annual Report 2021</a> , ‘Corporate governance’ (p. 56) <a href="#">Athora Annual Report 2021</a> , ‘Board of directors’ (p. 60–65)	
102-23	Chair of the highest governance body	<a href="#">Athora Annual Report 2021</a> , ‘Corporate governance’ (p. 56)	
102-24	Nominating and selecting the highest governance body	<a href="#">Athora Annual Report 2021</a> , ‘Corporate governance’ (p. 55–56)	
102-25	Conflicts of interest	<a href="#">Athora Annual Report 2021</a> , ‘Corporate governance’ (p. 55–56)	
102-26	Role of highest governance body in setting purpose, values and strategy	<a href="#">Athora Sustainability Report 2021, ‘Sustainability governance’ (p. 12)</a>	
102-27	Collective knowledge of highest governance body	<a href="#">Athora Sustainability Report 2021, ‘Sustainability governance’ (p. 12)</a>	
102-28	Evaluating the highest governance body’s performance	<a href="#">Athora Annual Report 2021</a> , ‘Corporate governance’ (p. 55–56)	
102-29	Identifying and managing economic, environmental and social impacts	<a href="#">Athora Sustainability Report 2021, ‘Sustainability governance’ (p. 12)</a>	
102-30	Effectiveness of risk management processes	<a href="#">Athora Sustainability Report 2021, ‘Task Force on Climate-related Financial Disclosures (TCFD) considerations’ (p. 33)</a>	
102-31	Review of economic, environmental and social topics	<a href="#">Athora Sustainability Report 2021, ‘Sustainability governance’ (p. 12)</a> <a href="#">Sustainability Strategy Document</a> , ‘Sustainability monitoring (risks and opportunities)’ (p. 10) <a href="#">Sustainable Investment Policy</a> (p. 13)	
102-32	Highest governance body’s role in Sustainability reporting	<a href="#">Athora Sustainability Report 2021, ‘Sustainability governance’ (p. 12)</a>	
102-35	Remuneration Policies (Description)	<a href="#">Athora Sustainability Report 2021, ‘Our role as an Employer’ (p. 21)</a>	
102-36	Process for determining remuneration	<a href="#">Athora Sustainability Report 2021, ‘Our role as an Employer’ (p. 21)</a>	
102-37	Stakeholders’ involvement in remuneration	<a href="#">Athora Sustainability Report 2021, ‘Our role as an Employer’ (p. 21)</a>	



DISCLOSURE	REFERENCE		OMISSIONS
Stakeholder Engagement			
102-40	List of stakeholder groups	<a href="#">Athora Sustainability Report 2021, 'Introduction to Sustainability at Athora' (p. 9)</a> <a href="#">Athora Annual Report 2021, 'Business model and strategy' (p. 18)</a>	
102-41	Collective bargaining agreements	83% (applies to Athora Belgium, Germany and the Netherlands)	
102-42	Identifying and selecting stakeholders	<a href="#">Athora Sustainability Report 2021, 'Introduction to Sustainability at Athora' (p. 9)</a>	
102-43	Approach to stakeholder engagement	<a href="#">Athora Sustainability Report 2021, 'Introduction to Sustainability at Athora' (p. 9)</a>	
102-44	Key topics and concerns raised	<a href="#">Athora Sustainability Report 2021, 'Introduction to Sustainability at Athora' (p. 9)</a>	
Reporting Practice			
102-45	Entities included in the consolidated financial statements	<a href="#">Athora Annual Report 2021, 'Subsidiaries' (p. 176)</a>	
102-46	Defining report content and topic boundaries	<a href="#">Athora Sustainability Report 2021, 'Introduction to Sustainability at Athora' (p. 10)</a> <a href="#">Athora Sustainability Report 2021, 'Appendix B: GRI Content Index, 2021' (p. 38)</a>	
102-47	List of material topics	<a href="#">Athora Sustainability Report 2021, 'Introduction to Sustainability at Athora' (p. 9-10)</a>	
102-48	Restatements of information	N/A – this is Athora’s first year of Sustainability reporting	
102-49	Changes in reporting	N/A – this is Athora’s first year of Sustainability reporting	
102-50	Reporting period	1 January 2021 – 31 December 2021 (however, some commentary and examples in the report may refer to 2022 events)	
102-51	Date of most recent report	June 2022	
102-52	Reporting cycle	<a href="#">Athora Sustainability Report 2021, 'Introduction to Sustainability at Athora' (p. 10)</a> <a href="#">Athora Sustainability Report 2021, 'Appendix B: GRI Content Index, 2021' (p. 38)</a>	
102-53	Contact point for questions regarding the report	Valerio Beccacci (valerio.beccacci@athora.com) Sandra Hoac (sandra.hoac@athora.com)	
102-54	Claims of reporting in accordance with the GRI Standards	<a href="#">Athora Sustainability Report 2021, 'Appendix B: GRI Content Index, 2021' (p. 38)</a>	
102-55	GRI content Index	<a href="#">Athora Sustainability Report 2021, 'Appendix B: GRI Content Index, 2021' (p. 38-42)</a>	
102-56	External assurance	<a href="#">Athora Sustainability Report 2021, 'Appendix D: About this report' (p. 45)</a>	



Topic-specific disclosures

This material references Disclosures 201, 202, 203, 205, 206 and 207 from GRI 200: Economic; Disclosures 302 and 305 from GRI 300: Environmental; and Disclosures 401, 404, 405 and 418 from GRI 400: Social.

DISCLOSURE	REFERENCE		OMISSIONS
Economic Performance			
201-1	Direct economic value generated and distributed	<a href="#">Athora Annual Report 2021</a> , ‘Consolidated financial statements’ (p. 68–76)	
Market Presence			
202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	Where standard entry-level wages are compared against local minimum wage, Collective Labour Agreements (CLAs) / Collective Bargaining Agreements (CBAs) are applied and ensure minimum wages are respected. Employees who are covered by a CLA/ CBA may also be paid above tariff depending on role. Where CLAs/CBAs do not exist, wages are benchmarked both internally and externally against market to ensure internal equity. Athora is aiming for the 50th percentile when benchmarking roles externally.	
202-2	Proportion of senior management hired from the local community	<a href="#">Athora Sustainability Report 2021</a> , ‘Our role as a Corporate Citizen’ (p. 25)	
Indirect Economic Impacts			
203-2	Significant indirect economic impacts	<a href="#">Athora Sustainability Report 2021</a> , ‘Our role as an Insurer’ (p. 14-16)	
Anti-corruption			
205-1	Operations assessed for risks related to corruption	100%	
205-2	Communication and training about anti-corruption policies and procedures	100% – The Athora Code of Business Ethics and Conduct applies to all Group employees. 100% – All new employees must complete the Code of Conduct and the Financial Crime Training. The training courses are updated and workers are recertified periodically. At Group level, all new vendors since early 2021 are screened for anti-bribery and anti-corruption matters, and due diligence conducted against the vendors based on a risk-rating methodology. New vendors must complete the process satisfactorily or they are not contracted. Existing vendors will have the same process applied to them upon contract renewal. Board members receive training on various topics, but specific anti-corruption training has not been provided to AHL Board members.	
205-3	Confirmed incidents of corruption and action taken	0	
Anti-competitive Behaviour			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	0	
Approach to Tax			
207-1	Approach to tax	<a href="#">Athora Group Tax Policy</a>  <a href="#">Athora Sustainability Report 2021</a> , ‘Our role as a Corporate citizen’ (p. 26) <a href="#">Athora Annual Report 2021</a> , ‘Our role as a Corporate citizen’ (p. 39)	
207-2	Tax governance, control and risk management		
207-3	Stakeholder engagement and management of concerns related to tax		



DISCLOSURE	REFERENCE		OMISSIONS
Energy			
302-4	Reduction of energy consumption	<a href="#">Athora Sustainability Report 2021, ‘Our role as a Corporate citizen’ (p. 23-24)</a>	
305-1	Direct (Scope 1) GHG emissions	<a href="#">Athora Sustainability Report 2021, ‘Our role as a Corporate citizen’ (p. 23)</a>	
305-2	Energy indirect (Scope 2) GHG emissions	<a href="#">Athora Sustainability Report 2021, ‘Our role as a Corporate citizen’ (p. 23)</a>	
305-3	Other Indirect (Scope 3) GHG emissions	<a href="#">Athora Sustainability Report 2021, ‘Our role as a Corporate citizen’ (p. 23)</a>	
Training and Education			
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees by significant locations of operation	<a href="#">Athora Sustainability Report 2021, ‘Appendix C: Athora GRI Content Index, 2021 – Supporting Data’ (p. 43)</a>  Part-time employees are eligible to the same benefits as full-time employees. Eligibility may vary between permanent and temporary employees.	
401-3	Parental leave	<a href="#">Athora Sustainability Report 2021, ‘Our role as an Employer’ (p. 21)</a> <a href="#">Athora Sustainability Report 2021, ‘Appendix C: Athora GRI Content Index, 2021 - Supporting Data’ (p. 43)</a>	
404-2	404-2 Programs for upgrading employee skills and transition assistance programs	Athora provides internal training courses on anti-trust, anti-corruption, anti-discrimination, anti-harassment, code of conduct/ business ethics, cybersecurity, data privacy, emergency response plan, employee handbook, health and safety, human rights/ trafficking, supplier code of conduct, Sustainability, whistle blowing, and work from home, with training for diversity and inclusion in development.  Job placement services upon termination of employment are available as per regulatory requirement in certain locations.	We do not currently formally track training programmes per year per employee across locations/operations.
404-3	Percentage of employees receiving regular performance and career development reviews	100% of Athora’s full-time equivalent (FTE) receive at least one formal performance review annually at the end of each year. Managers hold at least one career development discussion annually and are encouraged to have regular development check-ins during the year.	
Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	<a href="#">Athora Sustainability Report 2021, ‘Appendix C: Athora GRI Content Index, 2021 – Supporting Data’ (p. 44)</a>	
Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	0	Excluding Athora Netherlands where complaints are currently not tracked in line with this categorisation.



APPENDIX C: ATHORA GRI CONTENT INDEX, 2021 – SUPPORTING DATA

GRI 102-8: Information on employees and other workers<sup>4</sup>

Total number of employees by employment contract (permanent and temporary) by gender

GENDER IDENTITY	PERMANENT	FIXED TERM	TOTAL
Female	678	28	706
Male	1,052	45	1,097
Total	1,730	73	1,803

Total number of employees by employment contract (permanent and temporary), by region

REGION	PERMANENT	FIXED TERM	TOTAL
Belgium	194	5	199
Bermuda	13		13
Germany	125	1	126
Ireland	156	19	175
United Kingdom	55	3	58
Netherlands	1,174	44	1,218
Others	13	1	14
Total	1,730	73	1,803

Total number of employees by employment type (full time and part time), by gender

EMPLOYMENT TYPE	FEMALE	MALE	TOTAL
Full time	436	1,026	1,462
Part time	270	73	843
Total	706	1,097	1,803

GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees by significant locations of operation

	BELGIUM	GERMANY	IRELAND	UK	BERMUDA	NETHERLANDS
Life insurance	Permanent + temporary	Permanent	Permanent	Permanent	Permanent	n/a
Health care	Permanent + temporary	n/a	Permanent	Permanent	Permanent	n/a
Disability & invalidity coverage	Permanent + temporary	Permanent in combination with life insurance	Permanent	Permanent	Permanent	Permanent + temporary
Parental leave	Permanent + temporary	Permanent + temporary	Permanent + temporary	Permanent + temporary	Permanent + temporary	Permanent + temporary
Retirement provisions	Permanent + temporary	Permanent	Permanent + temporary	Permanent + temporary	Permanent + temporary	Permanent + temporary
Stock ownership	Permanent	Permanent	Permanent	Permanent	Permanent	n/a

<sup>4</sup> Note that total number of employees are compiled in this report using the employee headcount as of 31 December 2021. Total number of employees reported in the 2021 Annual Report and on page 2 of this report is based on the average number of employees across 2021.



GRI 405-1 Diversity of governance bodies and employees<sup>5</sup>

Governance bodies

	ACTUAL NUMBERS			PERCENTAGES		
	FEMALE	MALE	TOTALS	FEMALE	MALE	TOTALS
Athora Holding Ltd Board	2	9	11	18%	82%	100%
Athora Belgium SA-NV Board	1	7	8	13%	88%	100%
Athora Deutschland Group Board	0	6	6	0%	100%	100%
Athora Ireland plc Board	1	7	8	13%	88%	100%
Athora Life Re Ltd Board	1	4	5	20%	80%	100%
Athora Netherlands N.V. Supervisory Board	2	3	5	40%	60%	100%
Total	7	36	43	16%	84%	100%

Employees by employee category

Gender

	FEMALE	MALE
Board members	16%	84%
Management Executive Committee	0%	100%
Rest of organisation	36%	64%

Age Group

	UNDER 30 YEARS OLD	31-50 YEARS OLD	OVER 50 YEARS OLD
Board members	Not available		
Management Executive Committee	0%	57%	43%
Rest of organisation <sup>6</sup>	12%	59%	29%

<sup>5</sup> Note that total number of employees are compiled in this report using the employee headcount as of 31 December 2021. Total number of employees reported in the 2021 Annual Report and on page 2 of this report is based on the average number of employees across 2021.

<sup>6</sup> Excluding Athora Netherlands





# APPENDIX D: ABOUT THIS REPORT

This Sustainability Report has been prepared and issued by Athora Holding Ltd. together with its subsidiaries (Athora or Group). This document reports Athora’s non-financial Sustainability performance information for the period covering 1 January 2021 to 31 December 2021. Some commentary and examples may refer to 2022 events.

This is Athora’s first annual Sustainability Report. Simply Sustainable Ltd, an independent third party and ESG management consultancy, has supported Athora to prepare and collate information for this report. Non-financial Sustainability performance data disclosed in this report has not been externally audited or verified. This report starts to align to the Global Reporting Initiative (GRI) Reporting Standards and contains some disclosures from the GRI Sustainability Reporting Standards (2020). This report is Sustainability Accounting Standards Board (SASB) referenced and contains disclosures from the SASB Insurance Standards 2018.

This document contains certain forward-looking statements that reflect Athora’s intentions, beliefs, assumptions or current expectations about and targets for the Group’s future Sustainability performance, taking into account all information currently available. These statements are not necessarily indicative or guarantees of future performance and results.

The reader should not place undue reliance on the forward-looking statements in this document. Athora does not guarantee that the assumptions underlying the forward-looking statements in this document are free from errors, does not accept any responsibility for the future accuracy of the opinions or expectations expressed in this document and does not undertake any obligation to update the statements in this document to reflect subsequent events. No responsibility, obligation or liability (whether direct or indirect, in contract, tort or otherwise) is or will be accepted in relation to this document by any member of the Group or any member’s respective directors, officers, employees, advisers or agents. No representation or warranty, expressed or implied, is made as to the truth, fullness, accuracy, reasonableness or completeness of the information contained herein (or whether any information has been omitted from this document) or any other information relating to Athora, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available by Athora or any of its directors, officers, employees, advisers or agents.





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