



# Sustainability Strategy

2024 – 2027

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# 1. Introduction

This document sets out at a high level the key elements of the updated Sustainability Strategy of ASR Vermogensbeheer N.V. (AVB). This includes a long-term strategic ambition and defines a number of goals and focus themes that shape our approach to investing. These are referred to and expanded upon in the [AVB Policy on Responsible Investments](#).

# 2. Strategic ambition

In line with our parent company ASR Nederland N.V, AVB aims to be part of the solution to the environmental and social issues facing our society. Our ambition is underpinned by a belief that we have a key role to play in facilitating the transition to a better, more sustainable world.

AVB’s Sustainability Strategy operates across two levels:

- (1) Core activities that are part of our ‘ambitious base’ offering; and
- (2) Focus activities with positive impact that aim to help build a better, more sustainable world.

AVB’s base offering includes clear red lines for what we will not invest our and our clients’ money<sup>1</sup> in, as described in the Policy for Responsible Investments. This also includes strict minimum ESG standards that all investments are expected to meet. Where we identify issuers that are unwilling or unable to meet our minimum standards, we do not hesitate to divest and add them to our Exclusion List. ESG considerations are integrated by default across all our investment decision-making processes, along with as risk and return. We ensure that a base level of engagement is carried out with investee companies on a wide range of material ESG issues via our engagement service provider. We carry out our core activities on behalf of all clients, and we do not allow clients the option to ‘opt out’ or choose weaker minimum standards and red lines.

Clients can always ‘opt in’ to do more, and AVB believes that it should also do more to help contribute to the different sustainability challenges here in the Netherlands and abroad. This means using our knowledge and influence to carry out focused engagement with issuers on a limited number of key themes where we see the potential to drive meaningful change. It also means investing in a way that not only aims to avoid causing harm, but also aims to have positive impact on people’s lives and the planet.

# 3. Goals, principles and preferences

A number of goals, principles and preferences help shape and define AVB’s Sustainability Strategy. These are discussed below.

## Goals

The following goals support AVB’s strategic ambition:



### Reduce harm

We aim to minimize negative impacts on people and the planet resulting from our investment decisions. We do this by setting clear boundaries and minimum standards that all investments must meet (as described in our Policy for Responsible Investments).

<sup>1</sup> This includes proprietary assets of a.s.r. and its subsidiaries, investment mandates managed for AVB’s third-party clients and investment funds created and managed by AVB.



**Drive change**

We aim to be a positive force in the world, using our influence to drive positive change for people and the planet. We do this by investing on behalf of our clients in companies and countries that we consider have the potential to become more sustainable and demonstrate a commitment to doing so. We also engage with companies and policy makers, highlighting areas where they need to improve, and provide them with the capital they need to make the transition.



**Create positive impact**

We aim to create positive impact by investing a part of our assets under management in companies and projects that are crucial for building a more sustainable world. This includes making investments in renewable energy, sustainable agriculture, accessible healthcare, or social housing. With these investments, we aim to generate positive and measurable environmental and social impacts.

These goals serve as the basis for further developing and implementing our Policy for Responsible Investments and for setting non-financial targets (see section 4 below).

**Strategic principles**

To help guide our decisions and deal with the dilemmas we will likely face, the following three strategic principles have been agreed:



**Lead by example**

As a business we have much to be proud of when it comes to our sustainability journey and the positive impact that we have already had on people and the planet. However, peers have also stepped up their sustainability efforts in recent years.

To continue being seen as frontrunner and driver of change, AVB ensures that our policy goals and targets are aligned with our ambition. This includes, amongst others, ensuring our minimum standards are sufficiently ambitious and not compromising on where we set our ‘red lines’.



**Focus to maximise our impact**

As much as we would like to make a positive contribution to all sustainability challenges facing the world, we recognise that we must focus our efforts if we are to maximise our impact. This means making conscious decisions on where and, equally importantly, where not to spend our time and resources on.

Our core activities largely aim to ‘reduce harm’ and will require us to take account of a wide range of potentially material ESG issues. However, our focus activities aim to ‘drive change’ and ‘create impact’. To make a meaningful contribution to these goals, we will only carry out these activities in connection with a limited number of sustainability themes (our focus themes) where we believe we have deep knowledge and believe we can use our influence to make a difference (e.g. by conducting focused engagements with issuers or by making impact investments).

**Our focus themes**

The following themes have been selected as AVB’s focus themes. The selection builds on the a.s.r. sustainability themes (Sustainable living, Financial self-reliance & inclusion and Vitality & sustainable employability) as well as areas where we see the greatest potential to drive change and create impact with our investing activities. These are also the themes that we believe will have the greatest impact on us and our clients.

- Climate change and the energy transition
- Natural resources and biodiversity
- Health and wellbeing
- Human rights



**Change the financial sector from within**

The decisions we make regarding our investments is not the only way we can drive change and create impact. We can also positively influence developments across the financial sector and inspire our peers by demonstrating thought leadership (e.g. by writing whitepapers or opinion articles) and taking a leading role in financial sector initiatives or industry bodies.

In addition, we can directly engage with the financial companies in which we invest or with whom we work with (e.g. brokers). As a part of the sector, we can make use of our deep knowledge to have meaningful conversations and act as a catalyst for change from within.

**Strategic preferences**

When making investment decisions, the following preferences have been agreed as important to take into consideration given a.s.r.'s place in Dutch society and our belief that new technologies and innovation are required to facilitate the sustainability transition.

**Local impact**

As an investor in many different companies and countries around the world, the reach and impact of our investment decisions is felt globally. However, we are deeply rooted in Dutch society and serve the needs and interest of Dutch clients. Therefore, where we can, we want to make a positive and visible contribution to Dutch society. This can be through helping to improve the lives of people living here in the Netherlands or by making a contribution to local environmental challenges.

**Innovation and new technology**

Many of the societal transitions that need to occur will require new technologies and innovative solutions. We believe AVB can make an important contribution here by providing the capital that is needed to support their development and implementation. Therefore, where we can, we aim to finance (digital) innovation and invest in new technologies.

**4. Targets**

Taking account of the above, the following targets and supporting targets have been agreed upon to align our investing activities with AVB's Sustainability Strategy and to objectively measure our progress. It is intended that this document be a living document where the targets will be expanded upon and updated over time. We also include a note of the instruments that are most relevant when steering underlying portfolios in line with the targets.

We have aimed to set targets in line with scientific consensus, make use of industry standards and independent research where possible, and have committed to set Science Based targets validated by the Science Based Target Initiative. Doing so allows us to set targets and measure progress in an objective way.

Goal	Theme	Target <sup>2</sup>	Supporting targets	Metric	Instruments
Drive change	Climate change & energy transition	Net-zero financed GHG emissions in 2045	<ul style="list-style-type: none"> <li>- Supporting targets</li> <li>- 25% reduction in carbon intensity in 2030 versus 2023<sup>3</sup></li> <li>- 75% reduction in carbon intensity in 2040 versus 2023</li> <li>- Engage with 15 companies across Phase 3 sectors with the aim they become Paris-aligned before the end of 2027</li> </ul>	Total financed GHG emissions across all assets <sup>4</sup> in tCO <sub>2</sub> e	Exclusions, security selection, engagement, voting
				% of investee companies in Phase 3 sectors that are Paris-aligned	Engagement, voting

2 The overall target represents the long-term ambition for a theme and is supported by underlying interim targets.  
 3 Versus 2015 levels, targets are 70% in 2030 and 90% in 2040.  
 4 Scope: all asset classes managed by AVB (sovereign bonds, listed credits, listed equities).

Goal	Theme	Target <sup>2</sup>	Supporting targets	Metric	Instruments
Create impact	Across themes	>10% of total own assets in impact investments in 2027	- At least 10% of our asset under management <sup>5</sup> invested in impact investments by 2027. Of this, we invest at least EUR 2 billion in investments in social impact.	Total EUR invested in impact investments that align with the target's objectives	Impact investments

<sup>5</sup> Assets under management include assets managed for own account and assets managed internally for affiliated business.