

SUSTAINABILITY REPORT 2022



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ATHORA AT A GLANCE

Athora Holding Ltd., together with its group of subsidiaries (Athora, Athora Group or Group), is a leading European savings and retirement services group. We concentrate on the large and attractive traditional life and pensions market, with an ambition to become a leading provider of guaranteed savings and retirement services in Europe. We serve the needs of 2.7 million individual and corporate customers who continue to demand products offering safety of returns. Additionally, we provide innovative M&A and reinsurance solutions to other insurers seeking to enhance their capital position or enact strategic change.

Our business model allows us to deliver security to a growing customer base; we achieve this through the accumulation of insurance portfolios in our target markets, efficient and focused business operations, and a sophisticated approach to investment, capital and risk management. Our strategic relationship with Apollo Global Management, Inc. (together with its subsidiaries, Apollo) underpins our investment approach, providing Athora Group with specialised asset management expertise and differentiated access to investment opportunities.

As an insurer, our social purpose is to provide savings and retirement services, taking care of the future income provisions for our customers. We are committed to supporting our customers and their loved ones in planning for a safer future and achieving financial comfort in their retirement. Our Netherlands, Belgium, Germany and Italy Business Units service and, other than Germany, offer guaranteed return products, complemented by our unit-linked and hybrid products, while Athora Ireland and Athora Life Re offer our reinsurance solutions.

Our Athora values (outlined below) define who we are, how we work and guide us in creating a sustainable future for our stakeholders:

Our primary insurance operations are based in the Netherlands (comprising 69% of Athora Group assets under management and administration¹ as at 31 December 2022), Belgium, Germany and Italy. In the Netherlands, Belgium and Italy, we provide a range of life and pensions products to individual and corporate customers to meet their differing needs. In Germany, we focus on efficiently managing the existing book of policies as we are closed to new business.

We offer reinsurance solutions to other European insurers through our subsidiaries Athora Life Re and Athora Ireland. We also offer internal reinsurance solutions to Athora's operating subsidiaries for efficient capital management.

9
locations
incl. European
operational offices

€73.8
billion AuMA



2.7
million
customers

€3.9
billion
total IFRS² equity

1,700
global employees³

(AS AT DECEMBER 2022)

¹ The definition of assets under management and administration (AuMA) changed during the year to include derivative liabilities as set out in the Athora Annual Report 2022 glossary. Prior year comparatives have been restated. Proforma AuMA of ~ 94 billion includes the ~ 19 billion acquisition from AXA Germany, which is subject to regulatory approvals and closing.

² International Financial Reporting Standards.

³ Rounded number of employees as at 31 December 2022.



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.

2022 SUSTAINABILITY HIGHLIGHTS



Sustainability is a key strategic theme at Athora, and a fundamental part of our ambition to do the right thing for our customers, investors, employees, communities and planet. In 2022, we published our Group-wide Sustainability Strategy. While recognising the varied nature of the activities and local requirements across our Business Units, we are committed to moving forward in a unified manner, taking collective ownership and streamlining our efforts over this important topic.

In 2022, we continued to deliver and build on our commitments to Sustainability in our role as an Insurer, an Employer, a Corporate Citizen and an Investor.

OUR ROLE AS AN INSURER

Over 2.7 million customers served across Europe
 Athora Germany (Athora Lebensversicherung AG) announced an attractive total interest rate for 2023 of 4% for traditional life insurance policies (compared with market average of 1.99% in 2022)
 Industry awards for best-in-class products at Athora Netherlands and Athora Belgium
 Customer satisfaction improved across Athora Netherlands, Athora Belgium, Athora Germany and Athora Italia



OUR ROLE AS AN EMPLOYER

Employee share plan announced and overall increase in employee engagement levels
 Athora Netherlands gained industry awards for quality of employment practices including hybrid working
 Inclusion, Diversity and Equality (IDE) Strategy defined
 Athora Women's Inclusion Network (AWIN) established



OUR ROLE AS A CORPORATE CITIZEN

€680,000 (corporate and employee donations) and 660 hours of volunteer time donated to local and international charities
 Group Charitable Efforts guidelines developed
 Group-wide approach to measuring greenhouse gas (GHG) emissions established
 €455.3 million in total taxes contributed to local economies where we operate



OUR ROLE AS AN INVESTOR

€73.8 billion of AuMA as at 31 December 2022
 €13.8 billion of assets invested directly into the economy¹
 Continued to add impact investments to our Group portfolios
 Group Sustainable Investment Policy launched



¹ Through private loans, mortgage loans and private equity investments.



GROUP CEO MESSAGE

I am delighted to introduce Athora's Sustainability Report for 2022. We have made good progress on our Sustainability journey over the year, which includes launching our Sustainability Strategy, developing our Inclusion, Diversity and Equality (IDE) Strategy, announcing an all-employee share plan and revising our [Code of Conduct](#). We are committed to continuing our progress and delivering our Sustainability Strategy.

SUSTAINABILITY AT ATHORA

The organisation has taken steps towards a joint and meaningful approach to Sustainability. We launched our [Sustainability Strategy Framework](#) in 2022, which formalised our strategy to embed Sustainability in our day-to-day activities across Product, Investment, Compliance, Facilities and every other area of our business.

Our Sustainability Strategy acknowledges that we have an important role to play in ensuring our work creates genuine value for our investors, and enables our customers, employees, community and planet to thrive, without compromising the means of future generations. Our Sustainability activities are therefore not just aimed at managing impacts on our business, but also our business' impact on our broader communities and environment.

As one of the core areas of our Corporate Strategy, we oversee the implementation of our Sustainability Strategy at a senior management level. Senior management receives regular updates on the topic, and discuss and steer the implementation of our Sustainability Strategy. The Sustainability Office also provides at least semi-annual updates to the Group Board's Nominating & Corporate Governance Committee. During the first quarter of 2023, Henrik Matsen, Group Chief Strategy and Underwriting Officer, took up the responsibility for the management of our Sustainability Strategy and its implementation.

LOOKING FORWARD

We continue to engage with our stakeholders to inform them about our Sustainability Strategy direction and efforts, monitoring regulatory and wider market developments with interest. Our aim is to deliver our Sustainability Strategy through this evolving landscape, bringing positive impacts across our roles as an Insurer, an Employer, a Corporate Citizen and an Investor.

Above all, we remain mindful that our Sustainability efforts must provide sustained outcomes over quick wins.

Mike Wells
Group CEO

Q&A ON ATHORA'S SUSTAINABILITY PROGRESS

Interview with Henrik Matsen (Group Chief Strategy and Underwriting Officer) and Sandra Hoac (Group Director, Sustainability and Strategy)

How does your role contribute to Athora's Sustainability efforts, and how would you describe your responsibilities in this area?

Henrik: The Athora Group Sustainability Office moved to my portfolio in 2023, and my responsibility is to support the team in developing and implementing our Sustainability Strategy, and continuing the good work done to date. Another important responsibility, together with the team, is to promote Sustainability internally and ensure that it is given the attention and priority it warrants.

Sandra: The role of the Group Sustainability Office is to drive Athora's Sustainability Strategy and work with each Business Unit and function to embed our Sustainability Strategy Framework. This includes bringing together individuals and teams, and ensuring that the Group Board and Group Management Committees are engaged on the topic. Additionally, we are the go-to point for any external Sustainability-related requests or reporting requirements.

How would you sum up Athora's Sustainability journey over 2022?

Sandra: 2022 was a pivotal year for setting the foundations of a Group-wide Sustainability Strategy at Athora. In particular, we developed our Sustainability Strategy Framework and launched our inaugural Group Sustainability Report. We also continued to embed Sustainability practices across our business and engaged with employees, Independent Board Directors, investors and other market participants to discuss, educate and raise awareness about Sustainability-related matters. 2022 was the year when the importance of Sustainability was really emphasised at Athora. In particular, we set up various Sustainability-specific working groups to coordinate our efforts across the Group to deliver measurable impact - for example, the ESG Investment working group to deliver on ESG investment metrics, or the GHG emissions working group to implement our approach to calculating GHG emissions from own operations).

Henrik: As Athora has acquired different Business Units with a variety of histories, there are different approaches to Sustainability, including different maturity levels. In 2022, we made significant progress at Group level to unify our approaches to Sustainability across Athora. This is something that we will continue to do in the years ahead to ensure we have a holistic approach across the Group.

What are your key priorities and focus areas for Athora's 2023 Sustainability efforts?

Sandra: Data is a key focus for 2023. Whilst we have made good progress to date, we recognise that robust Sustainability data is critical to progress as it enables us to set meaningful targets and ambitions, and transparently disclose progress. It also allows us to identify areas where we need to improve, feeding back into our overall Sustainability Strategy.

Henrik: In addition to what Sandra has outlined, I also hope that we can develop our position as a socially responsible insurer with a role to play in the future pension and savings challenges of European countries, and embed Sustainability in our organic and inorganic product offering. We published our Sustainable Investment Policy in 2022, and will continue to work with other areas of the Group to develop Sustainability-related policies, procedures and guidance documents to ensure it becomes part of everything we do.



INTRODUCTION TO SUSTAINABILITY AT ATHORA



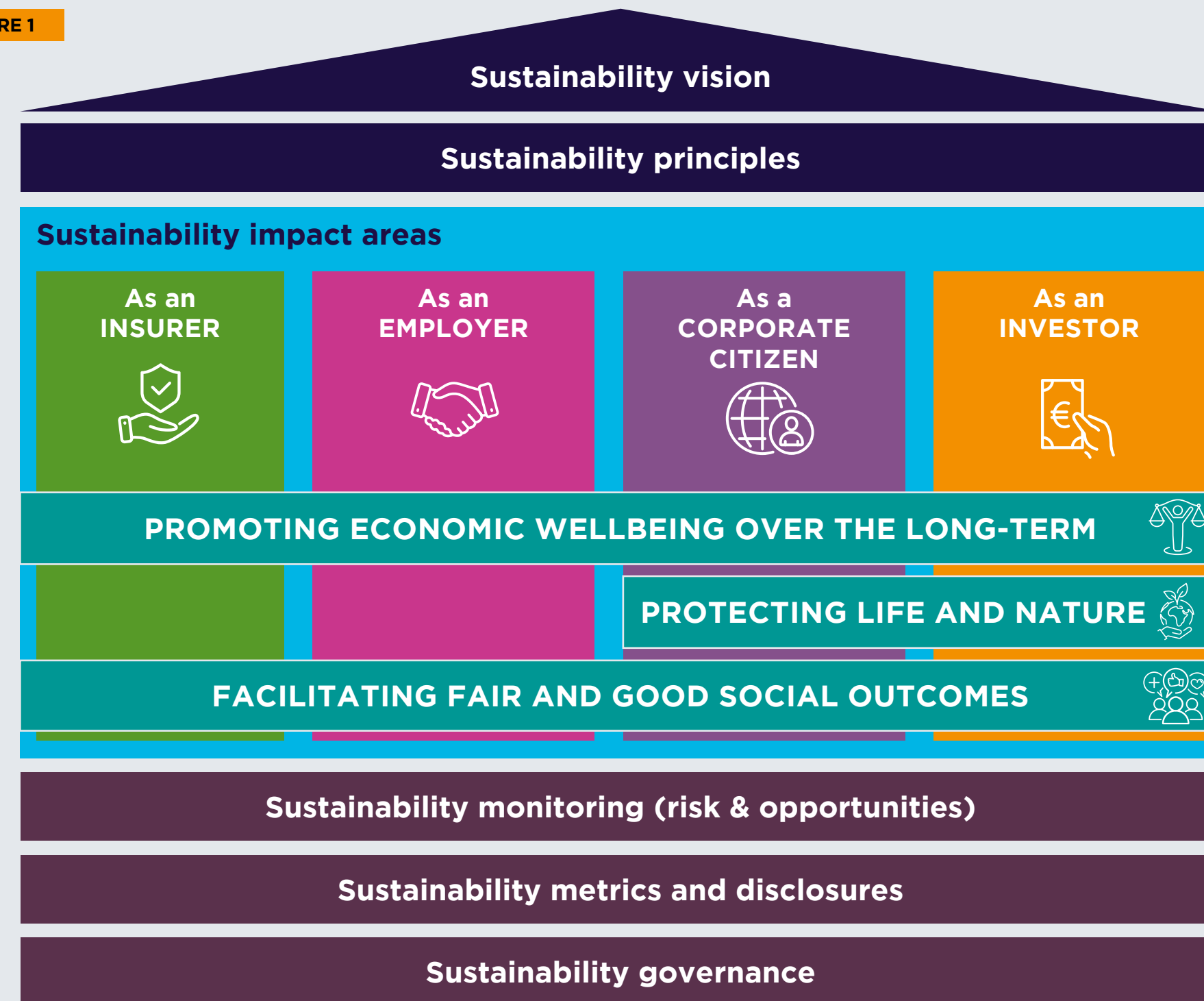
We are committed to advancing our Sustainability activities at Athora. Following extensive engagement with employees and stakeholders across both the Group and our strategic partners, we published our Group-wide Sustainability Strategy in 2022. Our Sustainability Strategy Framework (see Figure 1) has been developed to emphasise the importance and scale of Sustainability at Athora.

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.

SUSTAINABILITY STRATEGY

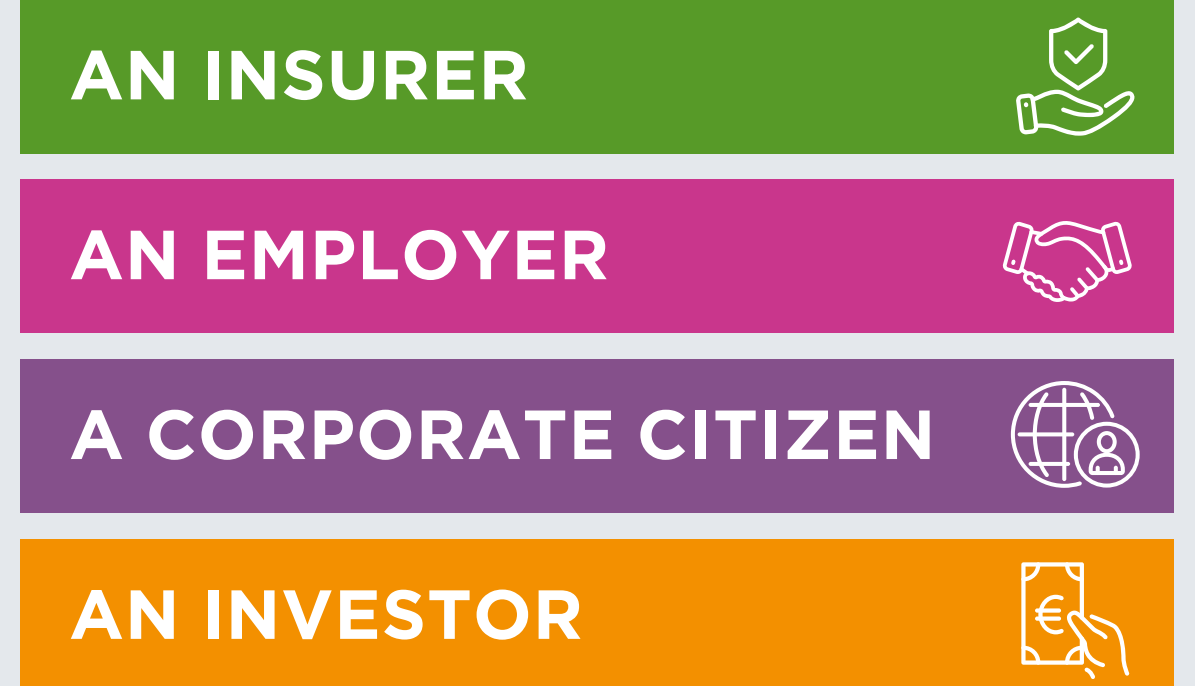
FIGURE 1



Guiding our Sustainability impact

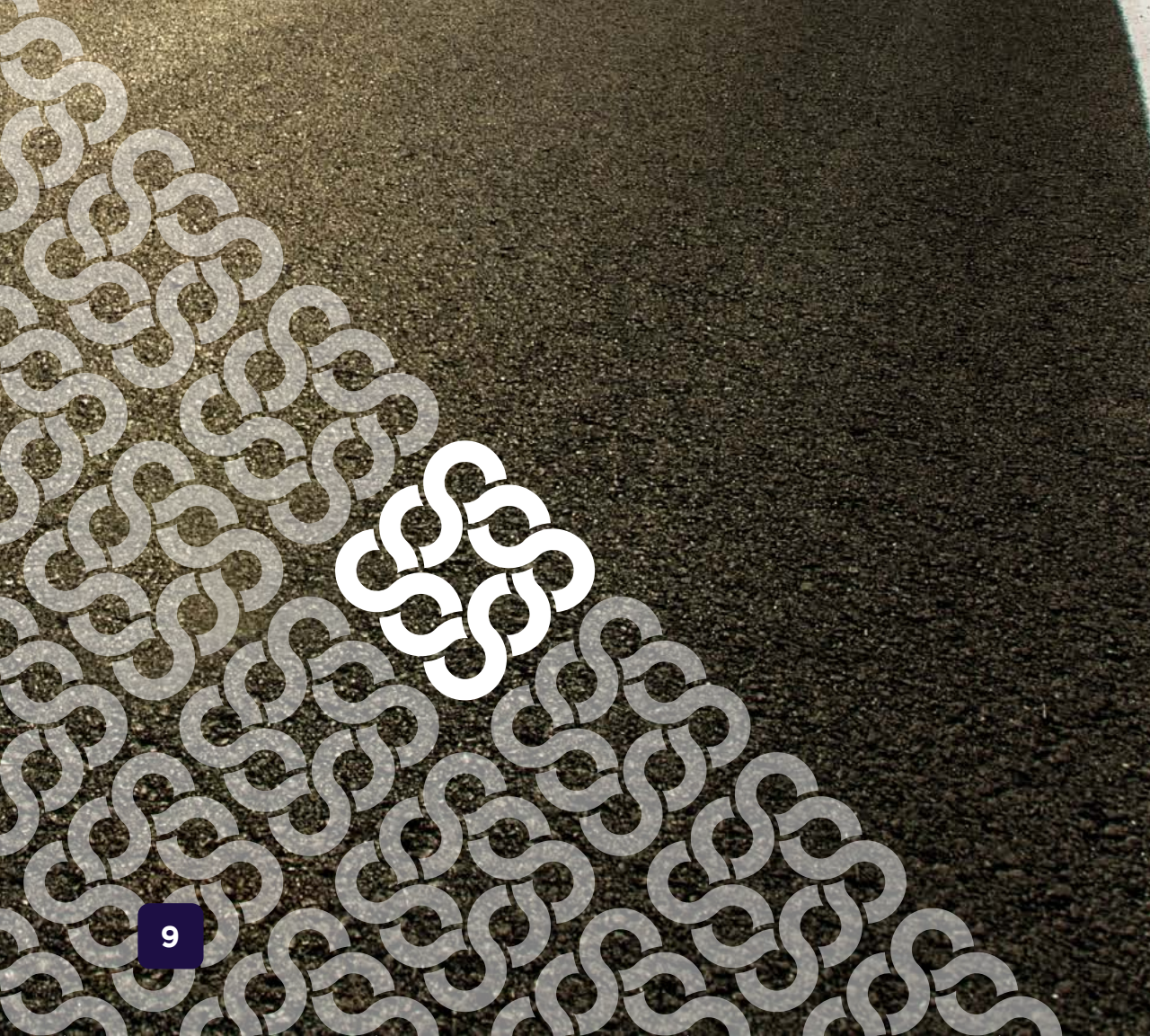
The core of our Sustainability Strategy focuses on key impact areas at the intersection of our business activities and our defined Sustainability themes. These impact areas are guided by our Sustainability vision and principles, and supported by appropriate monitoring, metrics, disclosures and governance.

Our business activities are shaped around our four core roles:



Core of our Sustainability impact

Supporting our Sustainability impact



To ensure a meaningful impact, we are focused on three Sustainability themes which 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 managing our own environmental footprint to contributing to and investing in initiatives aimed at protecting, conserving and restoring the environment.



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.

- **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.



Throughout 2022, we have continued to make good progress on our Sustainability Strategy and policies, undertaking actions that serve our communities, employees, investors, customers and wider environment. We recognise the challenges that remain ahead in achieving our vision and will work to continue the unification and streamlining of the delivery of our Sustainability Strategy, including seeking robust data and useful methods for assessing our Sustainability performance.

We have started to align our reporting with the Global Reporting Initiative (GRI) 2021 Universal Standards and the 2018 insurance-industry-specific disclosure requirements of the Sustainability Accounting Standards Board (SASB). The scope of our reporting includes all our Business Units for the calendar year 2022, including Athora Italia since the closing of the acquisition in August 2022. We present performance data wherever possible. We recognise the importance of common public metrics for our stakeholders and seek to align with Sustainability disclosures and reporting frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD).

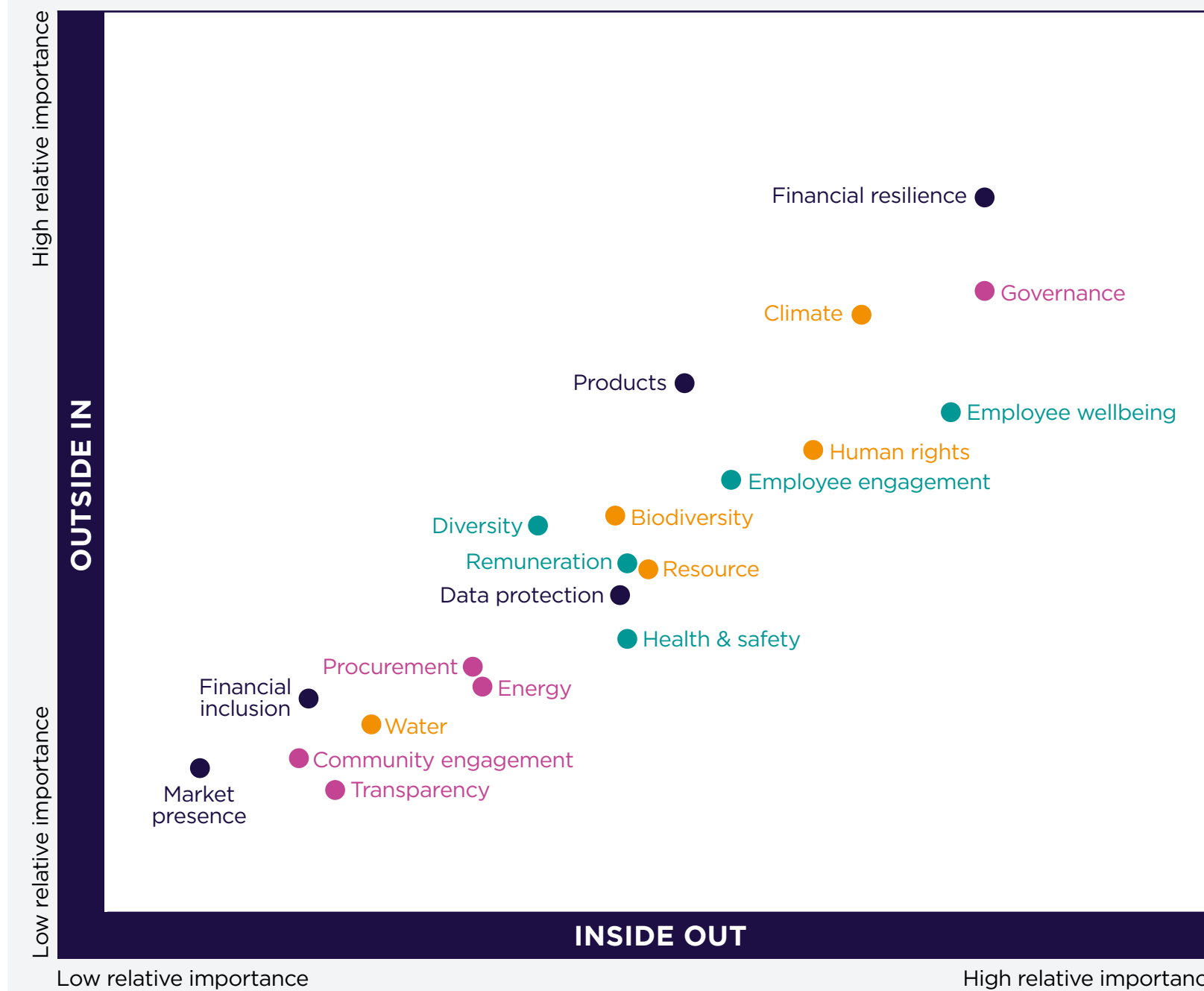
This report highlights our efforts throughout the year of 2022, and our plans to build on them in 2023 and beyond. While we are still in the early stages of our Sustainability Strategy, we are fully committed to its path. We recognise that our actions have impacts, and we strive to make those impacts positive; contributing to an improved world for the generations to come.

STAKEHOLDER ENGAGEMENT

We engage with and listen to our stakeholders, which include our customers, employees, regulators, supervisors, investors, rating agencies and strategic partners. We have a number of communication channels through which we gather feedback, e.g. we issued a wide-ranging stakeholder survey in 2022. This survey allowed us to gain a better understanding of the importance of Sustainability topics to our stakeholders. We are making good headway with embedding Sustainability throughout our business-as-usual practices and implementing this important strategy throughout the Group.

IMPORTANCE ACCORDING TO STAKEHOLDERS*

Internal perspective (outside in) versus external perspective (inside out)



- Insurer
- Employer
- Corporate citizen
- Investor

* Survey question: Below are several sets of topics. Inside out stakeholder: For each set, please indicate the topic you think is most/least important for us to manage our impact on. Outside in stakeholder: For each set, please indicate the topic you think is most/least important for us to manage in terms of impact on our business.

SUSTAINABILITY GOVERNANCE





Sustainability is one of our key strategic foundations. We combine our top-down approach to realising our Sustainability Strategy with coordination and connection across the Group functions and Business Units, to ensure that the matter receives a sufficient level of focus and attention.

ATHORA BOARD

The Athora Holding Ltd. Board of Directors (Group Board) is responsible for ensuring the long-term success and sustainability of Athora, including setting the Sustainability Strategy and objectives of the Group.

The Group Board has delegated responsibility for oversight of Sustainability and related activities across the Group to the Nominating & Corporate Governance Committee (NCGC). The NCGC oversees and guides activities related to the Group’s implementation of Sustainability objectives, to support delivery of these objectives and management of any associated risks. As part of their decision making, they also consider the views of internal and external stakeholders, as appropriate.

The Group Board receives at least semi-annual updates on the implementation of the Sustainability Strategy from the Sustainability Office and provides strategic input and challenge as appropriate. In 2022, Sustainability was discussed as an agenda item at three out of the four NCGC meetings.

SENIOR MANAGEMENT OVERSIGHT

The responsibility for management of the Sustainability Strategy and its implementation is delegated to our Chief Strategy and Underwriting Officer (CSUO).

The CSUO is supported in this role by a new Group governance structure introduced in 2022. Senior management are accountable for the implementation of the Sustainability Strategy approved by the Group Board. They oversee this through the Group Management Committees that they chair.

Regular updates on Sustainability are provided to senior management and individual members of senior management are consulted by the Sustainability Office on an ad-hoc basis on topics relevant to their areas of responsibility. Sustainability is embedded in the terms of references of the Group Management Committees.

DRIVING AND EMBEDDING SUSTAINABILITY

In 2022, we created a dedicated Sustainability role at Group level – Group Director, Sustainability and Strategy. The role drives the development and practical implementation of Athora’s Sustainability Strategy and agenda at a Group level. This includes providing regular updates to the Group Board and key Group Management Committees on Sustainability matters and metrics.

We continue to embed Sustainability across Athora, from our Group Management Committees to our day-to-day processes. Each function and Business Unit is responsible for embedding the Sustainability Strategy Framework into business-as-usual activities and processes, with coordination and support from the Group Sustainability Office.

We hold a monthly Sustainability Forum with over 30 representatives from across our Business Units and functions to update each other on actions taken, new initiatives and future legislation and plans.

CASE STUDY

In 2022, Athora Netherlands established a dedicated Sustainability Office to further streamline and accelerate the Sustainability efforts across the Business Unit. For this, we built out a detailed integrated sustainability strategy which is focused on key social and environmental themes, each with clear ambition levels.

“ I’m very pleased to see the sustainability strategy come to life across all business lines and functions in concrete choices and initiatives. ”

Maarten Stigter
Athora Netherlands, Director Sustainability

SUSTAINABILITY MONITORING

We monitor our Sustainability activities for compliance and performance purposes. We recognise the importance of understanding the risks related to Sustainability so that we can identify and act upon opportunities to improve. The responsibility for managing our risks rests with our respective functional teams and Business Units, with oversight by Group Risk and support from the Group Sustainability Office. Having this Group-level oversight ensures that we work in a consistent manner across the Group in driving forward tangible and positive change (for more information, see ‘Task Force on Climate-related Financial Disclosures (TCFD) considerations – Risk management’ on page 39).

OUR ROLE AS AN INSURER



KEY 2022 HIGHLIGHTS

- Over 2.7 million customers served across Europe
- Athora Germany (Athora Lebensversicherung AG) announced an attractive total interest rate for 2023 of 4% for traditional life insurance policies (compared with market average of 1.99% in 2022)
- Industry awards for best-in-class products at Athora Netherlands and Athora Belgium
- Customer satisfaction improved across Athora Netherlands, Athora Belgium, Athora Germany and Athora Italia¹

¹ We measure customer satisfaction in our Business Units as follows: NPS and DCS in Athora Netherlands, NPS in Athora Belgium, # of complaints in Athora Germany and # of complaints in Athora Italia.

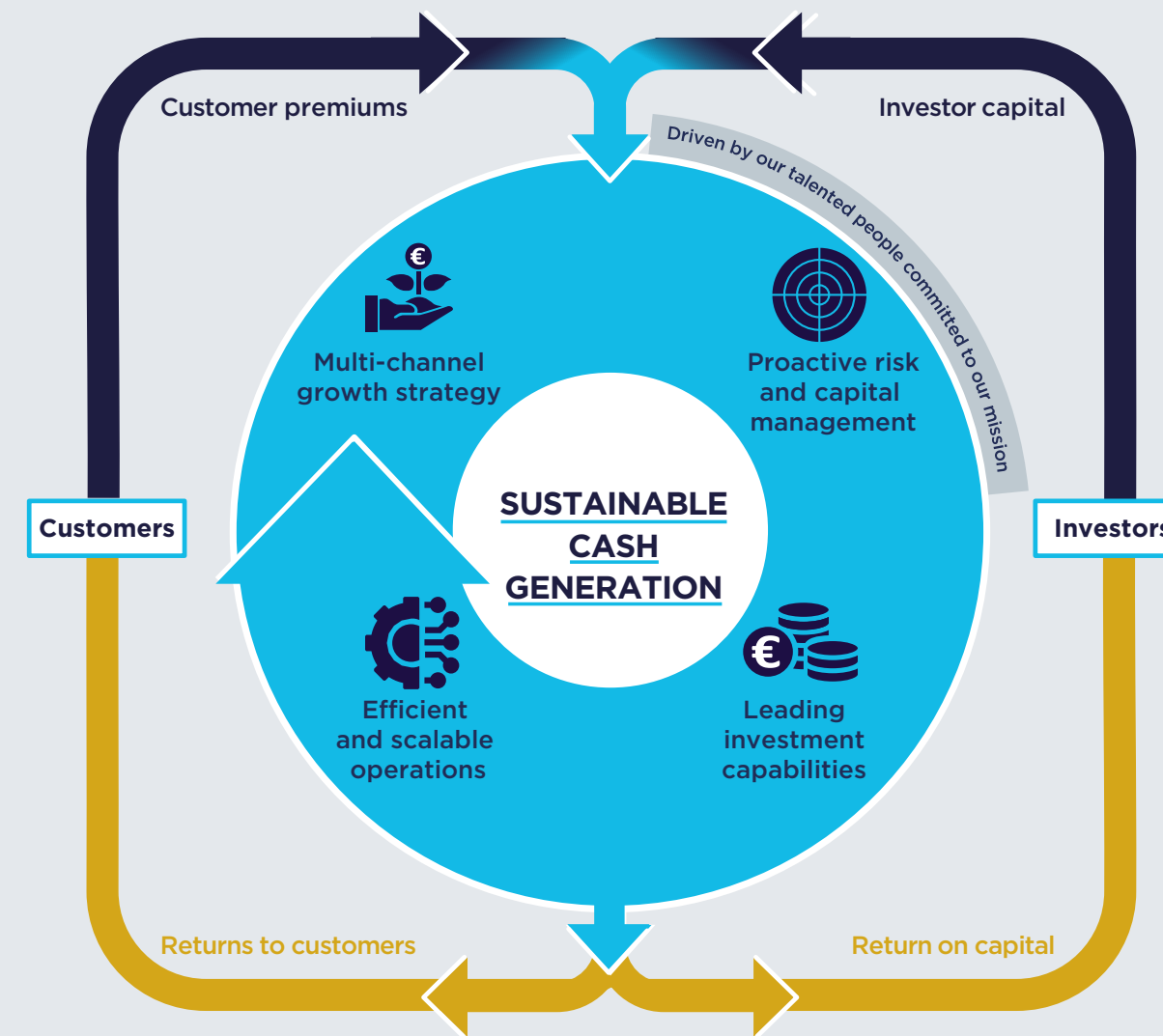
As an insurer, our social purpose is to provide savings and retirement services, taking care of the future income provisions of our customers. We are committed to supporting our customers and their loved ones in planning for a safer future and achieving financial comfort in their retirement. Our Netherlands, Belgium, Germany and Italy Business Units service and, other than Germany, offer guaranteed return products, complemented by our unit-linked and hybrid products, while Athora Ireland and Athora Life Re offer our reinsurance solutions.

PROVIDING ACCESS TO LONG-TERM AND ATTRACTIVE PRODUCTS

Many European insurers have continued to withdraw from long-duration and guaranteed insurance products at a time when these products are becoming increasingly important for and desired by customers. In the markets we serve, this has been driven by the extended period of low interest rates and exacerbated by the rising number of retirees. Recent increases in interest rates have benefitted the balance sheet dynamics of guaranteed products; however, heightened volatility in capital markets has increased both the risk on the assets underlying the products as well as the return rates required by customers on their products.

Assisted by the investment expertise of Apollo, our business model (see Figure 2) enables Athora to acquire and invest in unique and differentiated assets. Alongside our unit-linked and hybrid products, we are committed to providing financial security through our guaranteed products, focused on delivering resilience, security and attractive returns to our customers in our markets.

FIGURE 2



We continually work to expand our reach, increasing the supply and availability of these important offerings.

In August 2022, Athora entered the Italian life insurance market by completing the acquisition of Amissima Vita (now Athora Italia). In connection with the acquisition, Athora Group made a capital injection to the balance sheet of Athora Italia, increasing security for our new policyholders. We also increased our commitment to the Belgian and German insurance markets, with Athora Belgium closing the acquisition of a substantial portfolio from NN Insurance Belgium in October 2022, and Athora Germany signing a binding agreement in July 2022 to acquire a portfolio from AXA Germany (which remains subject to regulatory approval and closing). Similarly in the Netherlands, Athora Netherlands reached an agreement to acquire WTW's Dutch Premium Pension Institution, which successfully closed in April 2023.

In December 2022, we completed our third capital raise, securing approximately €2.75 billion of additional common equity capital commitments from new and existing shareholders. Since inception in 2018, Athora has raised approximately €6.75 billion of total equity capital. These commitments highlight the strength of our business model and the support of our long-term investor base, who share our vision. We have a strong financial profile, allowing us to continue scaling and increasing our reach across Europe so that we can extend our offering of safe life insurance policies with market leading returns.

CASE STUDY

In Germany, Athora Lebensversicherung AG has continued to provide a stable total interest rate of 4.0% to its policyholders. This is double the 2022 market average interest rate for traditional life insurance contracts (1.99%) and one of the highest in the market. This rate consists of a current interest rate of 3.0% and a terminal bonus of 1.0%, a rate we have kept stable for the last three years. During 2022, we announced that this will continue for 2023. The strength of our business model, and our focus on long-term performance and sustainable value creation, gives us confidence that Athora Germany will remain a leader in an increasingly competitive market.

CASE STUDY

In 2022, Zuivere Lijfrente, an immediate annuity by Athora Netherlands' brand, Reaal, was awarded 5-star ratings from comparison website Moneyview. The ratings, which are the highest possible, were awarded for both the product conditions and product pricing.

ENABLING OUR CUSTOMERS TO CHOOSE ATTRACTIVE AND RESPONSIBLE PRODUCTS

Across our unit-linked propositions in the Netherlands and Belgium, a significant proportion of our solutions are backed by assets invested in Sustainability-related funds. In order to reduce the risk of greenwashing and provide transparency to our customers, we aim to collect and assess Sustainability-related data from asset managers over and above current regulatory requirements. This includes ESG factors, Sustainability risk information and adverse impact assessments. In addition, the guaranteed products within Athora Netherlands and Athora Belgium are classified as Article 8 (promoting environmental and social practices) under the European Union (EU) Sustainable Finance Disclosure Regulation 2019/2088 (SFDR).

Athora Netherlands and Athora Belgium have increased the proportion of Article 8 and the more stringent Article 9 (targeting sustainable investments) SFDR offerings since 2021:

- Nearly 90% (2021: 83%) of unit-linked funds offered to our customers in the Netherlands are categorised as Article 8 or Article 9 funds under SFDR. By the end of 2022, 97% (2021: 98%) of AuMA at Athora Netherlands were invested in these funds.
- Similarly, over 80% (2021: 53%) of unit-linked funds offered to our customers in Belgium are classified as Article 8 or Article 9 under SFDR. As of the end of 2022, over 80% (2021: 58%) of Athora Belgium's unit-linked AuMA was invested in these funds.

Athora Belgium also reviews funds under a number of other Sustainability initiatives such as the Febelfin's Towards Sustainability Initiative; a standard highlighting that financial products adhere to a minimum level of Sustainability credentials, measured by the Towards Sustainability Quality Standard.

Since joining Athora in August 2022, Athora Italia has exercised great care in the categorisation of funds in line with the SFDR. Due to the challenges of assessing the funds' Sustainability characteristics in detail (for more information, see 'Task Force on Climate-related Financial Disclosures (TCFD) considerations - Risk management' on page 39 for more information), all existing funds were classified as Article 6 under SFDR. Athora Italia has since then focused on sourcing funds with clear ESG indicators, and launched an Article 8 SFDR-compliant internal fund in a hybrid product in March 2023. As with our Belgian and Netherlands businesses, Athora Italia periodically reviews the asset managers' fund categorisations, including through the European ESG Template.

CASE STUDY

The Responsible Finance Club was co-founded in 2021 by Athora Belgium, along with fund managers Funds For Good, DNCA Investments, M&G Investments and Nordea.

The partnership focuses on promoting sustainable investment, particularly by raising awareness among insurance brokers and their clients, and has continued to offer a valuable service during 2022. Notably, two training sessions were provided covering practical implications of the (then) upcoming SFDR regulatory technical standard. Now that this regulation has come into force¹, the partnership will broaden its remit from solely Sustainability to cover a broader range of topics within life insurance and market trends.

¹ The SFDR regulatory technical standard came into force on 1 January 2023

CASE STUDY

In November 2022, Zwitserleven, an Athora Netherlands' brand, updated the 'lifecycle' investment mix available through its defined contribution pension offerings HorizonBeleggen and ProfielBeleggen, to provide a more favourable level of return per unit of risk.

The investment selection, which reduces in risk as retirement age approaches, now contains investments in mortgages, microfinance and the Zwitserleven Ultra Long Duration Fund. The mortgages and microfinance additions further diversify the selection, with microfinance investments providing a sustainable element to the fund. The Zwitserleven Ultra Long Duration Fund provides increased protection for customers against interest rate fluctuations.

CASE STUDY

In 2022, Athora Belgium was again recognised at the Decavi Life Insurance Awards. The Carmignac Patrimoine Europe Fund was recognised as the Best Unit-Linked Fund in the Low Risk category, and the FFG Global Flexible Sustainable Fund as the Best Unit-Linked Fund in the Medium Risk category. The annual event awards the best insurance products across a range of categories and has once again confirmed our standing as an expert in unit-linked products.



OFFERING REINSURANCE CAPACITY

Through our reinsurance carriers, we provide de-risking and capital solutions to other European insurers, assisting them in managing their exposure to the risks presented by their businesses. Our reinsurance subsidiaries also provide internal solutions to Athora Group's primary insurance subsidiaries, to help them maintain efficient capital management, or to facilitate inorganic growth including M&A activity where appropriate.

PLACING THE CUSTOMER AT THE HEART OF WHAT WE DO

We aim to develop attractive and relevant products and provide customers with clear and balanced information about these products.



Customer communication

In each market where we sell our products, our customer communication approaches are covered by agreed processes. The functions involved differ by Business Unit; for example in Belgium, Marketing, Communications, Product Management, Legal and Compliance departments are involved, while in Italy responsibility lies with the Portfolio Office.

Key to the communication process is whether a Business Unit's customer relationship is direct or through an intermediary; if the latter, the intermediary typically owns the customer relationship and will carry out most direct communication. General regulatory oversight covering policyholder communication exists in all our active regions, with differing specifics in each. This also plays a key part in how we communicate to customers in each Business Unit; for example, in Belgium, laws stipulate communication must be sent by post as a default.

Having clear policies and processes in place helps us ensure that any communication with our customers is effective, required and relevant.

Product development

In line with industry practice and market expectations, 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.

To supplement and enhance our existing policies, we established additional documentation for pricing (our New Business Pricing Policy and New Business Pricing Standards) at the Group level in 2022. These documents further support our product development and ensure that customers receive valuable, thoughtfully priced, offerings.

CASE STUDY

Athora Netherlands' brand, Zwitterleven, enhanced its customer portals in 2022 with the addition of the 'Pension Planner' tool (PensioenPlanner). This tool enables customers to gain more insight into the pension choices available to them while saving for retirement and the impact these decisions could have after retirement.

CASE STUDY

Starting in 2022 and continuing over 2023, Athora Italia has been developing a model to assess a product's value for money to customers.

This is based on three types of evaluation, including the assessment of:

1. a product's potential value to the customer, using profit testing;
2. how well a product's characteristics fit the relevant target market, based on an absolute value-for-money measurement using drivers such as complexity, flexibility, biometric and financial risk protection, potential return and pricing convenience; and
3. a product's relative value for money within the relevant target market, using techniques such as benchmarking a product's positioning versus relevant competitors.

This work will assist Athora Italia in focusing our product development and refinement based on the needs of our customers. It will enable us to provide products that continue to be truly valuable within our target markets and do so in an ethical manner.

ENHANCING CUSTOMER SATISFACTION

Our customers are intrinsic to everything we do and their satisfaction is crucial to our long-term success. We monitor their levels of satisfaction using various recognised methodologies to measure and monitor customer responses, which feed into Key Performance Indicators (KPIs) across the Group.

The Net Promoter Score (NPS) is used to measure customer satisfaction for our open books at Athora Belgium and Athora Netherlands. There was an uplift in NPS in both markets in 2022. Athora Netherlands uses an additional internal customer satisfaction measure - the Delighted Customer Score (DCS) - which helps the business to identify short-term improvements that can be made in key customer service processes. This metric also improved over 2022.

In Athora Germany, we are closed to new business and therefore measure customer satisfaction by the number of complaints. In 2022, we continued to see a downwards trend in the number of complaints. Furthermore, our complaint rate is well below the market average, according to 2022 complaint rate statistics from BaFin (Germany's Federal Financial Supervisory Authority), which include life insurers open to new business and with closed books. Each complaint we receive is reviewed at senior management level in Athora Germany, with root cause analysis performed where necessary.

Athora Italia requires explicit contractual Service Level Agreements (SLAs) from distributors with regards to maintaining customer satisfaction. In 2022, the Business Unit saw a much lower rate of complaints in comparison to the local market, according to 2022 statistics from IVASS (the Italian Institute for the Supervision of Insurance).

Overall, we saw robust levels of customer satisfaction in 2022 and will continue to focus on increasing this satisfaction.



WORKING WITH INDUSTRY ASSOCIATIONS AND PEERS TO DRIVE IMPACT

Contributing to the wider industry is important to us and we are members of relevant associations, including: Verbond van Verzekeraars in the Netherlands; Assuralia, BROCOM 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; Associazione Nazionale fra le Imprese Assicuratrici (ANIA) in Italy; and Insurance Ireland in Ireland.

CASE STUDY

Athora Belgium plays an active role in BROCOM, a Belgian marketing platform promoting brokerage within the insurance market. In 2022, members of Athora Belgium’s senior management team committed time to valuable initiatives such as marketing campaigns to support brokers in their role and efforts to upskill clients on their pension savings.

OUTLOOK

As we continue to grow organically and inorganically, we will extend our customer reach, and therefore, our ability to bring value to our customers. We will continue to fulfil our social mission by offering our customers stable, guaranteed products and providing increased access to sustainable fund selections.

We will maintain our clear focus on doing the right thing for our customers, continually looking for ways to improve our products, investment strategies and communication. We will seek to deliver on the feedback received through our customer satisfaction surveys and other channels, and continue nurturing customer relationships more widely, including investigating ways to unify our methods across the Group.

“I’m proud to be involved with BILTIR. The Social Impact Committee works to improve opportunities in Bermuda, with a mandate sitting over three main pillars: social change, education and professional development for the membership. During 2022, we’ve been able to implement a range of activities, including organising internships, running school outreach programmes and coordinating our members in supporting local environmental initiatives. It’s great to see BILTIR’s work having direct impacts within the community here on the island.”

Amy Ponnampalam
Athora Life Re CEO and Chair of BILTIR Social Impact Committee.

CASE STUDY

Financial strength ratings increased during 2022 at both Group and Business Unit levels. In October 2022, Athora Holding Ltd. achieved a credit rating upgrade to ‘A-’ with a Stable outlook from Fitch. Furthermore, both Athora Group reinsurance carriers’ ratings were upgraded by Fitch to ‘A’ in October 2022, and reaffirmed as ‘A-’ by AM Best in both April 2022 and May 2023, with a Stable outlook from both rating agencies.

Our fundamental aim is to continue to provide safety and return for policyholders, which guides our thinking on our product offerings, investment strategies and capital strength. This external and independent rating is testament to that.

OUR ROLE AS AN EMPLOYER



KEY 2022 HIGHLIGHTS

- Employee share plan announced and overall increase in employee engagement levels
- Athora Netherlands gained industry awards for quality of employment practices including hybrid working
- Inclusion, Diversity and Equality (IDE) strategy defined
- Athora Women's Inclusion Network (AWIN) established

2022 was another exciting and busy year at Athora. Our colleagues continued to focus on serving our customers and running our operations, while also achieving further success in M&A activities and our third capital raise (see 'Our role as an Insurer - Providing access to long-term and attractive products' on page 14 for more information).

We are proud of the efforts of our teams, and as an employer, our priority is to support them in their work. We aim to provide a fair and inclusive culture, suitable career development opportunities and the tools to help them look after their physical, mental and financial wellbeing.

CASE STUDY

For the second year in a row, Athora Netherlands has received the Top Employer certificate from the Top Employers Institute. The Institute analyses the HR policies of over 1,800 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, covering areas including employment conditions, training and development opportunities and IDE.



FOSTERING INCLUSION, DIVERSITY AND EQUALITY

At Athora, we seek to foster and promote Inclusion, Diversity and Equality (IDE). We want to create and maintain an environment where employees feel valued, listened to, and treated with respect. We acknowledge that developing a more gender-balanced workforce has been a long-standing challenge for our industry. We also recognise that diversity of many other visible and non-visible characteristics need to be considered in order to progress. This includes but is not limited to nationality, ethnicity, sexual orientation, and professional, social and educational background.

As well as being the right thing to do, we believe that IDE is fundamentally good for our business. We therefore established our IDE Council in 2021, with the mission to:

- Develop and deliver on our IDE vision and strategy
- Co-ordinate and enable collaboration between colleagues on IDE initiatives across Athora
- Champion IDE by acting as role models, representatives and advocates with regards to IDE topics
- Represent employees across Athora's regions and functional teams in building a strong IDE culture

In 2022, the IDE Council progressed towards its mission and assisted Athora in prioritising IDE across the Group. Our IDE strategy was drafted by the IDE Council in collaboration with the Group People & Culture function, the I Am Athora Network (IAAN) and members of our Group Board, and was signed off by the Group Board in December 2022. Semi-annual updates will be provided to the Group Board on progress in delivering the strategy, with ad-hoc guidance and approval sought for meaningful IDE decisions.

OUR IDE 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 collectively and as individuals. 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.

We focus our attention within IDE on the important and tangible areas of recruitment, retention and engagement. We have made progress on gender diversity and, as with many of our peers, continue to seek advancements in this area and over other diversity measures.

KEY PEOPLE DIVERSITY DEMOGRAPHICS

- Our workforce across Athora is made up of 39% women and 61% men
- 27% of our senior leaders are women¹
- 17% of employees work part-time

1 Defined as Athora employees who lead and manage Athora Group (including Business Units and functions).

We actively seek input and invite as much feedback as possible from our employees towards all our IDE initiatives. For example, in 2022, we expanded the number of IDE-related questions in our annual employee engagement survey to gain richer insight into employees' thoughts and feelings about IDE at Athora.



¹ Independent Non-Executive Director

“ The importance of Inclusion, Diversity and Equality to Athora cannot be overstated. Fundamentally, our role as an insurer is to deliver the best possible human outcomes through our products and services. It is only with a strong IDE culture that we will truly connect with this human core of what we do. Going forward, we must celebrate our IDE successes, candidly acknowledge our shortcomings and strive to incorporate our values into everything we do. I am humbled and excited to be a small part of this journey.”

Adam Uddin
Chair of IDE Council and Athora Group Senior Manager, New Business and Pensions

CASE STUDY

To further raise awareness and prioritise IDE within Athora Netherlands, a Diversity Officer was appointed in 2022. The Diversity Officer works with HR and other stakeholders to design and implement IDE guidelines, and encourage managers (and employees at all levels) to take ownership of IDE within their teams.

ATHORA WOMEN'S INCLUSION NETWORK (AWIN)

In 2022, a group of colleagues came together to set up the Athora Women's Inclusion Network (AWIN). As our first Employee Resource Group, this was a significant milestone for Athora.

As an employee-led initiative, the network aims to contribute to addressing gender imbalance in the financial sector and providing a platform for all Athora employees to discuss gender-related issues.

The initiative is supported by Athora leadership including our Group Chief Executive Officer, General Counsel and Independent Board Directors, who joined roundtable discussions on gender equality and equity with employees from our London, Dublin and Bermuda offices. These roundtable sessions covered issues including career advancement and psychological safety, and how we can promote gender equity at Athora.

“ AWIN was born out of the shared interest to promote gender equity and inclusion within Athora. We want to provide a platform where women come together to collaborate and support and inspire each other to succeed in their careers. AWIN is as much about self-growth as it is about bringing about cultural change and creating inclusive working environments.”

Nakita Patel
AWIN co-founder and Group Senior Legal Counsel

PROMOTING CULTURE AND LEADERSHIP DEVELOPMENT

Athora Group continues to expand with the acquisition of new businesses. We recognise that local needs and cultures differ. While we expect those who join the Group to embrace our core values, we understand the importance of our Business Units maintaining their unique identities.

The acquisition of Athora Italia has been a great example of this: bringing ~90 new colleagues into our company who have enriched our culture and organisation. Our Italian colleagues quickly joined relevant governance and leadership forums to bring their experience and perspective to discussions. Athora Italia also participated in our November 2022 employee engagement survey, and the results of this survey showed a high level of engagement and strong support for Athora values even at this early stage.

The culture fostered within our leadership is fundamental to the culture of Athora. The I Am Athora Network (IAAN) was set up in 2021 as a Group-wide leadership network and has continued to grow. During 2022, the network remained key to facilitating our broad leadership groups' involvement in the key strategic aspects of our business. IAAN holds Quarterly Business Reviews and ad-hoc updates focused on key developments across the business.

We also seek to foster wider collaboration among our leaders. In 2022, our leadership conference, a key event on the IAAN calendar, was held at the same time and place as our annual INED¹ conference. This aimed to foster interaction between the groups, and was well received amongst attendees.

CODE OF CONDUCT

To support the maintenance and growth of our culture and values, we revised our Code of Conduct in 2022, which is intended to apply across the Athora Group. This is a living document which designates the conduct, values and behaviours we expect of all our employees, with a view to building and maintaining trust with our stakeholders and each other. The Code of Conduct document is available on our [website](#) and designed to be shared with other stakeholders, such as business partners and contractors.

Our Code of Conduct embodies our values and guides our behaviours, actions and decisions to ensure we carry out our business in a way that is right for all our stakeholders: customers, employees, regulators, supervisors, investors, the public and strategic partners.

Our values and our behaviours are our unique identity as an organisation. They inform how we do business and create a common shared identity. They are visible in our collective and individual actions: the way we make decisions, how we interact with each other, even the words we use and the way we think.

Our Code of Conduct also outlines our approach to addressing complex or unpredictable situations; empowering and encouraging all of our employees to speak up if they witness inappropriate behaviour or actions. We advocate that employees address situations with curiosity rather than judgement, and should issues be of a more serious nature, we encourage use of several channels for raising concerns, including a 'Speak Up Hotline', run by a third-party provider.

The Code of Conduct is designed to help create a trusting and safe workplace culture at Athora where everyone can thrive.



“ Athora is built on trust. Our customers trust us to fulfil their long-term insurance needs. Therefore, in creating our new Code of Conduct we placed trust right at its very heart. Alongside our commitment to building and maintaining trust with our customers, we pledge to build and maintain that trust with everyone we interact with, including governments, regulators, supervisors, investors, the public and each other. I am incredibly proud of our new Code of Conduct, our achievements to date and all our achievements to come.”

Gillian Harvey
Group Senior Compliance Manager

EMPLOYEE RECOGNITION

The third edition of our annual Living Athora Values Awards took place in 2022. This Group-wide recognition programme is sponsored by local leadership and encourages individuals to celebrate their colleagues for exemplifying Athora values. We continue to see year-on-year increases in participation levels, with more and more colleagues nominating others for living and breathing our values.



CASE STUDY

Acting on data about feedback and recognition from the employee engagement survey, Athora Belgium launched a new programme across the Business Unit, including four half-day training modules, aimed at enhancing collaboration in these areas and instilling an agreed framework, norms and standards. Furthermore, new initiatives were implemented during 2022. Feedback Friday, for example, sees employees publicly posting positive feedback about colleagues to the intranet. Another new initiative saw the introduction of a recognition trophy, whereby one colleague passes on the trophy to another colleague to recognise great work.

ENABLING EMPLOYEE TALENT AND DEVELOPMENT

We strive to support our employees in their career development throughout all stages of their working lives, including continued education and professional qualifications, technical and soft skill training¹, and coaching and mentoring.

All managers are encouraged to develop personal development plans for permanent employees, who all receive an annual performance review, during which career development discussions can take place. On top of this, we encourage our managers to hold regular development check-ins during the year.

In 2022, we further embedded succession planning and key talent identification across the organisation. We identified talent development plans and continued to develop our talent programme, taking feedback and input from our employees and working to ensure engagement. 85% of employees took part in our employee engagement survey in 2022, and we observed an overall increase in engagement levels.

With the employment market providing increased opportunities for employee movement during 2022, we have worked hard to attract and retain talent. We have introduced key retention programmes focusing on supporting our employees through organisational change, including increased communication and engagement efforts, and providing insight on the future career opportunities at Athora. We encourage internal mobility for our employees, with all internal career opportunities posted on our intranet, as well as some promotion via newsletters.

188

new hires²
in 2022

8%³

total voluntary
turnover rate
in 2022

CASE STUDY

While we are pleased with the reported increase in our employee satisfaction, we continually seek to improve this further. To this end, each function and Business Unit have developed Engagement Plans for 2023 to address the employee survey actions.

CASE STUDY

At Athora Netherlands, we ran the Develop & Accelerate Programme (D&A) twice, in June 2022 and December 2022. The D&A initiative focuses on both personal development and upskilling on the transformation of our business. Participants worked towards personal goals and strategic assignments on themes such as change management, stakeholder management and leadership.

SUPPORTING EMPLOYEE HEALTH AND WELLBEING

Employee wellbeing is fundamental to our success at Athora. We are conscious of the lasting impacts that the COVID-19 pandemic has had on the work environment, and seek to build on the positive changes while finding ways to minimise the risks. For example, taking advantage of the benefits of hybrid working, while recognising that colleagues may need support in managing the reduced boundary between work and home.

We have therefore maintained many of the mental and physical health support measures implemented during the COVID-19 pandemic, providing our employees with a greater range of avenues to improve and sustain their wellbeing.

Colleagues have access to Employee Assistance Programmes in their local jurisdictions through which they can gain emotional and practical support on a range of topics. Professional advisers can help with issues such as caring for relatives, finding a psychotherapist, or simply providing the space to listen.

CASE STUDY

At Athora Belgium, we have an in-house nurse-coach at the office to support the physical and mental health and wellbeing of employees.

CASE STUDY

During 2022, Athora Belgium employees received training on workplace ergonomics and wellness (e.g. desk setup, drinking enough water during the day). This training covered not only how to improve their own situation but also how to approach advising colleagues to look after theirs. We want to help our employees avoid the effects of prolonged sitting, so we encourage each other to stretch and move while working.



¹ Athora provides internal training courses on a range of topics, including anti-trust, anti-corruption, anti-discrimination, anti-harassment, conduct and business ethics, cybersecurity, data privacy, the emergency response plan, the Employee Handbook, health and safety, human rights and trafficking, vendor Code of Conduct, and whistleblowing. Training on the updated Code of Conduct is underway.
² For purposes of this metric, 'new hires' means either (1) an employee who has not previously been employed by Athora, or (2) an employee who was previously employed by Athora but has been separated from such prior employment for at least 60 consecutive days.
³ The number of employees voluntarily leaving the company during 2022 divided by the average number of company employees. Voluntary separations do not include promotions, transfers and other internal movements, layoffs, dismissals or retirement.

We have also continued to build on our ‘Smart Working’ Framework, empowering our employees to gain the most from hybrid working and find the right balance for their business, team and individual needs. We seek to retain the benefits of working from home while allowing for the social cohesion from working together in the office. We have seen stronger attendance in our offices during 2022, which we feel is key for collaboration and wellbeing.

Since the COVID-19 pandemic, employee demand for hybrid working has grown, and tools that enable remote working have become standard across office-based businesses.

On top of these cultural and technological shifts, we believe that a well-designed hybrid working model improves employee wellbeing, as well as returning sustainability and efficiency benefits from reduced travel.

These are the drivers behind our Smart Working Framework, which can be tailored within Business Units and functions to best suit specific needs.



CASE STUDY

In June 2022, Athora Netherlands was recognised as Best Hybrid Employer by Zo Werkt Het, a collaborative platform focusing on solutions and campaigns for flexible working. The award category spans companies with over 200 employees in the North Holland province and honours organisations that have an excellent hybrid work routine.

CASE STUDY

At Athora Germany, we continued to offer free COVID-19 vaccinations to each employee and one other individual (friend or family member) of their choice. We also offer free flu vaccinations and eye examinations for employees, as well as a subsidy of up to €300 per year for glasses required for the workplace.

CASE STUDY

To improve our social cohesion, and linked with the drive for employees to return to the office for part of the week, our colleagues in Ireland arranged a number of team events during 2022.

Our Dublin Sports and Social Committee, a voluntary group of employees from our Dublin office, organised kayaking in the River Liffey and team entries into various running events, including the Staff relay series, the Grant Thornton 5k run and Dublin Run in the Dark.

Due to popular demand, weekly 5-a-side football games and a Christmas mulled wine evening were also both reinstated, after being paused due to COVID-19 restrictions.

We believe that spending time together in person is important for team synergy and wellbeing. We are pleased to have seen good event attendance from our Dublin colleagues, especially after the COVID-19-enforced distancing in previous years.





CASE STUDY

In 2022, our Athora Netherlands colleagues set out a new approach to implementing the Smart Working Framework.

As part of this redesign, 'PASS principles' were established. PASS is an abbreviation that has several meanings: Pick a Smart Site, Pick a Smart Spot, Pick a Smart Solution. It encourages our Netherlands colleagues to think 'smart' about how we do our work, where we work and which agreements we make together in order to achieve a good result.

There are four PASS principles:

1. The nature of the work determines where we work
2. Joint responsibility for contributing to the organisation and to the team
3. Each employee is responsible for his or her own vitality and performance
4. The principles must be practical

PASS principles encourage ownership and responsibility, with teams and individuals deciding what works best in order to work effectively and meet our business goals.

PROMOTING FAIR AND BALANCED REMUNERATION

We strive to employ and maintain the best talent at Athora, and aim to provide appealing employment packages to achieve this goal. Our Group Remuneration Policy remains key to our approach in compensating and incentivising our employees, including our Independent Board Directors.

We review our packages regularly in line with various measures. During 2022, our Bermuda office conducted a local market benchmarking study, and other offices, including Ireland and the United Kingdom, have performed reviews in respect of inflation.

CASE STUDY

In December 2022, we announced our all-employee share plan. To thank employees for their contribution to Athora's growth and enable them to share Athora's success in a meaningful way, eligible employees were awarded up to 100 phantom shares in January 2023. This move further gives our employees a sense of ownership and rewards them directly for their efforts.

OUTLOOK

We will continue to build on our employee engagement levels, ensuring that we continue to encourage dialogue, listen, and seek and act on feedback from our employees.

As part of the Engagement Plans for 2023, dialogue sessions with managers have been planned to discuss the survey results further and ensure employee voices are heard. We have also begun the process of sourcing a suitable third-party offering for employees who experience work-related stress.

We have launched our revised Board-approved Group Code of Conduct and will embed this into the business, with compulsory training¹ to support take-up, including workshops on defining and articulating behaviours.

More widely, Group Key Risk Indicators will be established to help us measure the improvements in this area, in particular from the perspective of creating a culture where colleagues feel comfortable managing risks and speaking up.

Our IDE efforts will continue to progress, with Group KPIs to be built on during 2023, further embedding accountability and structure. These will be complemented by the development of gender equity initiatives and the expansion of AWIN to local levels.

We will also be launching a pilot of our IDE themed book club, 'Perspectives', providing an environment for people to come together to discuss issues in a safe space. We will continue to seek employee input in our IDE efforts (and elsewhere), with the circulation of 'Idea Forms' to gather feedback and thoughts on the implementation of our strategy.

Talent development is another key focus for 2023. We will launch our first Group-wide Learning and Development platform, and perform further analysis to ensure that our employees are equipped with the right skills and capabilities for a dynamic and fast-changing market.

Finally, we will continue to expand the availability of our employee share plans, with a view to employee ownership becoming a clear part of our culture at Athora.

¹ Responsibility for this training lies with the Board, who delegate through the Group Management Committee to the Group Compliance function. Completion statistics for the training will be recorded and the course will be reviewed and updated at least annually.

OUR ROLE AS A CORPORATE CITIZEN



KEY 2022 HIGHLIGHTS

- €680,000 (corporate and employee donations) and 660 hours of volunteer time donated to local and international charities
- Group Charitable Efforts guidelines developed
- Group-wide approach to measuring greenhouse gas (GHG) emissions established
- €455.3 million in total taxes contributed in jurisdictions where we operate

We seek to lead by example and believe in the importance of driving forward positive environmental and social outcomes. Environmental outcomes not only affect our planet but also our communities, and we seek to recognise the interrelated nature of these two sets of outcomes.

We look to measure and reduce our greenhouse gas (GHG) emissions, protect life and nature, promote responsible production and consumption, and deliver a sustainable supply chain. We also employ responsible management of our own operations, robust governance structures, transparent performance reporting, and contributions through our taxes and charitable initiatives.

CASE STUDY

In 2022, Athora Netherlands launched Sustainability awareness training for all staff. This included a new intranet section dedicated to the Athora Netherlands Sustainability Strategy and other key Sustainability content.

REDUCING GREENHOUSE GAS EMISSIONS

The effects of climate change on our planet are evident and increasing. We understand the significant impacts that our actions at Athora can have, both through our investments and our own business operations. We are committed to tackling the climate crisis and contribute to preventing the loss of biodiversity and nature.

In 2022, we rolled out a Group-wide approach to measuring the GHG emissions from our own business operations with objectives to set targets and reduce emissions.

We are committed to setting our targets based on relevant and credible data. We continually seek to increase the robustness of our Group-level impact measurements, both for operations and investments (for more information on investment impact, see 'Task Force on Climate-related Financial Disclosures (TCFD) considerations - Risk management' on page 39).

Our GHG emissions reduction initiatives and solutions continue across our operations, including waste recycling, donation of end-of-life electronics to charities, installation of motion sensors to reduce water and energy consumption, transition towards fully electric car fleets and continuation of our hybrid working model.

Total energy consumption in 2022:

3,551,514 kWh¹



Athora Netherlands' own operations have been net-neutral since 2015, and we aim to be fully CO₂ neutral without the use of carbon credits by 2030. Athora Netherlands has also set a target to achieve overall net-zero GHG emissions by 2050, with additional intermediate targets:

- A reduction of 50% in GHG emissions by 2030 compared to 2019
- A reduction of 75% in GHG emissions by 2040 compared to 2019

Good progress has been made against these targets so far. Comparing 2022 against 2019, Athora Netherlands saw a 76% drop in net carbon emissions, a 45% reduction in electricity use, and an 83% reduction in gas use.

These reductions have been driven by the increase in home working, reduction of staff and transition to an electric lease car fleet. Our fleet transformation will be complete by 2026, negating the single biggest source of CO₂ emissions from Athora Netherlands' own operations.

While Scope 3 (own operations) emissions have increased since 2021 due to increased office working and business travel, they remain lower than before the COVID-19 pandemic.

At Athora Belgium, we are also moving towards fully electric car fleets, and in 2022 offered 20 electric cars and 16 plug-in hybrid cars in order to lower our CO₂ emissions.

CASE STUDY

At our London and Dublin offices, we began to source our electricity from certified renewable sources in 2022. Our London office is now running on fully renewable energy sources. These changes have helped to reduce our market-based Scope 2 carbon emissions.

¹ This amount is the sum of the energy consumption measured during 2022 in the following locations: Hamilton, Bermuda; Dublin, Ireland; London, UK; Alkmaar and Amstelveen, Netherlands; Brussels, Belgium; Wiesbaden, Germany.



PROTECTING LIFE AND NATURE

One of our key Sustainability themes at Athora is *protecting life and nature*. We continually search for useful ways to contribute to preserving the biodiversity and environmental resources of our planet.

As well as the practical and operational actions we can take, we also recognise the role of our investments in protecting life and nature (for more information, see 'Our role as an Investor' on page 34).

CASE STUDY

Athora Netherlands is a signatory of the Finance for Biodiversity Pledge, committing to various measures, including managing the business' investment activities with a view to protect biodiversity.

Our Dutch business has made good progress towards the target of 0% deforestation within the Athora Netherlands portfolio by 2030, a commitment aligning with declarations made at COP26 in November 2022.

PROMOTING RESPONSIBLE PRODUCTION AND CONSUMPTION

We continue to reduce our environmental impact by scaling back the number of physical materials, water and energy we use in daily activities across our operations.

We moved into a new office in Bermuda during 2022, and prepared for office moves in other locations. In assessing new spaces, we have considered the Sustainability characteristics of the buildings, including smart heating, recycling and low-carbon commuting options (e.g. cycling).



CASE STUDY

Athora Netherlands is involved in a circular economy partnership: Closing the Loop. The partnership facilitates donation of functional technological equipment to developing nations, taking back the same amount to be recycled for parts.

The scheme works with countries in Sub-Saharan Africa that have limited facilities for recycling. The partnership therefore not only supports the positive environmental impact of recycling and reusing valuable raw materials, but also rids communities of unpleasant landfill waste.

Local partners are trained to prepare the old equipment so that it can be transported efficiently, creating employment and minimising shipping costs.

The equivalent of 200 telephones and 150 laptops have been exchanged over 2022.

CASE STUDY

The increase in the use of computing technology and its power come with higher energy consumption and associated GHG emissions. Athora Netherlands actively seeks ways to minimise these effects.

The use of cloud software and storage reduces energy consumption and emissions, and the removal of electronic documents once they are no longer needed is critically considered. Athora Netherlands is also exploring the development of energy efficient algorithms.

Phones, laptops and other electronic devices are 'waste neutral', meaning that they do not go to landfill, but are refurbished, reused, and ultimately, responsibly recycled. This avoids unnecessary CO₂ emissions as well as saving valuable (and sometimes hazardous) raw materials.

DELIVERING A SUSTAINABLE SUPPLY CHAIN

We hold ourselves to high ethical standards, and we expect our business and strategic partners to meet these too.

When establishing new relationships or building on existing ones, we aim to:

- Involve our Sourcing and Vendor Management team from an early stage
- Ensure that the principles of integrity, fairness, impartiality and discretion are fully met during the selection process
- Apply thorough due diligence on potential business partners
- Have business partners commit to abide by our Code of Conduct as well as by a range of other important Athora standards and rules

We vet our suppliers to ensure that they are operating with standards that we would be happy to follow ourselves.

We continue to perform regular service management reviews and due-diligence risk assessments on our supply chain partners that are providing critical and material services, ensuring that Sustainability standards are upheld. Screening for anti-bribery and anti-corruption matters must be completed satisfactorily in order for us to work with both new vendors, and existing vendors at contract renewal. Our Group Outsourcing Policy and Sourcing and Vendor Management Policy, which includes our Vendor Code of Conduct, lay out our third-party management policies in detail.

We are committed to upholding international human rights standards and integrate this commitment into our business, and expect everyone working for and with Athora to do so as well. We have a zero-tolerance approach to any forms of modern slavery and human trafficking in our organisation and supply chain, including child and forced labour.

We voluntarily published a [Modern Slavery statement](#) signed by our Group CEO in September 2022. This reaffirms our unwavering commitment to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

CASE STUDY

With the upcoming requirements of the EU Corporate Sustainability Reporting Directive 2022/2464 (CSRD) and Corporate Sustainability Due Diligence Directive (CSDDD), Scope 3 emissions will soon need to be measured and reduced for alignment to a 1.5°C climate scenario.

Athora Netherlands has started building provisions for this into supplier procurement, adding Sustainability criteria in supplier contracts to build a comprehensive view on emissions and other climate risks in the value chain.

Ultimately, our Netherlands business aims to only contract with parties that align with a net-zero GHG emissions by 2040 target, and is developing purchasing policies to reflect this.

CASE STUDY

Athora Germany's document management is performed by an outsourcing partner, Behindertenwerk-Main-Kinzig (BWMK), who offer work and qualifications for people with disabilities. The process involves BWMK employees sorting, scanning and indexing our hard copy documents. Our German business has been working with BWMK since 2021 and are pleased to be continuing this relationship into 2023.

SUPPORTING OUR COMMUNITIES

We encourage colleagues to play their part by supporting our communities and taking part in volunteering opportunities. We offer time for employees to volunteer during work hours and look for meaningful ways that we can contribute as a group.

In 2022, we increased our volunteering and fundraising activities in line with the lifting of COVID-19 restrictions. During the year, we collectively donated approximately €680,000 to local and international charities through corporate donations and employee fundraising.

Key highlights of our 2022 charitable initiatives include:

- **Belgium:** We raised €79,120 for cancer and leukaemia research via the online auction of artworks from our former office on Avenue Louise in Brussels. This auction stemmed from the idea of an Athora Belgium employee; we actively encourage our employees to take on charitable works, and grant them the space to do so.
- **Netherlands:** We commenced a partnership with NL Cares through our local charitable foundation, Samen voor Later (Together for Later). This partnership provides employees with an online platform where they can access numerous volunteer opportunities and is further aimed at encouraging colleagues to give back to our local communities.
- **United Kingdom:** We set up a local charity committee and selected homelessness charity Crisis as our charity partner.

- **Ireland:** We continued our partnership with Hugh's House, which offers free accommodation to parents and family members of sick children in hospitals in Dublin. Now in its fourth year, our partnership has enabled Hugh's House to invest in significantly upgrading both of its properties, in addition to offering volunteering opportunities to our employees.
- **Bermuda:** We sponsored the Athora 8k Run & Walk in aid of The Coalition for the Protection of Children, including supporting our employees to volunteer in various roles throughout the event.

We continued to support the Bermuda College – the only higher education institution in Bermuda – through the Bermuda College Foundation. In 2022, the Career Development Centre, whose development we co-funded, opened its doors. The state-of-the-art Centre provides modern, technology-enabled spaces and will allow the College to offer enhanced upskilling and retraining opportunities to the local community.

We are also one of the sponsors of the Butterfield Bermuda Championship, a PGA Tour competition whose charity programme, Birdies for Charity, supports charities on the island of Bermuda.

- **Italy:** We made financial donations to Banco Alimentare, a non-profit supporting food redistribution to those in need; and Comunità Sant-Egidio, a Catholic association bringing together volunteers to help alleviate poverty.



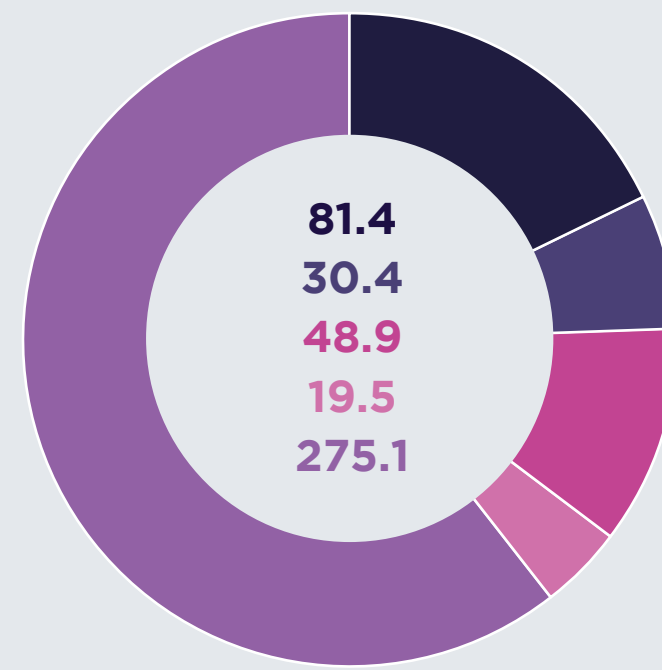
Across the Group, we supported charitable efforts in relation to the Ukraine crisis with corporate and employee financial donations, totalling over €400,000. First aid equipment and supplies were also donated by our Irish office. Athora Netherlands contributed an empty office building to temporarily house 300 Ukrainian refugees; the building has been refurbished appropriately and was opened to refugees in early 2023. Some of our employees have also offered housing and other support to Ukrainian families displaced by the conflict.

In order to increase coordination across the Group, we developed our Group Charitable Efforts Guidelines in 2022. These guidelines govern the approach to selecting charitable organisations and donation budgets.

We also aim to support our communities through recruiting and developing people local to the country in which they are hired. As at the end of 2022, 89% of our senior leadership teams¹ were local hires.

ADHERING TO A TRANSPARENT APPROACH TO TAX

FIGURE 3



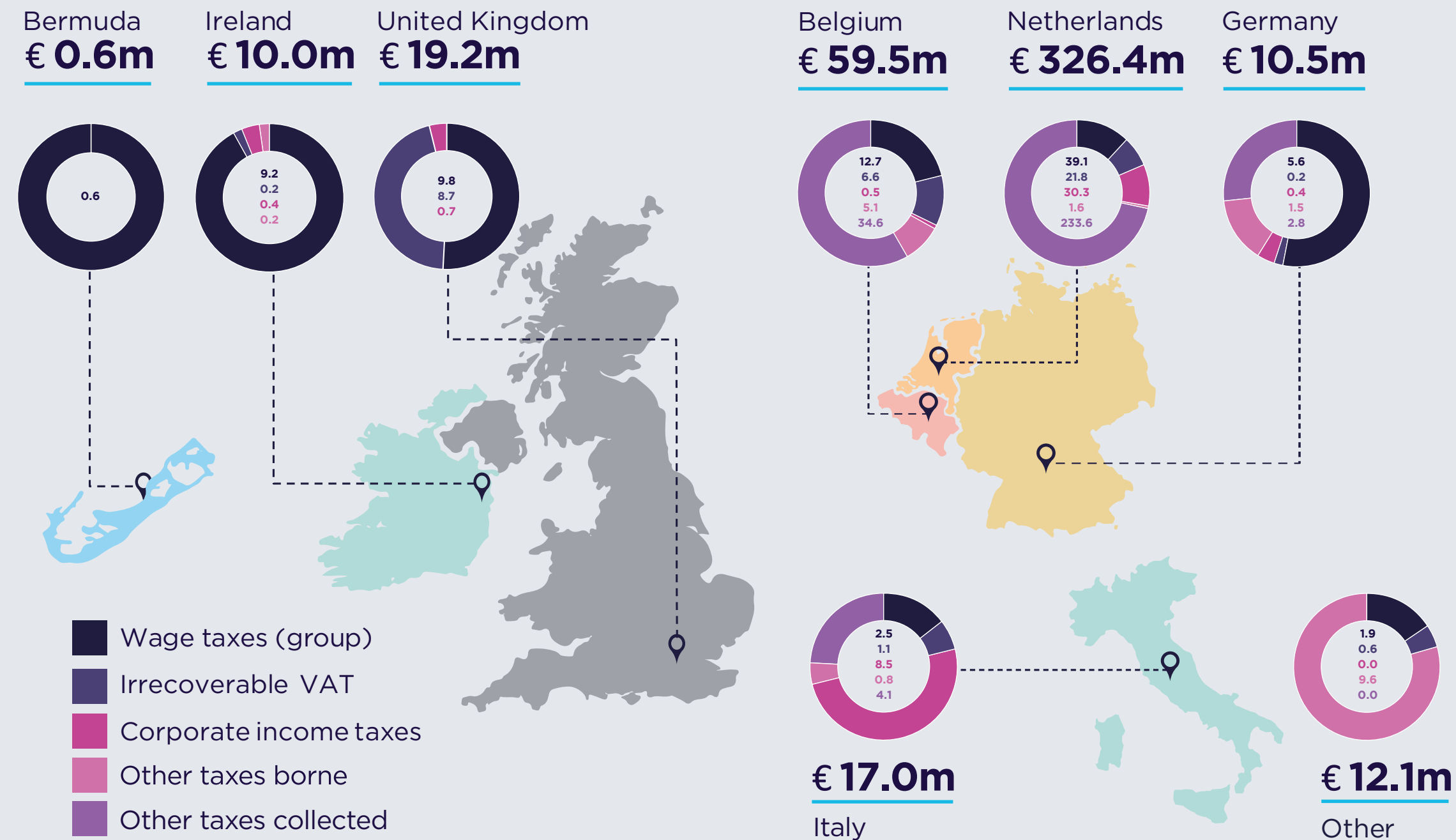
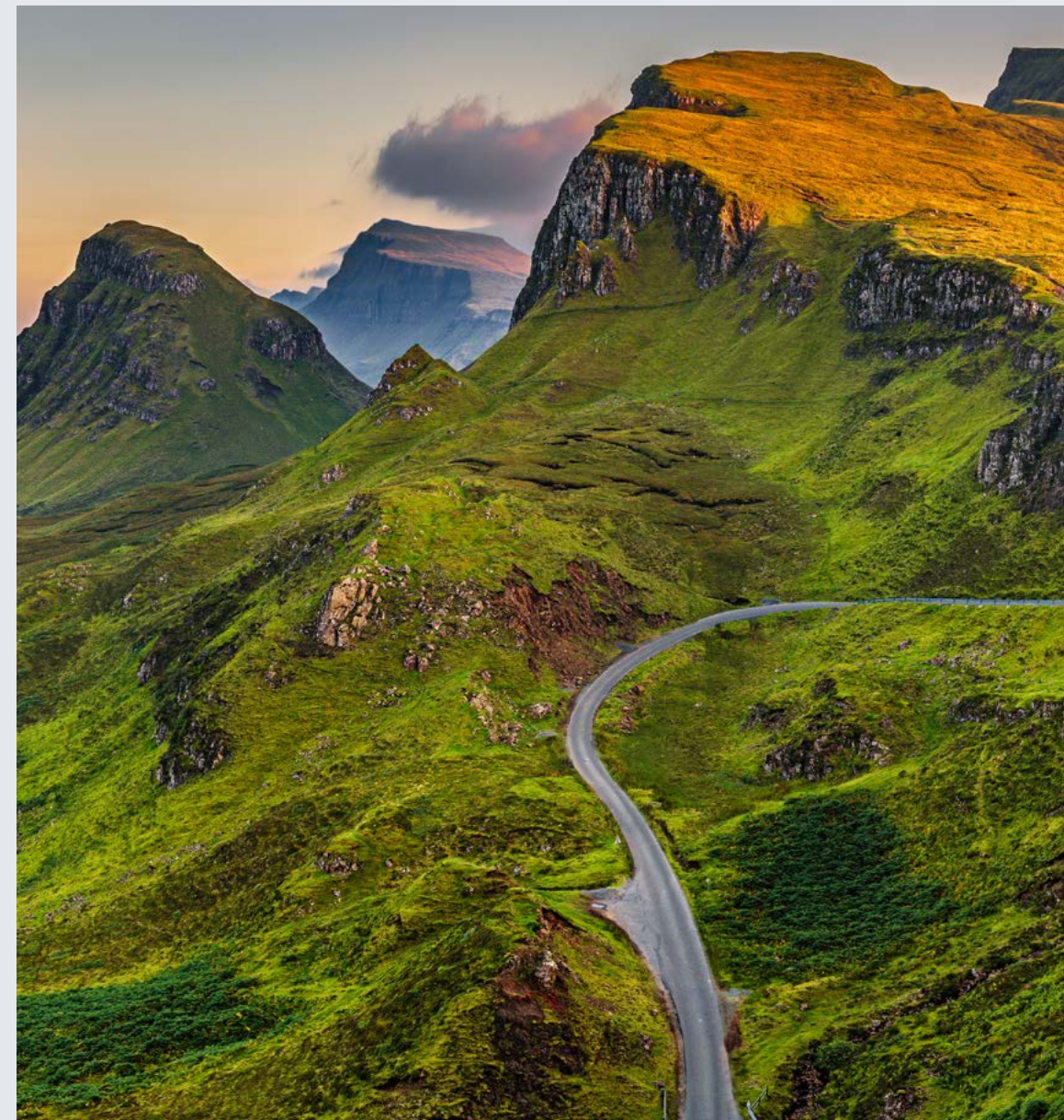
Athora Group
€ 455.3m
 Total tax contribution

At Athora, we take a transparent approach to tax as outlined in our [Athora Group Tax Policy](#). We take care to ensure that we pay taxes in the countries where we operate and generate our income in full compliance with applicable legal requirements. We understand that the long-term interests of the communities in our jurisdictions are best served when we pay the appropriate amount of tax. In 2022, our total tax contribution amounted to €455.3 million (see Figure 3). This can be divided into total taxes borne of €115.8 million and total taxes collected of €339.5 million.

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.



¹ Defined as Athora employees who lead and manage Athora Group (including Business Units and functions).

MAINTAINING HIGH STANDARDS OF GOVERNANCE AND COMPLIANCE

Across our Group, we maintain high standards of governance, transparency and good relationships with our regulators.

Despite being a young organisation, we have a relatively mature governance structure, with five independent directors on our Group Board, and a committee structure that ensures deep and specific ownership by the Group Board members. As a financial services group, we understand that transparency and robust governance is vital to the security of our customers' assets.

Compliance functions within our Business Units support the Group by monitoring applicable regulations and actively managing compliance risks in each of our jurisdictions, with holistic coordination from our Group Compliance function where required. 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.

“Sustainability is being built into the heart of our corporate governance framework. The strengthening of corporate governance reinforces the importance of Sustainability across the business.”

Nick Kitching
Group Head of Corporate Governance

Regulatory compliance

In 2020, the Bermuda Monetary Authority (BMA) became group supervisor of the Athora Group's college of supervisors, through which we commenced periodic regulatory meetings with all of our principal insurance regulators. We published our third consolidated [annual report](#) earlier this year and are continuing to improve our disclosures and transparency.

We work to ensure full compliance with the regulatory landscape as it pertains to Sustainability in each of our jurisdictions, and actively monitor and manage compliance-related risks.

In March 2023, the BMA published a Guidance Note: 'Management of Climate Change Risks for Commercial Insurers'. This outlines its expectations for commercial insurers and insurance groups on their management and reporting of climate-related risks.

We are committed to strengthening our governance, risk management practices, framework and measures for climate risk, in line with the BMA's guidance.

In the European markets, we have seen the introduction of the EU Sustainable Financial Disclosures Regulation 2019/2088 (SFDR) in December 2019, its subsequent application through the SFDR itself in March 2021 (SFDR Level 1) and then through the recent adoption of related EU regulatory technical standards in January 2023 (SFDR Level 2). The SFDR and its delegated instruments have provided clear standards on the transparency of Sustainability risks and the integration of Sustainability factors for financial market participants and financial advisers.

The introduction of SFDR Level 1 required us to assess the integration of Sustainability factors in our investments and products, any potentially significant (negative) ESG impacts of assets under our management, and to disclose the results to customers. We have embraced this challenge and transparently classified our products and services in alignment with SFDR disclosure provisions.

SFDR Level 2 clarified the reporting and disclosure requirements, notably by implementing dedicated precontractual information templates and principal adverse impact indicators. We support these clarifications and have aligned our documents, policies, website and other communications with these.

We also work towards ensuring adherence to other EU Sustainability reporting directives. These include the Insurance Distribution Directive (EU) 2016/97 (IDD) and its associated instruments and guidelines, including the European Insurance and Occupational Pensions Authority's (EIOPA) 'Guidance on the integration of the customer's Sustainability preferences in the suitability assessment under IDD' published in July 2022, the [EU taxonomy for sustainable activities](#), and the upcoming requirements of the EU Corporate Sustainability Reporting Directive 2022/2464 (CSRD).





Upholding business ethics

Ethics is integral to Athora's long-term Sustainability, and we support a number of methods for stakeholders to flag ethical concerns. We welcome concerns shared by employees, including pre and post their employment. We also welcome concerns from customers, investors, strategic partners and the public in general.

Employees with a concern can speak with their line manager, another trusted leader, or a number of other points of contact including the People & Culture function (equivalent to Human Resources), Compliance (local or Group), Group Internal Audit and the Group Audit Committee. For Speaking Up matters, we also have an anonymous hotline employees can contact, which is run by an independent third party.

Speaking up

Our Speaking Up processes are outlined in our Code of Conduct.

Where a Speaking Up report is received via the hotline, the local Head of Compliance (or the Group Head of Compliance, depending upon the allegations) is responsible for the following:

- Acknowledging receipt within seven days of submission
- Ensuring there is sufficient information included to carry out an investigation (the Head of Compliance may contact the reporter to facilitate this)
- Assigning an appropriate investigation team based on the contents and theme of the report
- Ensuring the investigation is completed within sufficient timelines (no later than three months from receipt of the report) and followed up with a clear set of actions to be addressed
- Notifying the reporter of the general outcome

Local processes in line with local regulations may also apply.

Investigations are conducted in accordance with our Code of Conduct. The reporter's identity will be kept confidential outside of the investigation team unless disclosure is required by law. If helpful to the investigation for other individuals (e.g. those that are being questioned in relation to the incident) to know the identity of the reporter, the reporter's permission to share this must be sought explicitly.

To ensure that concerns are shared appropriately between Business Units and Group, and to facilitate informal collaboration where required, the Business Unit Compliance functions have formal check-in points with the Group Compliance function throughout the year. These include sharing an annual report, plan and risk assessment, and attending specific forums and working groups with regular meeting times.

Speaking Up matters are also flagged beyond our Compliance teams and, at a minimum, reported to the Group Audit Committee. Our Group Audit Committee provides regular updates to the Group Board regarding any concerns raised during the year, and actions taken to resolve them.

Grievance processes

Each grievance received is formally investigated as per our procedure and is monitored to ensure that any remediation has been implemented. If we decide to proceed with an investigation, the individual raising the concern retains full confidentiality throughout the process. Should an investigation find in favour of the complainant, recommendations will be made to change the relevant internal processes and procedures.

At Athora, we take employees' feedback seriously and ensure processes and procedures are regularly updated in line with best governance practice. The Group People & Culture function is responsible for reviewing the process to identify areas of improvement.



Conflicts of interest

Athora also has a responsibility to avoid any actual or potential conflicts of interest which could damage our business reputation and/or give rise to a material risk of damage to the interests of our customers, employees, investors, the public and strategic partners.

At the Group Board level, the Conflict Committee, composed of Independent Directors and one Shareholder Director, monitors and assesses any actual and potential conflicts of interest. Athora has a Group-wide Conflicts of Interest Policy that must be adopted by all our Business Units on a comply-or-explain basis. This policy sees Athora annually ask our employees to attest to their compliance with the policy alongside disclosing any actual or potential conflicts of interest.

Directors at Athora must also immediately notify the Conflict Committee of actual or potential conflicts or a change in circumstances relating to an existing authorisation and commitment. They must also report any changes to their commitments to the Group Board.

The Conflicts Committee maintains a register of all conflicts, made available to the Directors of the Group Board. The register is owned by Group Compliance who, as appropriate, put in place mitigating controls in conjunction with the employees, management and local Compliance functions.

Anti corruption

We risk-assess all of our operations for potential corruption issues, with no incidents occurring in 2022.

To ensure our employees are aware of the risks of corruption, in addition to Code of Conduct training (see '8. Our role as an Employer – Outlook' for more information), all employees must complete Financial Crime training, with completion tracked and recorded, and training courses reviewed, enhanced and updated at least annually¹.

OUTLOOK

Over 2023 and beyond, we will continue driving charitable and fundraising opportunities in alignment with our Group Charitable Efforts guidelines, to help unify our initiatives.

We will continue to provide time and opportunities for our staff to take on volunteering and charitable activities. As well as the initiatives already in progress across our Group and Business Units, Athora Germany will be joining 'Wiesbaden engagiert', a week-long endeavour where companies grant their employees time during the working day for social projects.

Our ambition to protect life and nature continues over 2023, with 23 beehives and insect-friendly greenery being planted in a garden area of our Athora Germany office in Wiesbaden. Furthermore, our team in Bermuda is exploring partnership opportunities with organisations focused on marine life and biodiversity.

Athora Netherlands has also committed to excluding a number of at-risk companies from the investment portfolio due to biodiversity factors. Our Netherlands business is taking decisive action in support of our environment and upholding the Finance for Biodiversity Pledge.

To support our commitment to measuring and reducing GHG emissions, we will build on our Group-wide approach to measuring the GHG emissions from our own operations, and look to establish Group-level methods of measurement across our wider emissions responsibilities. This will enable us to work towards setting credible and relevant targets as a Group, including net-zero targets.

Furthermore, we will continue our transition to increasingly energy-efficient office spaces and supporting greener travel. Athora Germany expect to install a combined heat and power plant during 2023 which will reduce office energy consumption by up to 30%, and also intend to introduce vehicle e-charging points following employee feedback. Our UK employees moved to a new, greener, London office in May 2023, and our ongoing conversion to electric cars continues in Belgium and the Netherlands. Athora Netherlands is also developing plans to encourage employees towards low-carbon commuting and more sustainable home offices, as well as moving the Dutch headquarters into a new, energy-positive building in May 2023.

¹ Board members receive training on a range of business ethics topics, though not specific anti-corruption training.



OUR ROLE AS AN INVESTOR



KEY 2022 HIGHLIGHTS

- €73.8 billion of AuMA as at 31 December 2022
- €13.8 billion assets invested directly into the economy
- Continued to add impact investments to our Group portfolios
- Group [Sustainable Investment Policy](#) launched

SUSTAINABLE INVESTMENT POLICY

Launched in 2022, our Group-level Athora [Sustainable Investment Policy](#) 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. Our framework leans on four key pillars: Integration, Alignment, Engagement and Impact.

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 UN Global Compact, the UN SDGs and the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards of the International Sustainability Standards Board.

With over €70 billion AuMA, we recognise that we have an important role to play as a sustainable and responsible investor. We seek to enact real, long-lasting and positive change by leveraging our investment capabilities and business model. We strive to align our investments toward companies and countries which seek to make meaningful contributions to the United Nations Sustainable Development Goals (UN SDGs). We are proud to be one of Europe’s fastest growing insurance groups, and are aware of the opportunity this provides to make a profound impact through investing responsibly and sustainably.

PILLAR 1 Integration

Incorporating Sustainability considerations into investment analysis and decision-making processes

Our Sustainability principles run throughout the investment lifecycle; from the pre-due-diligence phase to ongoing monitoring post investment. Collaborating with our third-party asset managers, we assess potentially material risks and seek prospective Sustainability opportunities.

We use an ESG scoring approach for every asset we invest in and set a suitable ESG risk appetite ceiling for our Group portfolio (see Task Force on Climate-related Financial Disclosures (TCFD) considerations – Risk management’ on page 39 for more information).

PILLAR 2 Alignment

Aligning our investments with our Sustainability considerations and values

We avoid companies and issuers that pose a violation to the principles of the UN Global Compact or that operate in specific excluded industries (e.g. controversial weapons manufacture). We also limit our exposure to identified themes which are considered at risk from a Sustainability perspective, such as thermal coal mining and extraction.

Acknowledging the ongoing evolution of the Sustainability agenda, we undertake regular reviews of our themes, thresholds and targets for alignment.

PILLAR 3 Engagement

Engaging to drive sustainable behaviours

Where possible, we prefer to initiate engagement to realise positive behavioural change, rather than apply exclusions. We believe that engagement can enable us to reduce Sustainability-related risk throughout our portfolio, whilst generating long-term social and economic value. We work closely with our third-party asset managers who conduct this engagement on our behalf.

PILLAR 4 Impact

Directing investments to companies and projects exhibiting positive externalities

Athora and our strategic partners actively seek out investment opportunities that provide positive social or environmental impact.

INVESTING DIRECTLY INTO THE ECONOMY

Of our €73.8 billion AuMA, €13.8 billion is invested directly into the economy through private loans, mortgage loans and private equity investments. By dedicating a portion of our portfolio to direct investments, we support companies which may not have access to funding from public capital markets, and support small and medium enterprise growth.

Within our Group return-seeking portfolio, Athora prioritises value preservation. Our strategy is conservative, favouring defensive, anti-cyclical sectors which also deliver a positive contribution to the wider society.

While the Group portfolio is highly diversified in order to manage our risks sensibly, we are proud to invest in many businesses delivering impactful social outcomes.

CASE STUDY

In 2022, Athora Netherlands adopted an extensive set of sustainable investment KPIs and targets for each asset class in the investment portfolio, further integrating Sustainability objectives into the core investment process.

A key target is that of CO₂ reduction, and Athora Netherlands has made good progress in this area, tracking ahead of the goal of achieving net-zero GHG emissions by 2050.

Some of our lending commitments:

€80 million to a UK-based company providing substitute teachers across the UK at short notice. The company helps schools cover for unforeseen circumstances and continue their important task of educating children in the UK.

€70 million to a US-based company designing silicone breast prosthetics and related apparel for breast cancer patients. With a strong track record of innovation, the company prides itself on producing market-leading prosthetics, realistic in terms of their weight and feel. It has built up a broad patent portfolio since founding and continues to search for product breakthroughs within this important sphere.

€20 million to a US-based company offering solutions which enable long-term self-directed care. This type of care aims to empower individuals and provide choice in how they receive the support they need. The company focuses on vulnerable populations, including individuals with disabilities and chronic illnesses, and older adults who are Medicaid-eligible.

ENGAGING IN PARTNERSHIPS TO MAKE AN IMPACT

We expect our third-party asset managers to seek opportunities for positive impacts through our investments and actively engage with them to do so.

CASE STUDY

We hold investments of approximately €180 million in the Apollo Impact Mission (AIM) platform

AIM seeks to achieve meaningful impact at scale, by pursuing private equity-like opportunities with the intention of generating positive, measurable social and/or environmental impact while generating attractive risk-adjusted returns. For each opportunity, the team determines an Impact Mission, which encapsulates the impact they believe a company can achieve. Progress is quantified throughout the life of the investment through company-specific Impact KPIs aligned with the company's Impact Mission, including at least one negative externality.

AIM invests in mature companies that exhibit collinearity, meaning the impact they have is intrinsic to their business model, and thus profit and purpose are mutually reinforcing and intertwined. For these businesses, impact is not a concession but rather a driver of financial performance.

We are proud to be connected with such companies, and showcase one below:

- Reno De Medici (RDM) is one of the largest producers and distributors of recycled cartonboard in Europe. The company's products are used in packaging for food, pharmaceutical, cleaning and other products.
- RDM contributes to solutions that reduce the environmental burden of packaging, and plays a key role in the circular economy by transforming wastepaper into recycled cartonboard. Utilising recycled cartonboard prevents the waste of valuable raw materials that otherwise would end up in landfills, supports reuse and recycling, and minimises the need to utilise virgin material, therefore supporting forest preservation.
- By working with customers to accelerate the transition from less sustainable packaging substrates to recycled cartonboard, as well as continuously improving the environmental impacts of its production operations, the company can help drive positive environmental impact alongside financial performance.



CASE STUDY

In October 2022, we announced a reforestation and environmental awareness initiative in Puglia, Southern Italy, in collaboration with Fondazione Sylva and internationally renowned photographer Edward Burtynsky. The initiative aims to highlight the importance of biodiversity, and the social and economic impacts that environmental issues can cause.

The initiative stems from an impactful photographic series by Burtynsky, Xylella Studies. The images capture olive groves in Puglia destroyed by a plant bacteria whose spread was enabled by a lack of biodiversity. Athora leveraged our balance sheet to invest in a series of these photographs, and part of the proceeds are being used to support Fondazione Sylva in implementing a number of related activities: planting thousands of native trees in the region, hosting information sessions in local schools on the importance of conservation, and launching exhibitions to raise public awareness of the issues.

We are proud to be working with such partners, and together, seek to make a lasting positive impact on our environment and the communities who are suffering from its destruction.

CASE STUDY

In 2022, on behalf of Athora Netherlands, our strategic partner ACTIAM co-filed five shareholder resolutions; a shareholder resolution is a powerful proposal tool that can be used in combination with engagement and voting to place important issues on a company board's agenda.

One of the companies which received such a proposal was Chipotle Mexican Grill (Chipotle). ACTIAM's resolution regarded conducting a thorough water risk assessment of its supply chain. As a food company, Chipotle sources ingredients from producers that consume a large volume of water to grow the produce, and some of its suppliers operate in water-stressed regions.

Chipotle had previously stated that it would conduct a water risk assessment of suppliers but had not committed to a concrete timeline. After the resolution was filed, Chipotle engaged further with the investor group (including ACTIAM), accelerated its efforts and developed a clear timeline for the assessment.

ACTIAM's engagement has had a positive real-world impact, encouraging a more sustainable food supply chain in two clear ways: by limiting water use in water-stressed regions, and by encouraging the investee company to address its material risks, ensuring it can continue to provide its product and contributing to food system stability.

OUTLOOK

In 2022, we have acknowledged and reinforced our commitment to a number of international agreements and concepts through the launch of our Group Sustainable Investment Policy. We will continue to evaluate local and international frameworks and standards for asset owners going forward; assessing where these are applicable and useful for our business.

Athora Netherlands has set several sustainable investment KPIs and is progressing towards them. At a Group level, we seek to maintain sustainable balance sheet growth from an investment portfolio that falls within our ESG risk appetite. We continue to refine the way we measure ESG risks and set targets for our business, in particular from the perspective of being able to form a holistic view of our overall ESG risk.

We will also seek to further increase our Group exposure to ESG-conscious funds. To this end, in May 2023, Athora Holding made an investment of €30 million into an ESG liquidity fund, categorised as Article 8 under SFDR.

“Through the joint effort of our Sustainability, Investment and Data teams, we have made notable progress on gathering and aligning relevant data from various and varied sources. This will allow us to gain deeper insight into the ESG characteristics of our Investment portfolio, make more sustainable investment-decisions and demonstrate our progress in this area.”

Serge Lignot
Senior Director, Group Investment Operations

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) CONSIDERATIONS



We recognise the importance of disclosing in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and our approach to addressing the recommendations continues to develop. We are committed to ensuring that we consider climate-related risks and opportunities effectively in our business activities.

STRATEGY

Protecting life and nature is one of the key themes within our Sustainability Strategy Framework. We seek to reflect this within our day-to-day operations and through our investments, including recognising the importance of 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
- **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 continue to identify the following as significant climate-related opportunities for Athora:

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

GOVERNANCE

Sustainability and climate-related issues are the responsibility of the entire Group and we seek to embed them accordingly. We have assigned roles and responsibilities carefully to ensure appropriate governance over the monitoring, measurement and mitigation of our climate-related risks and opportunities.

At the Group level, the overall responsibility rests with the Management Committee. The Group Board receives Sustainability updates every six months within which further climate-related updates are encompassed. Similarly, the relevant Group senior management bodies (in 2022 our Group Management Executive Committee, and in 2023 the Group Management Committee and Group Operating Committee) receive Sustainability updates every three months or more frequently, as necessary.

For day-to-day processes, our Group Investment Office oversees Sustainability and climate-related risks across our investments, in collaboration with the Business Units and second line functions. Our ESG Investment Risk Policy guides our assessment of ESG risks and any mitigating actions that need to be put in place.

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



RISK MANAGEMENT

ESG investment risk

Our investment activities expose us to ESG investment risks (including climate-related ones) across industries, sectors, geographies and financial instruments. Athora's financial performance and solvency could be heavily affected by the cumulative effect of such risks. Our [Sustainable Investment Policy](#) guides us in ensuring that Sustainability and climate-related risks and opportunities are appropriately considered at all stages of our investment activities, from due-diligence to post acquisition.

Further to this, our ESG Investment Risk Policy supports us in the running of an effective ESG investment risk management system, covering our strategies, processes and reporting procedures as we measure and report on the financial impact of Sustainability and climate-related risks in our investment portfolio. The policy also governs our responsible corporate behaviour towards the integration of ESG investment risk factors through monitoring of aggregated ESG scores in our portfolio.

Climate-related risks

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

We are pleased with our overall approach to risk management in this area but remain conscious of the need to continue to develop as the landscape evolves.

METRICS AND TARGETS

We seek to reduce GHG emissions across our operations and investments, and recognise the importance of transitioning to a low-carbon future. We seek to set our net-zero and related targets as a Group, and as such look to find holistic approaches to their measurement. In 2022, we rolled out a Group-wide approach to measuring the carbon footprint from our business operations which we continue to iterate for robustness. As for investments, we continue to work with our asset managers towards an aggregated and comprehensive approach. We expect and welcome further market developments in this area as the importance of Sustainability within investment deepens and broadens. We are committed to setting useful objectives and continue to explore the right path for Athora.

CASE STUDY

Athora Netherlands continues to take concrete steps towards transitioning the business to a net-zero economy. The business is making progress toward the long-term target to achieve net-zero GHG emissions by 2050 for all Scope 1, 2 and 3 emissions, and has further set intermediate targets in 2030 and 2040 (for more information, see 'Our role as a Corporate citizen - Reducing greenhouse gas emissions' on page 26).

Additionally, we continue progress towards an ambition to reduce the GHG intensity of Athora Netherlands' investments by 50% in 2030 compared to 2020 levels, adopting extensive KPIs to support this during 2022 (for more information, see 'Our role as an Investor' on page 34).

As in 2021, the carbon footprint for Athora Netherlands is measured in line with the GHG Protocol (internationally recognised best practice), and the carbon footprint of investments is calculated according to the method developed by the Partnership Carbon Accounting Financials (PCAF) with data provided by MSCI ESG Research and Eurostat.



APPENDIX





APPENDIX A: SASB CONTENT INDEX

The table below indicates Athora's response to the Sustainability Accounting Standards Board (SASB) Insurance Standards (2018) disclosures for the fiscal year 2022. On an ongoing basis, we review and enhance our approach to Sustainability reporting, including seeking opportunities to meet the SASB reporting disclosures in full, where applicable to us as a business.

Disclosure topics	Accounting metrics	Unit of measure	Code	Athora's response
Transparent information and fair advice for customers	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	Reporting currency	FN-IN-270a.1	No monetary losses have occurred during the fiscal year 2022.
	Description of approach to informing customers about products	N/A	FN-IN-270a.4	Sustainability Report 2022 > Our role as an Insurer > Placing the customer at the heart of what we do, p. 16.
Incorporation of environmental, social and governance factors in investment management	Total invested assets, by industry and asset class	Reporting currency	FN-IN-410a.1	Annual Report 2022 Chief Financial Officer's overview > Financial Assets, p. 33
	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment management processes and strategies	N/A	FN-IN-410a.2	Sustainability Report 2022 > Our role as an Investor > Sustainable Investment Policy, p. 34 Sustainable Investment Policy
Systematic risk management	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	Reporting currency	FN-IN-550a.1	Financial Condition Report 2022 > Investment performance, p. 9 Financial Condition Report 2022 > Solvency valuation, p. 41 Athora Group subsidiaries use derivatives for various purposes, including hedging interest rate, credit, foreign currency and equity market exposures
	Total fair value of securities lending collateral assets	Reporting currency	FN-IN-550a.2	Financial Condition Report 2022 > Solvency valuation, p. 41
	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	N/A	FN-IN-550a.3	Financial Condition Report 2022 > Risk and capital management, p. 21 Annual Report > Other information, p. 172



APPENDIX B: GRI CONTENT INDEX

The Index below has been developed with reference to the GRI revised Universal Standards 2021 and Topic Standards. As we continue to report on our Sustainability progress, we will continue to refine our Sustainability reporting and GRI-related disclosures.

Statement of use	Athora has reported the information cited in this GRI Content Index with reference to the GRI Standards for the period 1 January – 31 December 2022.
GRI 1 Used	GRI 1: Foundation 2021

GENERAL DISCLOSURES 2021

GRI Standard	GRI Disclosure	Athora's response
2-1	Organizational details	Athora Holding Ltd Headquarters: First Floor, Swan Building, 26 Victoria Street, Hamilton HM12, Bermuda Location of operations: Hamilton, Bermuda; Dublin, Ireland; London, UK; Amsterdam and Alkmaar, Netherlands; Brussels, Belgium; Wiesbaden, Germany; Milan and Genoa, Italy Information on ownership and legal form can be found in the Annual Report 2022 > Corporate Governance, p. 53-54
2-2	Entities included in the organization's sustainability reporting	Athora Holding Ltd and Athora Life Re Ltd (Hamilton, Bermuda); Athora Ireland plc (Dublin, Ireland); Athora UK Services Ltd (London, UK); Athora Netherlands N.V. (Amsterdam and Alkmaar, Netherlands); Athora Belgium SA-NV (Brussels, Belgium); Athora Lebensversicherung AG and Athora Pensionskasse AG (Wiesbaden, Germany); Athora Italia S.p.A. (Milan and Genoa, Italy)
2-3	Reporting period, frequency and contact point	We publish our Sustainability Report annually, and the reported information covers the financial year from 1 January to 31 December. Athora's Sustainability Report 2022 was published on 18 July 2023. Key point of contact: Sandra Hoac (sandra.hoac@athora.com)
2-4	Restatements of information	Athora's Sustainability Report 2022 > At a glance, p. 3
2-5	External assurance	Athora's Sustainability Report 2022 has not been externally assured.
2-6	Activities, value chain and other business relationships	Sustainability Report 2022 > Introduction to Sustainability at Athora, p. 9 Sustainability Report 2022 > Our role as a Corporate Citizen > Delivering a sustainable supply chain, p. 28 Annual Report 2022 > CEO's statement > Competitive operations model and service levels, p. 13 Annual Report 2022 > Athora at a glance, p. 7 Annual Report 2022 > Business model and strategy, p.15-19 Annual Report 2022 > Our businesses, p. 22-27
2-7	Employees	Sustainability Report 2022 > Appendix C: GRI Content Index - Supporting data, p. 46 Athora does not employ non-guaranteed hours employees.
2-9	Governance structure and composition	Sustainability Report 2022 > Sustainability Governance, p. 12 Annual Report 2022 > Corporate Governance > Governance Structure, p. 55-63



GRI Standard	GRI Disclosure	Athora's response
2-10	Nomination and selection of the highest governance body	Annual Report 2022 > Corporate Governance > Governance Structure, p. 55-56 The Nominating & Corporate Governance Committee considers a range of factors when nominating and selecting Board members, including their competencies, diversity, independence, as well as our shareholders' views.
2-11	Chair of the highest governance body	Annual Report 2022 > Corporate Governance > Governance Structure, p. 56
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Report 2022 > Sustainability Governance, p. 12
2-13	Delegation of responsibility for managing impacts	Sustainability Report 2022 > Sustainability Governance, p. 12
2-14	Role of the highest governance body in sustainability reporting	Sustainability Report 2022 > Sustainability Governance, p. 12
2-15	Conflicts of interest	Sustainability Report 2022 > Our role as a Corporate Citizen > Upholding business ethics, p. 31
2-16	Communication of critical concerns	Sustainability Report 2022 > Our role as a Corporate Citizen > Upholding business ethics, p. 31
2-17	Collective knowledge of the highest governance body	Sustainability Report 2022 > Sustainability Governance, p. 12
2-18	Evaluation of the performance of the highest governance body	Annual Report 2022 > Corporate Governance > Governance Structure, p. 55 We conduct an annual Board evaluation which is externally facilitated. As we grow and our business evolves, we will continue to update the terms of references to ensure that Sustainability matters are given appropriate attention.
2-19	Remuneration policies	Annual Report 2022 > Corporate Governance > Governance Structure, p. 58-59
2-20	Process to determine remuneration	Annual Report 2022 > Corporate Governance > Governance Structure, p. 58-59 We engage external consultants on an ad-hoc basis to carry out remuneration benchmarks for Athora Group and its subsidiaries.
2-22	Statement on sustainable development strategy	Sustainability Report 2022 > Group CEO message, p. 6 Sustainability Report 2022 > Q&A on Athora's Sustainability Progress, p. 7
2-23	Policy commitments	Sustainability Report 2022 > Our role as an Employer > Code of Conduct, p. 21 Sustainability Report 2022 > Our role as an Employer > Outlook, p. 24 Sustainability Report 2022 > Our role as a Corporate Citizen > Delivering a sustainable supply chain, p. 28
2-24	Embedding policy commitments	Sustainability Report 2022 > Our role as an Employer > Code of Conduct, p. 21 Sustainability Report 2022 > Our role as a Corporate Citizen > Delivering a sustainable supply chain, p. 28
2-25	Process to remediate negative impacts	Sustainability Report 2022 > Our role as a Corporate Citizen > Upholding business ethics, p. 31
2-26	Mechanisms for seeking advice and raising concerns	Sustainability Report 2022 > Our role as a Corporate Citizen > Upholding business ethics, p. 31
2-27	Compliance with laws and regulations	Athora has not encountered any instances of non-compliance with environmental and social laws during the year.
2-28	Membership associations	Sustainability Report 2022 > Our role as an Insurer > Working with industry associations and peers to drive change, p. 17
2-29	Approach to stakeholder engagement	Sustainability Report 2022 > Introduction to Sustainability at Athora, p. 10
2-30	Collective bargaining agreements	82% of all employees (in Athora Belgium, Italy, Germany and Netherlands) are covered by collective bargaining agreements.



TOPIC STANDARDS

GRI Standard	GRI Disclosure	Athora's response
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Sustainability Report 2022 > 2022 Sustainability Highlights, p. 5 Annual Report 2022 > Financial Consolidated Statements, p. 65
201-2	Financial implications and other risks and opportunities due to climate change	Sustainability Report 2022 > TCFD Considerations, p. 38
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Wages are benchmarked internally and externally against our industry and job specific markets to ensure internal parity. We are aiming for the 50th percentile when benchmarking roles externally.
202-2	Proportion of senior management hired from the local community	Sustainability Report 2022 > Our role as a Corporate Citizen > Supporting our communities, p. 28
GRI 203: Indirect Economic Impacts 2016		
203-2	Significant indirect economic impacts	Sustainability Report 2022 > Our role as an Insurer, p. 14
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Sustainability Report 2022 > Our role as a Corporate Citizen > Upholding business ethics, p. 31
205-2	Communication and training about anti-corruption policies and procedures	Sustainability Report 2022 > Our role as a Corporate Citizen > Upholding business ethics, p. 31 Sustainability Report 2022 > Our role as a Corporate Citizen > Delivering a sustainable supply chain, p. 28
205-3	Confirmed incidents of corruption and actions taken	Nil
GRI 206: Anti-competitive Behaviour 2016		
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Nil
GRI 207: Tax 2019		
207-1	Approach to tax	Athora Group Tax Policy
207-2	Tax governance, control, and risk management	Sustainability Report 2022 > Our role as a Corporate Citizen > Adhering to transparent approach to tax, p. 29
207-3	Stakeholder engagement and management of concerns related to tax	Annual Report 2022 > Sustainability > Our role as a Corporate Citizen > Adhering to transparent approach to tax, p. 50
207-4	Country-by-country reporting	
GRI 302: Energy 2016		
302-1	Energy consumption	Sustainability Report 2022 > Our role as a Corporate Citizen > Reducing greenhouse gas emissions, p. 26
302-4	Reduction of energy consumption	Sustainability Report 2022 > Our role as a Corporate Citizen > Reducing greenhouse gas emissions, p. 26
GRI 305: Emissions 2016		
305-5	Reduction of GHG emissions	Sustainability Report 2022 > Our role as a Corporate Citizen > Reducing greenhouse gas emissions, p. 26



GRI Standard	GRI Disclosure	Athora's response
GRI 401: Employment 2016		
401-1	New employee hires and turnover	Sustainability Report 2022 > Our role as an Employer > Enabling employee talent and development, p. 22
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report 2022 > Appendix C: GRI Content Index - Supporting data, p. 46 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	We provide parental leave to 100% of our employees in line with local regulatory requirements.
GRI 404: Training and Education 2016		
404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Report 2022 > Our role as an Employer > Enabling employee talent and development, p. 22 Job placement services upon termination of employment are available as per regulatory requirements in each location and we provide severance pay and assistance, such as outplacement, as per regulatory requirements in each location.
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Report 2022 > Our role as an Employer > Enabling employee talent and development, p. 22
GRI 405: Diversity and Equal Opportunities 2016		
405-1	Diversity of governance bodies and employees	Sustainability Report 2022 > Appendix C: GRI Content Index - Supporting data, p. 47
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Nil
GRI 417: Marketing and Labeling 2016		
417-2	Incidents of non-compliance concerning product and service information and labelling	Nil
417-3	Incidents of non-compliance concerning marketing communications	Nil
GRI 418: Customer privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Nil

APPENDIX C: GRI CONTENT INDEX – SUPPORTING DATA

GRI 2-7: EMPLOYEES

Employee data by gender¹

	Female	Male	Total
Total number of employees	647	1010	1657
Number of permanent employees	615	977	1592
Number of temporary employees	32	33	65
Number of full-time employees	442	938	1380
Number of part-time employees	205	72	277

Employee data by region¹

	Belgium	Germany	Ireland	UK	Bermuda	Netherlands	Italy
Total number of employees	219	120	139	89	15	977	98
Number of permanent employees	215	119	128	70	15	947	97
Number of temporary employees	4	1	11	19	0	30	1
Number of full-time employees	196	88	138	87	15	758	93
Number of part-time employees	23	32	1	2	0	219	5

¹ Employee headcount as at 31 December 2022, excluding any externals / contingent workers.

GRI 401-2: BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES BY SIGNIFICANT LOCATIONS OF OPERATIONS

	Belgium	Germany	Ireland	UK	Bermuda	Netherlands	Italy
Life insurance	Permanent + temporary	Permanent	Permanent	Permanent	Permanent	N/A	Permanent
Healthcare	Permanent + temporary	N/A	Permanent	Permanent	Permanent	Permanent + temporary	Permanent
Disability & invalidity coverage	Permanent + temporary	Permanent in combination with life insurance	Permanent	Permanent	Permanent + temporary	Permanent + temporary	Permanent
Parental leave	Permanent + temporary	Permanent + temporary	Permanent + temporary	Permanent + temporary	Permanent + temporary	Permanent + temporary	Permanent
Retirement provisions	Permanent + temporary	Permanent	Permanent + temporary	Permanent + temporary	Permanent + temporary	Permanent + temporary	Permanent
Stock ownership	Permanent	Permanent	Permanent	Permanent	Permanent	N/A	Permanent



GRI 405-1 DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

Gender diversity of Athora's governance bodies¹

	Percentage	
	Female	Male
Athora Holding Ltd. Board	18%	82%
Athora Belgium SA-NV Board	11%	89%
Athora Deutschland Group Board	25%	75%
Athora Ireland plc Board	13%	87%
Athora Life Re Ltd Board	20%	80%
Athora Netherlands N.V. Supervisory Board	33%	67%
Athora Italia S.p.A. Board	13%	87%
Total	18%	82%

Diversity of Athora's governance bodies and employees¹

	Gender	
	Female	Male
Board members	18%	82%
Management Executive Committee	0%	100%
Rest of the organisation	39%	61%

	Age group		
	Under 30 years old	31-50 years old	Over 50 years old
Board members	Not available		
Management Executive Committee	0%	25%	75%
Rest of the organisation	6%	54%	41%

¹ Employee headcount as at 31 December 2022, excluding any externals / contingent workers.



APPENDIX D: GLOSSARY

ACTIAM: ACTIAM N.V., a provider of asset management services to Athora Netherlands' unit-linked business and a provider of ESG services to Athora Netherlands. Previously owned in-house by Athora Netherlands, ACTIAM was sold to Cardano Group effective from 1 January 2022. As of 1 June 2023, ACTIAM is gradually rebranding to the name Cardano.

Apollo: Apollo Global Management, Inc. together with its subsidiaries.

Athora or Athora Group: Athora Holding together with its group of subsidiaries.

Athora Belgium: The Group Business Unit primarily located in Belgium, consisting of Athora Europe Holding Limited and its subsidiaries, including Athora Belgium SA/NV.

Athora Germany: The Group Business Unit located primarily in Germany, consisting of Athora Deutschland Holding GmbH & Co. KG and its subsidiaries, including Athora Lebensversicherung AG and Athora Pensionskasse AG.

Athora Holding: Athora Holding Ltd., the Athora Group's ultimate parent company, a company incorporated in Bermuda with company number 49779 and with its registered office at First Floor, Swan Building, 26 Victoria Street, Hamilton HM12, Bermuda.

Athora Ireland: Athora Ireland plc, Athora Group's licensed Irish reinsurance carrier, a public limited company registered in Ireland with company number 346275 and with its registered office at 2nd Floor, IFSC House, Custom House Quay, Dublin, D01 R2P9, Ireland.

Athora Italia: The Group Business Unit primarily located in Italy, consisting of Athora Italy Holding DAC and its subsidiaries, including Athora Italia S.p.A.

Athora Leben: Athora Lebensversicherung AG, a licensed insurance company incorporated in Germany with its registered address at Söhnleinstrasse 8 65201 Wiesbaden, Germany.

Athora Life Re: Athora Life Re Ltd., Athora Group's licensed Bermudan reinsurance carrier, an exempted company incorporated in Bermuda with company number 52455 and with its registered office at First Floor, Swan Building, 26 Victoria Street, Hamilton HM12, Bermuda.

Athora Netherlands: The Group Business Unit primarily located in the Netherlands, consisting of Athora Netherlands Holding Limited and its subsidiaries, including SRLEV N.V.

AuMA: Assets under management and administration.

AWIN: Athora Women's Inclusion Network.

BaFin: Federal Financial Supervisory Authority, regulatory authority for the financial services sector in Germany.

BMA: Bermuda Monetary Authority, regulatory authority for the financial services sector in Bermuda.

Business Unit: Athora Group's designated units of operation, including our primary insurance operations based in each of the Netherlands, Belgium, Germany and Italy.

Carbon credits: Financial instruments representing physical emission reduction, which can be bought to offset GHG emissions.

Carbon footprint: A measure of all emissions directly and indirectly caused (i.e. Scope 1, 2 and 3) by an entity's operations.

Circular economy: A model of producing and consuming products which prioritises reducing waste and reusing existing materials; for example via repairing, recycling, borrowing, or reducing use altogether.

CISSA: Commercial Insurers Solvency Self-Assessment; a Bermuda-specific requirement similar to an ORSA.

CSDDD: Corporate Sustainability Due Diligence Directive (EU) 2019/1937, currently at proposal stage.

CSRD: Corporate Sustainability Reporting Directive 2022/2464 of 14 December 2022.

CSUO: Chief Strategy and Underwriting Officer.

DCS: Customer satisfaction metric used by Athora Netherlands, expressed as the percentage of customers rating the service at 8 or higher (on a scale from 1 to 10 where 1 = extremely dissatisfied and 10 = extremely satisfied).

EIOPA: The European Insurance and Occupational Pensions Authority, an EU financial regulator and

one of three European Supervisory Authorities (the other two being the European Banking Authority and the European Securities and Markets Authority).

Energy-positive building: A building that uses renewable sources to create more energy than it uses, typically over a one-year span.

ESG: Environmental, social and (corporate) governance factors.

EU: European Union.

GHG: Greenhouse gases (gases which contribute to the 'greenhouse effect' by trapping heat in the Earth's atmosphere), including CO₂.

Greenwashing: Actions and communications designed to make a business appear more environmentally sustainable than it is.

GRI: Global Reporting Initiative.

Group: Athora Group.

Group Board: Board of directors of Athora Holding, the Group's ultimate parent company.

Group Management Committees: Delegated management committees of Athora Holding and the Group Board.

GSSA: Group Solvency Self-Assessment; a Bermuda-specific requirement similar to a group ORSA.

HR: Human Resources.

IAAN: I Am Athora Network, a leadership network developed across the Group to bring together leaders from each Business Unit in virtual and in-person workshops.

IDD: Insurance Distribution Directive (EU) 2016/97.

IDE: Inclusion, Diversity and Equality.

IDE Council: Group Inclusion, Diversity and Equality Council.

IFRS: International Financial Reporting Standards.

IVASS: Italian Institute for the Supervision of Insurance, regulatory authority for the insurance sector in Italy.

KPI: Key Performance Indicator.

M&A: Mergers and acquisitions.

NCGC: Group Nominating & Corporate Governance Committee.

Net-zero: Direct and indirect (i.e. Scope 1, 2 and 3) GHG emissions from the business being at most equal to the amount removed from the atmosphere by the business, including through carbon credits.

NPS: Net Promoter Score.

ORSA: Own Risk and Solvency Self-Assessment; a requirement under Solvency II

SASB: Sustainability Accounting Standards Board.

Solvency II: The regime for the prudential regulation of European insurance companies that came into force on 1 January 2016, under the EU Solvency II Directive (2009/138/EC) and its delegated and implementing acts.

Scope 1 emissions: GHG emissions caused by direct company actions, e.g. emissions from company vehicles.

Scope 2 emissions: GHG emissions stemming indirectly from the purchase and use of energy, e.g. emissions associated with production of the electricity purchased to power the offices.

Scope 3 emissions: All other indirect GHG emissions from up and down the value chain, e.g. emissions generated by investments, or from an employee's commute.

SFDR or SFDR Level 1: EU Sustainable Finance Disclosure Regulation 2019/2088.

SFDR Level 2: EU regulatory technical standards published in relation to SFDR.

SLA: Service Level Agreement.

Sustainability: Efforts and activities that ensure our Group's contribution to an ecologically and socially sustainable, ethical and fair world.

TCFD: Task Force on Climate-related Financial Disclosures, launched by the Financial Stability Board.

UN Global Compact: United Nations pact and organisation relating to Sustainability and social responsibility, formed in July 2000.

UN SDGs: United Nations Sustainable Development Goals.

We, our or us: Athora Group.



APPENDIX E: ABOUT THIS REPORT

This Sustainability Report has been prepared and issued by Athora Holding Ltd. together with its group of subsidiaries (Athora, Athora Group or Group). This document reports Athora's non-financial Sustainability performance information for the period covering 1 January 2022 to 31 December 2022. Some commentary and examples may refer to 2023 events.

Non-financial Sustainability performance data disclosed in this report has not been externally audited or verified. This report has been developed with reference to the Global Reporting Initiative (GRI) Sustainability Reporting Standards 2021 and the Sustainability Accounting Standards Board (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. Athora Group has applied various judgements, assumptions and best estimates made at given points in time. There is a risk that the judgement exercised, or the estimates or assumptions used, may subsequently turn out to be incorrect. These judgements and resulting data presented in this report are not a substitute for judgements and analysis made independently by the reader.

The disclosures in this report may use a greater number and level of judgements, assumptions and estimates, including with respect to the classification of Sustainability activities, than the Group's reporting of historical financial information. These judgements, assumptions and estimates are highly likely to change over time, and, when coupled with the longer time frames used in these disclosures, make any assessment of materiality inherently uncertain.

In addition, the Group's Sustainability analysis and strategy will continue to evolve and the data underlying the Group's analysis and strategy remain subject to change over time. As a result, the Group expects that certain Sustainability, climate and ESG disclosures made in this report are likely to be amended, updated, recalculated or restated in the future.

The reader should not place reliance on the forward-looking statements in this document. These may be affected by a variety of factors and the actual future condition, performance and results may differ materially from the plans, goals and expectations in this report. 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 any jurisdiction in relation to this document by any member of the Group or any Group member's respective directors, officers, employees, advisers, investors, representatives 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, in any jurisdiction, and howsoever transmitted or made available by Athora or any of its directors, officers, employees, advisers, investors, representatives or agents.





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