

ESG Impact Report 2024

Achmea Bank



Inhoud

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A word from the chairman of the Managing Board

The economic, social, political and environmental situation around us is continuously changing and every change comes with new challenges. Achmea plays a role in contributing to the solutions for these social and environmental challenges as Achmea stands for “Sustainable Living. Together”. An inclusive society in which everyone participates and lives happily and healthily with, and next, to each other, in a way that can continue for the long term. Together with our customers, strategic partners and relations, we want to solve social and environmental issues surrounding health, living & working and income.

Achmea Bank is part of Achmea’s retirement services. Achmea’s Retirement Services focuses on services for customers to generate income for today and tomorrow. Achmea Bank helps customers make sound financial choices and provides smart solutions. We offer mortgages, savings products, and investment products to individuals in the Netherlands, in collaboration with Centraal Beheer, Achmea Mortgage Fund, Achmea Investment Management, and with external partners.

Sustainability is an important theme for Achmea Bank. With the growth of Achmea Bank, we believe we can make an impact in contributing to the goals of the Paris Climate Agreement: limiting the average increase in global temperatures to a maximum of 1.5 °C and transitioning to towards a net-zero economy by 2050. As a society we can only achieve this by working together. We aim to make sustainable solutions accessible to our customers. Achmea Bank achieves this by focusing on sustainable solutions in mortgages and financial services. This demonstrates our commitment to taking responsibility for the world of tomorrow.

Chairman of the Managing Board of Achmea Bank

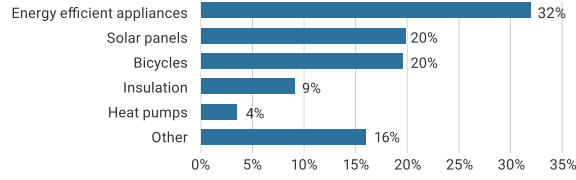
Pierre Huurman



Our impact in 2024

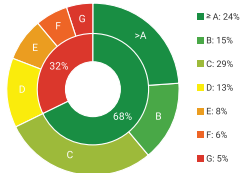
Use of 'Climate Budget' for all Achmea employees

Achmea Climate Budget Purchases



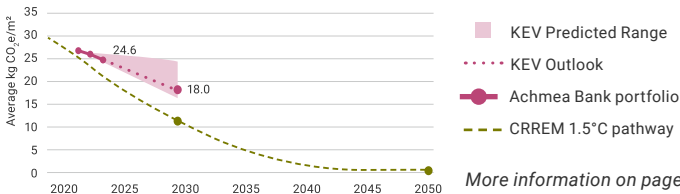
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EPC composition of our residential mortgage portfolio



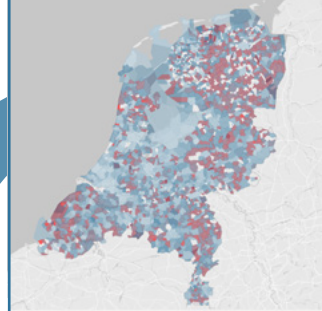
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Carbon reduction pathways for our residential mortgage portfolio



More information on page 20

Climate-related physical risks



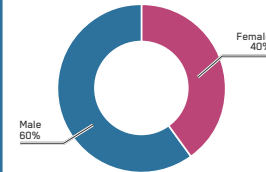
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EU Taxonomy Green Asset Ratio

13.7%

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Female - Male employee distribution



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Guest lessons in primary schools for 'Bankers In The Classroom'

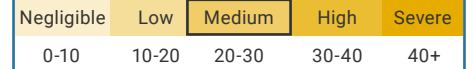
31 classrooms

More information on page 38

Sustainalytics ESG Risk Rating

Medium score

(2023: medium score)



Employee engagement scores (out of 10)

7.9 in enthusiasm

7.6 in customers

8.5 in employability

Customers with payment difficulties assisted by our Special Asset Management team

85% of customers sustainably recovered

More information on page 39



ZONNEBOS

ACHMEA EN EEN DUURZAME SAMENLEVING

In een veranderende wereld zijn er andere sporten uitdagingen en risico's voor de maatschappij en onze klanten ontstaan. Als Nederlands grootste verzekeraar nemen we onze verantwoordelijkheid bij het aaropen aan deze uitdagingen. Het verminderen van de effectieve van klimaatverandering hoort daarbij. Het is onze ambitie om een bijdrage te leveren aan een gezonde, veilige en toekomstbestendige samenleving. Daarbij zijn we verder dan vandaag. Daarom ontwikkelen we de innovatieve ZONNEBOS. Omdat wij werken aan een klimaatneutrale bedrijfsvering.

WIST JE DAT?

- De energie die je 362 zonnepanelen bovenop de carport opwekken, staat gelijk aan de hoeveelheid elektrische energie die nodig is voor 250 huishoudens
- Op de laadruimte zijn vier elektrische auto's met een gelijktijdig laadvermogen van 750 kW
- De lichte, innovatieve staalstructuur zorgt voor minder materiaal gebruik
- Het regenwater ondergronds wordt opgevangen in een infiltratieputten
- Bestaande straatlantaarns zijn hergebruikt
- Het Zonnecos is omringd door een natuurlijke haag met aandacht voor biodiversiteit


 Blaad de Zonnecos project website voor meer leuke weetjes, foto's en details.





Our ESG Ambitions



2021

Definition of climate ambitions for business operations (together with Achmea)

Member of the Energy Efficient Mortgages NL Hub (EEM NL Hub)

Achmea announces plans to plant one million trees via Land Life Company

Signature Principles for Responsible Banking (UNEP FI PRB)

2022

CO₂ roadmaps for mortgages

First Climate Transition Plan

Stress testing for climate risks in the short term

Achmea reveals sustainability performance of suppliers via EcoVadis

Publication of Green Finance Framework

First reporting year under the Principles for Responsible Banking (UNEP FI PRB)

2023

Decarbonisation pathways by the Carbon Risk Real Estate Monitor (CRREM) applied

First assessment of EU Taxonomy alignment of the mortgage portfolio

Follow-up assessment on strategic and operational climate and environmental risk

Launch of the Achmea Climate Budget for employees

2024

First Double Materiality Assessment (DMA) for the CSRD

Delivery of the Achmea Bank Climate & Environmental Risk Framework (CERF)

Achmea Bank's inaugural issuance of €500 million senior preferred green bonds under Achmea's updated Green Finance Framework (GFF)

2025

A 51% reduction in CO₂ from business operations versus 2019 (together with Achmea)

Achmea Bank's first year under the Corporate Sustainable Reporting Directive (CSRD).

2030

Climate-neutral business operations (together with Achmea)

100% circular and energy-efficient product and material procurement

Ambition of 33% carbon emission reduction in Achmea Bank mortgage portfolio versus 2022

2050

Fully climate-neutral in both business operations (together with Achmea) and mortgage portfolio

Our vision

‘Sustainable Living. Together’ is the foundation of our operations and strategy. We are aware of our societal role and actively engage with it. Due to our cooperative roots, we naturally pay attention to the long-term interests of all our stakeholders. Customers entrust us with their savings. This means we have an obligation to handle savings and investment funds carefully and to navigate a balanced and prudent course. Additionally, taking out a mortgage is one of the most important financial decisions in life. Therefore, we apply a responsible lending policy and place great importance on continuing duty of care throughout the term. We also want to help our customers make their homes more sustainable and financially prepare for climate damage.

Achmea Bank chooses sustainable banking with both financial and social returns. We attach great importance to an open dialogue with all our stakeholders. This includes not only our customers and business partners but also other key stakeholders such as regulators and investors. This forms the basis of our operations and enables us to make a proper weighing of interests in the decisions we make.

Banks play an important role in the economy and society. For Achmea Bank, this means allowing people access to housing through mortgage lending, as well as accumulating wealth through saving products and investment services. That’s why it’s important that we gain and maintain the trust of the customer and society. Our shared ambition is to make the Netherlands financially fit and self-reliant. It is for this reason that we want to play an active role in major issues that arise. We are discussing this with our customers, encourage them to take steps and offer them solutions to make

their homes more sustainable. We also make a positive contribution to society. Durable and corporate social responsibility is therefore integral part of our strategy, which is aimed at improving both financial and create non-financial value for our stakeholders.

Our ESG strategy entails three target areas that describe our contribution to a sustainable living environment (Environmental), a contribution to accessibility for all in a participatory society (Social) and reliable banking with integrity (Governance). Our aim is to contribute to three Sustainable Development Goals (SDGs) as described by the United Nations, namely:



We believe it is part of our responsibility to contribute to education and information aimed at increasing the general level of knowledge about financial matters and sustainability so that people can make more responsible financial decisions.



We want to make positive contribution to the sustainability of homes. We aim to reduce the carbon emissions from our mortgage portfolio to net-zero by 2050.



In our business operations we want to be as little harmful as possible for our environment. We aim for carbon neutrality from our internal business operations by 2030.

Our commitments

Together with other financial institutions, Achmea has committed itself via the Dutch financial sector's Climate Commitment to the climate goals of the Dutch Climate Agreement. The Climate Commitment is an initiative that raises awareness about the urgency to combat climate change, in particular how to contribute to this through financing and investments. Some of the Climate Commitment agreements have now been enshrined in European laws and regulations. As part of this Climate Agreement the financial sector has drawn up a Climate Commitment. In it, the financial sector has committed to contributing to implementation of the Paris Agreement and Dutch Climate Agreement. By signing this commitment, the financial sector has agreed the following:

- The parties will participate in financing the energy transition and to this end accept a best-efforts obligation within the framework of laws and regulations and risk/return objectives.
- The parties will undertake to measure the carbon footprint of relevant loans and investments. Starting in the 2020 financial year they will publicly report on this.
- No later than 2022, the parties will publish their action plans including reduction targets for 2030. The parties will explain the actions they will take to contribute to the Paris Agreement.
- This commitment forms an integral part of the Dutch Climate Agreement. The parties will organise an annual meeting with all stakeholders to discuss the progress on implementing the agreements.

We have measured and published the carbon impact of our mortgage portfolio from 2019 onwards in our [ESG reports available on our website](#). Our ESG Impact Report also includes ESG ambitions and climate transition plans. Our climate transition plans aim to make our business and customers more resilient to the consequences of climate change and stimulating the transition to a climate neutral society.

Achmea Bank has signed the Principles for Responsible Banking (PRB) and joined UNEP FI, the United Nations Environment Programme for the financial sector. Achmea also signed the relevant initiatives linked to insurance (Principles for Sustainable Insurance) and investments (Principles for Responsible Investments). Please view [UNEP FI Principles for Responsible Banking section](#) in this report for more information.

Our customers

Achmea Bank offers consumers savings, investment and mortgage products. Achmea Bank plays a key role in Achmea's retirement services strategy by being a provider of wealth accumulation products for Centraal Beheer and a stable funder of the Achmea Mortgages Investment Platform (AMIP). Centraal Beheer is our main brand for our wealth accumulation products. Achmea Bank provides a full range of mainstream products primarily through the Centraal Beheer brand. We also invest in third-party mortgage portfolios. Apart from this, we are building partnerships that can contribute to our business model in the future and improve diversification through fee revenue.

Achmea Bank's mortgage portfolio consists of:

1. Mortgages provided directly by Achmea Bank to consumers.
2. Mortgages provided under the brand Centraal Beheer by Achmea Hypotheken B.V. ("Leef hypotheek").
3. Mortgages acquired from third parties and newly originated mortgages by external platforms. Achmea Bank acts as a funder for these platforms.

When we mention 'our customers' in this report, we refer to customers explained under the first two categories, as well as customers with savings and investment products. When we mention 'our mortgage portfolio', we refer to mortgages explained under all three categories. As a network bank, we consider portfolio acquisitions and origination of newly originated mortgages of external platforms as an important element in our growth strategy.

On October 1, 2024, Syntrus Achmea Hypotheekdiensten B.V. and its subsidiaries, Achmea Hypotheken B.V. and Attens Hypotheken B.V., became part of Achmea Bank. The subsidiary Syntrus Achmea Hypotheekdiensten B.V. manages the operational activities for the mortgage portfolios of the brands Centraal Beheer, Attens, Syntrus Achmea, Woonfonds, and Tellius. Together, these brands represent a mortgage 'assets under management' volume of about EUR 33 billion. Achmea Hypotheken B.V. and Attens Hypotheken B.V., both subsidiaries of Syntrus Achmea Hypotheekdiensten B.V., originate mortgages for the Centraal Beheer (Leef Hypotheek) and Attens brands, respectively.

Our ESG partnerships

We are proud to work on our ESG ambitions with our partners within the Achmea Group, such as Centraal Beheer, Achmea's customer facing brand and marketing organisation. Amongst other endeavours, Centraal Beheer for instance, launched 'Duurzaam Woongemak' as an integral service for existing and new customers that offer advice and execution of sustainable renovation services for households in the Netherlands. In 2020 we have joined the 'Sectorcollectief Duurzaam Wonen' (Sector Collective Sustainable Homes) whose goal is making sustainability an integral part of mortgage advice.

We will continue to work with third parties and expand on initiatives in our network to make a greater impact. For instance, we collaborate in various working groups of the Nederlandse Vereniging van Banken (NVB), including collaboration on ESG-related topics. We are also member of the Partnership for Carbon Accounting Financials (PCAF), where Achmea Bank will be at the forefront of the further developments involving the improvement of the measurement of carbon footprint of our mortgage portfolio, together with other Dutch financial institutions. Additionally, we are also member the Energy Efficient Mortgage Hub Netherlands (EEM NL Hub), which aims to define a Dutch market standard for sustainable mortgages to prevent greenwashing and to put more mortgage investments towards sustainable activities.



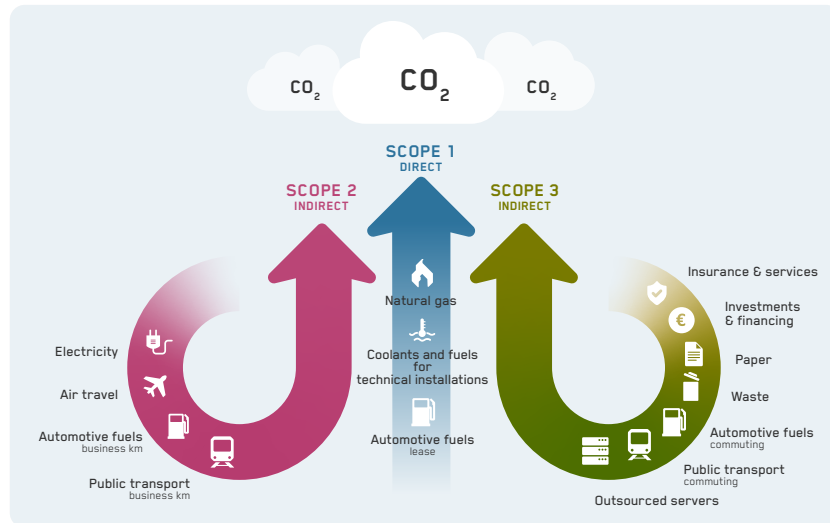


Environment

Operations

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

- Scope 1: direct CO₂ emissions from own sources or sources controlled by us such as buildings, transport, IT systems and data storage.
- Scope 2: indirect CO₂ emissions from the generation of purchased and consumed electricity or heat.
- Scope 3: indirect CO₂ emissions from activities, related our business operations, in our value chain. These include commuting, outsourced servers and cloud services. But also the financed emissions from our investments and lending, and our banking-associated emissions.



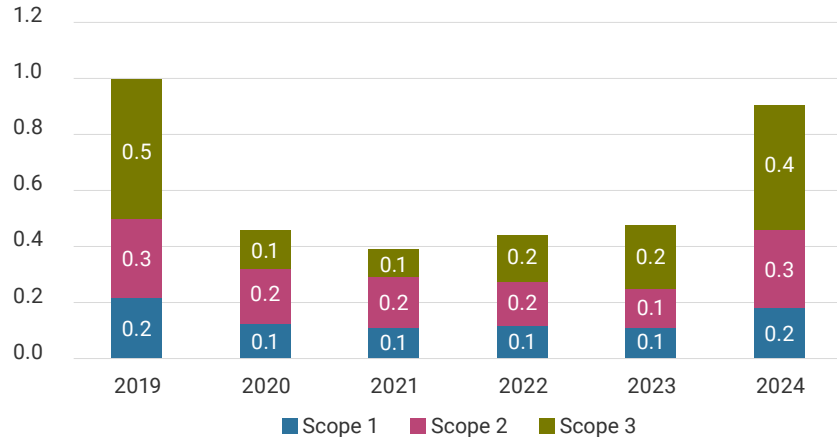
The carbon footprint also comprises the emissions of other greenhouse gases, such as methane, nitrous oxide or chlorofluorocarbons (CFCs). To be able to add up the impact of the individual greenhouse gases, emissions data are converted into CO₂ equivalents.

Operational emissions

We measure the carbon footprint of our energy use, coolants use, mobility, paper consumption, waste and outsourced servers. Operational CO₂ emissions of Achmea B.V. are measured excluding third-parties. However, third-party companies are included in the calculation of the carbon footprint from the consumption of gas (scope 1) and electricity (scope 2). Please view Supplement B of [Achmea's Annual Report](#) for more information on the measured emissions as well as used emission factors.

To account for our contribution of Achmea's total operational emissions, we distribute the emissions based on the 390 FTEs (2023: 216 FTEs) at Achmea Bank. The increase of FTEs, and therefore the increase in emissions, is due to the acquisition of Syntus Achmea Hypotheekdiensten B.V. In 2024 this amounted to a total operational carbon footprint of 0.9 kt CO₂e (2023: 0.4 kt CO₂e).

Operational carbon emissions (kt CO₂e)



Operational emissions targets

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

To realise this, we are:

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

Operational emissions transition plan

Cutting energy consumption in our buildings and data centres

We use electricity, gas, heating and cooling to meet the energy needs at our locations. We are aiming to cut electricity and gas consumption as much as possible and generating energy locally wherever feasible. One component of this is making our offices energy neutral. In doing so, we committed to the making all existing and new buildings under our direct control and own use Paris Proof by no later than 2040. We are aiming to achieve this goal already by 2030. This means that the actual energy consumption of our office buildings may not exceed 70kWh/m². Other measures involve:

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

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

We are making our employees' travel more sustainable by, for example, implementing an electric vehicle lease policy and reducing carbon emissions from commuter and business journeys. We also have a range of mobility schemes that encourage the use of public transport and/or bicycles, such as the provision of a public transport card including use of rental bikes and an allowance for journeys conducted on the employee's own bicycle. In July 2024, our travel reimbursement scheme has been changed, paying attention to sustainability. The system has been changed to a 'pay by use' scheme where employees receive a higher mileage allowance for sustainable kilometres (EV/PHEV and bicycle) than for travelling in a fossil-fuel car. With 'pay per use', we let go of travel reimbursement based on a fixed travel pattern. This allows employees to choose which means of transport (public transport, bicycle, car, motorbike) to use for each trip and to use a combination of different means of transport. Every journey, including the means of transport and fuel type, and every home working day is registered. This also gives us more control over our actual CO₂ emissions related to mobility.

Separating our waste

Since 2015, all waste within Achmea has been collected, disposed of and processed separately. We aim to continuously reduce the percentage of residual waste to achieve a 'waste-free office' in 2030. In 2024, we signed a new four-year contract with our waste processor containing a planned approach to achieve our goal of Zero Waste in 2030.

Cutting paper consumption

In recent years, Achmea has already drastically reduced its paper consumption. More and more customer communications take place digitally. And, as employees increasingly work from home, far fewer documents are printed out. In 2022, we partly started using 80-gram paper instead of 90-gram paper which immediately resulted in an 11% reduction of CO₂ emissions in that year. We aim to switch to 80-gram paper for all printed communications. We are also already discussing with suppliers the use of 70-gram paper. We also only use paper with an FSC quality mark.

Sustainable procurement

The ecological footprint from our products and services are inextricably linked to the business operations of our (outsourcing) partners and suppliers. In 2030 we aim to buy 100% circular and energy-efficient products and materials for our internal business operations. We have a Sustainability statement for suppliers that is part of the procurement contracts. In addition, model contracts also contain a sustainability clause, and generic and specific sustainability arrangements are laid down in the appendix to the contract. Together with our partners and suppliers, we are taking measures to combat climate change in the procurement chain. EcoVadis, an international sustainability rating platform for suppliers, gives us insight into the sustainability performance of our (potential) suppliers and enables us to monitor their performance. With this information we can hold targeted discussions on specific topics.

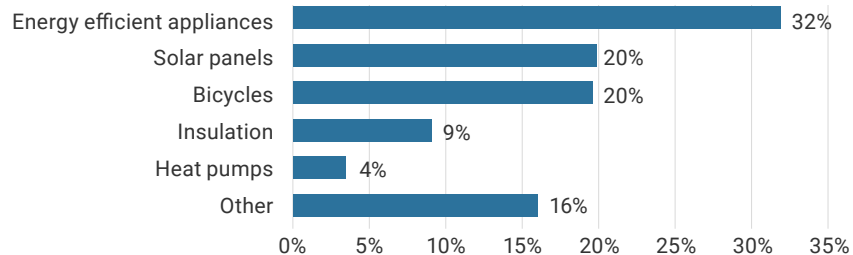
Renovating the Tivoli city garden

Our Tilburg location is located next to the Interpolis garden, which is currently being renovated for improved biodiversity and more greenery. The renewed Interpolis garden is designed for everyone. The renovated garden will be available for our colleagues and a public garden for anyone who wants to enjoy greenery, art and being outdoors. Picnic tables in various spots provide opportunities to sit and meet. With schools in the neighbourhood, we are currently looking at opportunities to facilitate education around art and culture. The garden will soon remain open daily between sunrise and sunset and will be closed at night. The public garden will also get a new gate on the Tivolistraat and, in cooperation with the municipality, we will also renovate the greenery on the facade of the Tivoli parking garage.

Climate budget for employees

In 2023 all Achmea employees received a climate budget of € 2,500. The climate budget can be used until December 2025 to make one's own home and living environment more sustainable. For this we launched a dedicated climate shop. The budget can among others be used for solar panels, home insulation, a green roof, home battery or a heat pump. In addition, an electric bike or electric car are also among the options. By the end of 2024, 82% of Achmea employees had already used the budget. A total of €21.6 million of the budget was spent by Achmea employees. Employees hired after 1 December 2023 can also benefit from the climate budget. They will receive the climate budget if they have been employed for more than 1 year.

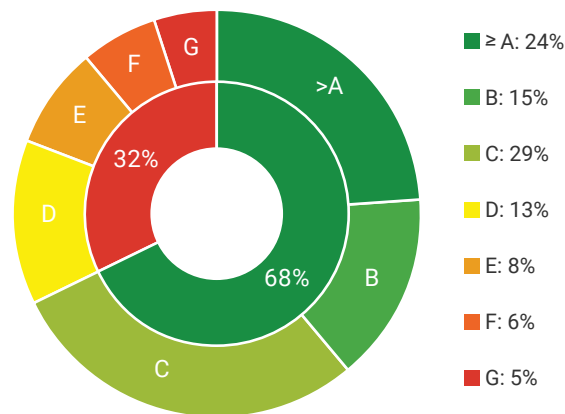
Achmea Climate Budget Purchases



Mortgage lending

Under the GHG Protocol, carbon emissions from investments (or financed emissions) are categorised under scope 3. As a mortgage provider, financed emissions form the largest part of our carbon footprint. Scope 1 and 2 emissions of our collateral buildings form the total financed emissions for our mortgage loans. In other words, the energy usage (electricity and natural gas) of our customers is attributed to our scope 3 emissions, only for the portion of the building that is financed by Achmea Bank. The composition of valid EPC labels in our portfolio as illustrated below.

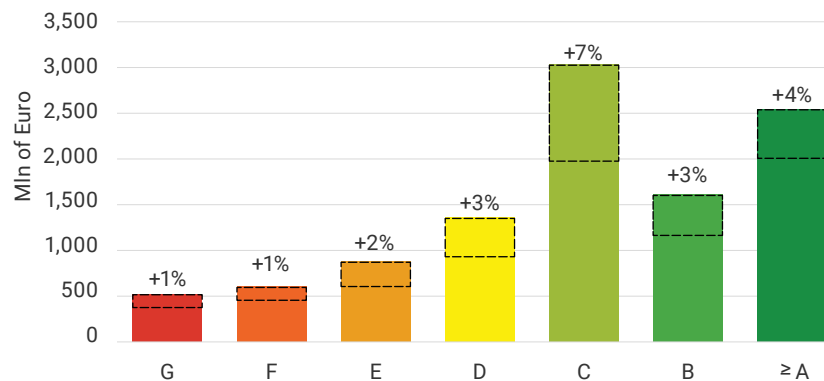
Energy labels in our portfolio 2024 (%)



EPC labels

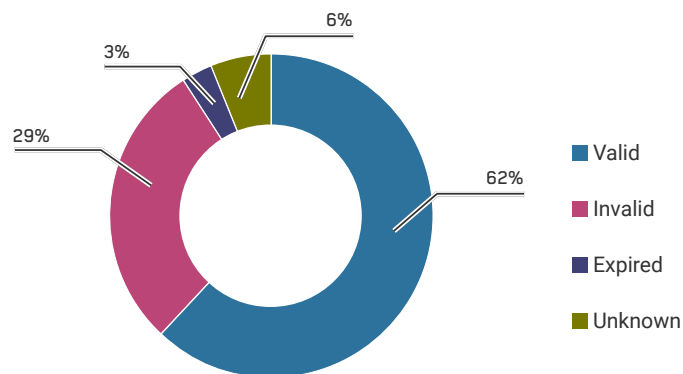
To achieve the ambitions of the Paris Climate Agreement, a large part of the Dutch housing stock must be made more sustainable. As a provider of mortgages, we have the responsibility to contribute to the reduction of the greenhouse gas emissions of the buildings that we finance. That is why we offer financial solutions to fund the transition to make homes more sustainable. We also actively encourage our customers to make their homes more sustainable, thereby reducing energy usage and carbon emissions. For more details, please view the [Financed emissions transition plan](#) section of this report. The year-over-year change of EPC labels in our portfolio is as illustrated below.

Energy labels in outstanding amounts (yoy % change 2023-2024)



At year-end 2024, approximately 62% of EPC labels in our portfolio have a valid EPC label (2023: 45%). Currently, every newly sold building requires a valid energy label, thereby slowly increasing the number of valid labels over time. However, EPC labels are only valid for ten years, thereby also causing an expiration of valid energy labels, which is expected to increase in the coming years. Currently, there still is little incentive for homeowners to update their EPC labels, even after renovations of their home. This, in combination with the low level of valid EPC labels in the market, makes it difficult for us to accurately assess improvements in the portfolio. If no valid EPC label is available, Achmea Bank will apply an estimated EPC label for carbon emission calculation purposes only. The composition of EPC label statuses in our portfolio is as illustrated below.

Energy label status 2024 (%)



Financed emissions

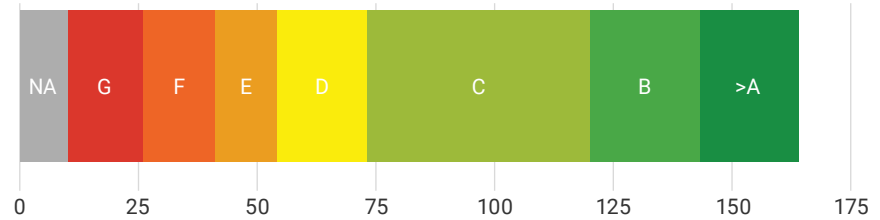
The scope 3 carbon emissions from our mortgage portfolio are calculated using methodology provided by the Partnership for Carbon Accounting Financials (PCAF). PCAF is a global partnership of financial institutions that work together to develop and implement a harmonised approach to assess and disclose the greenhouse gas emissions associated with their asset classes such as loans and investments. PCAF applies a score from 5 (worst) to 1 (best) to determine data quality of the calculated carbon emissions. Due to challenges of privacy and data availability, score 3 is currently the highest achievable quality score in the Netherlands. In 2024, 62% of our financed emissions are measured at data quality score 3, 32% at score 4 and 6% at score 5.

The PCAF methodology applies estimated energy usage data from Centraal Bureau voor de Statistiek (CBS) and data from Rijksdienst voor Ondernemend Nederland (RVO) based on building characteristics, such as the EPC label, building type and floor surface area. When calculating financed emissions, a building's annual emissions are attributed to the mortgage provider using a loan-to-value approach. Thus, the attribution is equal to the ratio of the sum of outstanding amount at the time of GHG accounting to the sum of property value at loan origination. When the collateral value at origination is not available, the current (non-indexed) collateral value is used as denominator.

PCAF data quality score table

Data Quality	Options to estimate the financed emissions	When to use each option
Score 1	Option 1: Actual building emissions	1a Primary data on actual building energy consumption (i.e., metered data) is available. Emissions are calculated using actual building energy consumption and supplier-specific emission factors specific to the respective energy source.
Score 2		1b Primary data on actual building energy consumption (i.e., metered data) is available. Emissions are calculated using actual building energy consumption and average emission factors specific to the respective energy source.
Score 3	Option 2: Estimated building emissions based on floor area	2a Estimated building energy consumption per floor area based on official building EPC labels AND the floor area are available. Emissions are calculated using estimated building energy consumption and average emission factors specific to the respective energy source.
Score 4		2b Estimated building energy consumption per floor area based on building type and location-specific statistical data AND the floor area are available. Emissions are calculated using estimated building energy consumption and average emission factors specific to the respective energy source.
Score 5	Option 3: Estimated building emissions based on number of buildings	3 Estimated building energy consumption per building based on building type and location specific statistical data AND the number of buildings are available. Emissions are calculated using estimated building energy consumption and average emission factors specific to the respective energy source.

Financed carbon emissions 2024 (kt CO₂e)



Economic carbon intensity displays the financed emissions in relation to the amount of outstanding loans in billion EUR. The economic carbon intensity in 2024 was 9.6 kt./bn EUR in outstanding loans (2023: 10.8 kt./bn EUR). Physical carbon intensity displays the financed emissions in relation to the floor area of financed collateral buildings in square meters (m²). The physical carbon intensity in 2024 was 24.6 kg/m² of floor area (2023: 25.8 kg/m²). The decrease in financed emission figures stems from better EPC distribution in our portfolio, and lower emission factors compared to last year. The table below also includes Assets under management that have transferred to Achmea Bank due to the acquisition of Syntrus Achmea Hypotheken B.V. as of October 1st 2024. These carbon emissions are not attributable to Achmea Bank, as they are considered as off balance.

Scope 3 carbon emissions mortgage portfolio

as of 31 st December 2024	Gross Carrying Amount (in millions of Euros)	In scope (in millions of Euros)	Weighted average PCAF data quality score	Financed carbon emissions (in kton CO ₂ e)	Economic emission intensity (in kton CO ₂ e/billions of Euros)	Physical emission intensity (in kg CO ₂ e/m ²)
Loans and advances	17,189	17,189	3.4	164.3	9.6	24.6
Assets under management	21,751	21,751	3.4	192.5	8.9	23.1

as of 31 st December 2023	Gross Carrying Amount (in millions of Euros)	In scope (in millions of Euros)	Weighted average PCAF data quality score	Financed carbon emissions (in kton CO ₂ e)	Economic emission intensity (in kton CO ₂ e/billions of Euros)	Physical emission intensity (in kg CO ₂ e/m ²)
Loans and advances	14,278	13,669	3.7	147.7	10.8	25.8
Assets under management	-	-	-	-	-	-

Financed emission targets

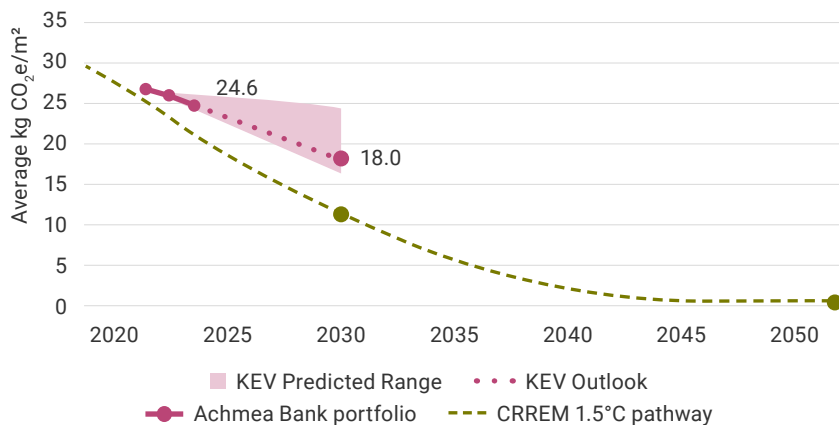
Our ambition is to have a climate-neutral mortgage portfolio with net zero carbon emissions by 2050 at the latest. We want to achieve this by increasing the share of green energy labels in the mortgage portfolio. In 2024 we have determined our interim goals towards 2030. Our interim ambition is to lower our carbon emission by 33% in our mortgage portfolio by 2030 compared to our base year 2022.

We investigated how our mortgage portfolio compares to a science-based climate transition path as a benchmark. Using the methodology of the Science Based Targets Initiative (SBTi), we have calculated how much CO₂ reduction needs to be achieved to have a virtually climate-neutral mortgage portfolio by 2050. To do this, we used the Carbon Risk Real Estate Monitor (CRREM) v2.03 1.5°C transition pathways for Dutch residential single-family and multi-family houses. These transition pathways are based on the 1.5°C scenario from the most recent IPCC report.

We also looked at the expected development of carbon emissions from the built environment in the Netherlands. For this we used the Climate and Energy Outlook from the Netherlands Environmental Assessment Agency (PBL). In this report the government's existing and proposed plans have been used to calculate expected carbon emissions up to 2030. The forecast in this study is that carbon emissions from the built environment will be about 33% lower in 2030 than in 2022. This forecast shows that there is still a significant gap between the current development of the sustainability of the Dutch housing stock and the pace required according to climate science.

Towards 2030, we expect the reduction path of our mortgage portfolio to develop within the range indicated from the PBL Climate and Energy outlook (see graph as illustrated below). As up-to-date consumption data and data around the current sustainability status of homes are currently insufficiently available, an accurate forecast is not yet possible. We are collaborating within the financial sector on a number of initiatives to gain better insights into households' current CO₂ emissions, and to help homeowners with sustainability. Collaboration on data is a key focus for us. We will evaluate the expected CO₂ reduction of our portfolio annually based on the latest insights. The ambition is to move the portfolio towards the CRREM transition path.

Scope 3 Carbon Emissions Mortgage Portfolio



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

Achmea Bank expressly does not choose to exclude customers with homes that have poor energy labels. Our focus is on helping these customers to reduce heat- and electricity consumption, for instance via insulation, solar panels and heat pumps to make homes 'net-zero ready'. The rate at which the CO₂ footprint of the mortgage portfolio will decrease depends on (external) factors beyond Achmea Bank's control as described below.

The speed at which the energy mix is becoming more sustainable

Achmea Bank has no insight into the individual energy demand and energy mix of the homeowner due to privacy protection. Hence, CO₂ emissions are determined based on the CO₂ emission factor of the average Dutch energy mix. The electricity mix is becoming increasingly greener through e.g. co-firing biomass, building heat networks, connecting solar and wind farms and phasing out coal-fired power plants. Achmea Bank has no influence on this, but the Climate Act stipulates that this energy mix must be nearly climate-neutral by 2050.

The speed at which homes are being made more sustainable

The largest contribution of CO₂ emissions is caused by the heat demand of homes. This can initially be reduced by better insulating homes to a level where it also becomes possible to switch to another form of heating ('net-zero ready'), such as a (hybrid) heat pump. The speed at which homes become more sustainable depends partly on external factors such as energy prices, costs and availability of alternatives (such as heat pumps), labour capacity, subsidies, regulations and financing options.

The development of the number of new-build homes

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

Progress on natural gas-free neighbourhoods

The government has set a target for about 1.5 million existing homes to be gas-free by 2030. Municipalities are responsible for planning and implementing this transition. There are delays in the roll-out of these plans, including the construction of heat networks, which means that the 2030 emission reduction targets for the built environment may not be met. This obviously also affects the extent to which Achmea Bank can meet its targets for the mortgage portfolio.

Legislation and government regulations

The government plays an important role in speeding up sustainability. Via standard setting and subsidy schemes, among other things. The proposed gas boiler ban is under discussion and there is also uncertainty around mandatory ecological research when insulating and the net-metering scheme for solar panels.

Financed emissions transition plan

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

Informing and engaging customers

We inform customers both when they take out a mortgage and during the term of the mortgage about the options and potential savings involved in making their homes more sustainable. Since 2023, we pro-actively offer the Energy-Saving Budget in our mortgage offers. The idea is that customers will immediately be aware that a sustainability budget can be included as part of the mortgage. Agreeing a new fixed-rate period for the mortgage is another good time for customers to consider issues that are relevant now or in the future, such as making their home more sustainable. Three months before the fixed-rate period expires, our customers receive not only a new interest rate offer but also information on options for making their home more sustainable.

Offering product- / financing solution

Buying a new house is a natural moment to think about making the home more sustainable. We therefore offer our customers the option of financing energy-saving home improvements as part of their mortgage. Customers do

not immediately need to present a plan. The extra loan (Energy-Saving Budget) can be kept in deposit for up to two years. If there is any money left after two years, we deduct this unused budget from the mortgage principal. In 2023 Achmea Bank added a green loan component to its mortgage products. This is an additional loan for making the property more sustainable being borrowed as part of the mortgage but at a lower interest rate. We also want to make it easier for existing customers to take out an additional loan for energy-saving home improvements. In addition, we are planning to offer an interest rate discount on mortgages for homes with A+ labels or higher. We expect to implement these improvements in 2025.

Providing sustainability services

We also want to help our customers make their homes more sustainable. We provide information, personal advice and arrange fitters for installation. Through a network of partners, Centraal Beheer offers roof, wall and floor insulation, solar panels, heat pumps and green roofs. Besides the solutions and information on how to become more sustainable we also help with subsidies or financing.

Supporting and engaging mortgage brokers

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

Green funding

To attract green financing Achmea has set up a Green Finance Framework (GFF). With this we are offering our investors sustainable investment opportunities in high-quality Dutch mortgages and real estate. This framework is based on the Green Bond Principles and Green Loan Principles and has been rated positively by ESG rating bureau ISS and CFP Green Buildings. Achmea Bank issued its first bond of EUR 500 million under this framework in 2024. More information about the [Green Finance Framework](#) can be found on our website.

Monitoring & reporting

In 2019, we started measuring the carbon emissions of our mortgage portfolio. We report on this annually through our annual report. To assess how effective our actions are, we monitor the effect of our activities. We review the energy labels in our mortgage portfolio each quarter. In addition, we measure how often sustainability is discussed in mortgage advice consultations and the number of applications that include energy-saving measures. This information enables us, together with our customers, to work on making homes more sustainable.

Risk management

Climate and environmental (C&E) risk is a theme that requires increasingly more of attention within risk management. Achmea Bank is actively improving its understanding of these risks in order to ensure that the futureproofing of our Dutch retail market-oriented business model is secured.

Achmea Bank views physical and transition C&E risks as drivers of traditional risk types, e.g. credit risk, operational risk and strategic risk. Achmea Bank is integrating C&E risk drivers in its risk management framework. Furthermore, in 2024 Achmea Bank developed and approved a comprehensive materiality risk assessment of the impact of C&E drivers on the traditional risk types, following the 2023 initial materiality assessment. The assessments include both qualitative and quantitative elements and with different time horizons up to 10 years. Based on these actions we conclude that the impact C&E risk drivers on financial risks for Achmea Bank are not material for the short term. The potential longer-term impact of these drivers will be investigated further.

Compliance to relevant guidelines, e.g. central bank expectations in the ECB's Guide for environmental and climate-related risks, is a focal point in our approach to C&E risk management. In this regard, our focus will be on the further integration of C&E risk into Achmea Bank's strategy, risk management and governance.

Financial risk

Within the financial risk domain, the focus for the (potential) material impact of C&E drivers is on retail credit risk as residential mortgages are the core assets of Achmea Bank. In 2024 the effect of energy efficiency on the property value in the Dutch housing market was investigated, follow-up research on flood risk was also conducted. In addition, the macro-economic scenarios were updated with one of the key components being the climate-related policies of the Dutch government. Furthermore, for funding liquidity risk, in 2024 Achmea Bank started an investigation into the longer term C&E driven impact on its wholesale funding.

Physical risk

Physical climate-related risks concern certain physical climatic events, which may expose our customers and their homes to risks and could impair the affordability of their mortgage loan. Therefore, the location and other building characteristics are relevant to the exposure to physical risks, such as:

- Foundation support (pole rot and land subsidence)
- Water nuisance (precipitation)
- Flooding (likelihood and maximum depth levels)
- Wildfires

More figures and details about the exposure of our mortgage portfolio to physical climate risks are included in the Climate Risk Vulnerability Assessment (CRVA). This analysis has been performed for the Climate Change Adaptation objective of the EU Taxonomy, in the Do No Significant Harm (DNSH) section of this report.

For non-financial risk, the focus of our analysis has been on assessing the extent to which physical climate risks could result in material disruptions to the services we provide our savings and mortgage customers. Critical and important functions are central to this, with Achmea Bank having outsourced various key operational activities to third parties. Preliminary results show that no major impact is expected in the short term.

Transition risk

Climate risks relating to the transition to the carbon neutral economy arise from changes in policies, technology or market sentiment. Transition risks are more challenging to assess and manage, since these risks impact many facets, including the macro-economy. For instance, house price developments are relevant to our mortgage portfolio. The transition is expected to impact house prices through elements such as policies, the marketability of homes with less favourable EPC labels or preferences for more efficient housing. This is expected to positively impact customers with high(er) EPC labelled buildings and may have an adverse effect on the value of houses with low(er) valued EPC labels.

It is increasingly important to provide our customers with more insight into the climate risks associated with their homes. Ideally, they should consider this in their purchasing decision. These risks may also have a greater impact on, for example, house prices and affordability in the coming years. Therefore, next year we will start exploring what information our customers need and what possibilities there are to inform them.

Non-financial risk

Achmea Bank has performed a (qualitative) analysis of C&E risks in order to identify the key consequences for the Bank's strategic (business model) and operational risk. The analysis assessed the ways in which physical and transition factors can cause or amplify strategic and operational risks.

For operational risk, the impact of physical risks (floods, drought, etc.) on the continuity of the mortgage, savings, investment business and Acier customer chains (including outsourced activities and IT) and reputational risk and liability risk are particularly relevant. Based on current insights, the impact of C&E risk drivers on Achmea Bank's operational risk is assessed as not material for the time horizons (< 5 years and < 10 years) considered in the analyses.

For strategic risk the analysis performed covers all relevant business areas of Achmea Bank such as mortgages, savings and retail investments. Transition risk is particularly relevant. The analysis suggests that the impact of C&E risk drivers on Achmea Bank's strategic risk is not material for the time horizons (<5 years and < 10 years) considered. As mentioned above, the impact of C&E risks on operational risk and strategic risk will be further investigated considering a long time horizon (> 10 years).

Risk management transition plan

In 2024, Achmea Bank took an important step by setting up a C&E Risk Framework (CERF), which also captures the risk governance surrounding C&E risks. An overview was set up which illustrates how physical and transition climate risk drivers affect Achmea Bank's financial and non-financial risks via micro and macroeconomic transmission channels.

In 2025, Achmea Bank will take steps in its data warehouse for physical C&E risks, which will provide more comprehensive data for our mortgage portfolio. Moreover, to address one of the challenges in estimating the potential damage of flood risk, Achmea Bank is collaborating with the Institute for Environmental Studies (IVM) on a study using relatively new data from the 2021 flood in Limburg.

Lastly, in 2025 we will focus on the (further) implementation of the ECB expectations for C&E risk management and the new EBA guidelines on ESG risk management and ESG scenario analysis. The deliverables of these actions are important elements for upgrading our CERF in 2025 and beyond.

EU Taxonomy for Sustainable Activities

As of 2025 the EU Taxonomy (EUT) will be applicable to Achmea Bank, which provides a common classification system for environmentally sustainable activities. To reach the objectives of the European Green Deal, the EU Taxonomy helps companies to determine the sustainability of their economic activities. More specifically, credit institutions must determine the alignment of the exposures on the balance sheet to the climate and environmental goals within the EU Taxonomy.

Eligibility

The table below shows eligibility of our balance sheet exposures. EU Taxonomy eligibility indicates potential sustainable assets and gives insight how the EU Taxonomy impacts the balance sheet, especially in relation to climate change mitigation. The template provided in Annex VI of article 8 of the EU Taxonomy is used as basis to calculate the eligible assets. The gross carrying amount definition is used to determine the exposures. The gross carrying amount consists of the amortised cost of the financial assets, before adjusting for any loss allowance (EUR 24 million).

Assets for Green Asset Ratio (GAR) calculation	December 31 st 2024				December 31 st 2023			
	Total gross carrying amount	Climate Change Mitigation (CCM)			Total gross carrying amount	Climate Change Mitigation (CCM)		
		Taxonomy-eligible	Taxonomy-aligned	Taxonomy-aligned %		Taxonomy-eligible	Taxonomy-aligned	Taxonomy-aligned %
<i>In millions EUR</i>								
GAR covered assets in both numerator and denominator	17.328	17.105	2.506	14.5%	14.564	14.258	1.853	12,7%
Credit institutions - loans and advances (not on demand)	223	-	-	0,0%	306	-	-	0,0%
Credit institutions - debt securities	-	-	-	0,0%	31	31	-	0,0%
Other financial corporations - loans and advances	11	11	-	0,0%	12	12	-	0,0%
Households - loans collateralised by residential immovable property	17.093	17.093	2.506	14.7%	14.215	14.215	1.853	13,0%
Other assets excluded from the numerator for GAR calculation (covered in the denominator)	958	-	-	n.a.	728	-	-	n.a.
Non-financial corporations not subject to NFRD disclosure obligations - loans and advances	19	-	-	n.a.	22	-	-	n.a.
Derivatives (including CSA)	590	-	-	n.a.	620	-	-	n.a.
On demand interbank loans	18	-	-	n.a.	20	-	-	n.a.
Other assets (including fair value adjustment)	332	-	-	n.a.	67	-	-	n.a.
Total GAR covered assets	18.286	17.105	2.506	13.7%	15.292	14.258	1.853	12,1%
Other assets not covered for GAR calculation	1.283				672			
Sovereigns	11				10			
Central banks exposure	1.271				662			
Total assets	19.568				15.963			
Off Balance sheet exposure - Undertaking subjects to NFRD disclosure obligation	21.731	21.731	4.079	18.8%	-	-	-	n.a.
Assets under management	21.731	21.731	4.079	18.8%	-	-	-	n.a.

Alignment

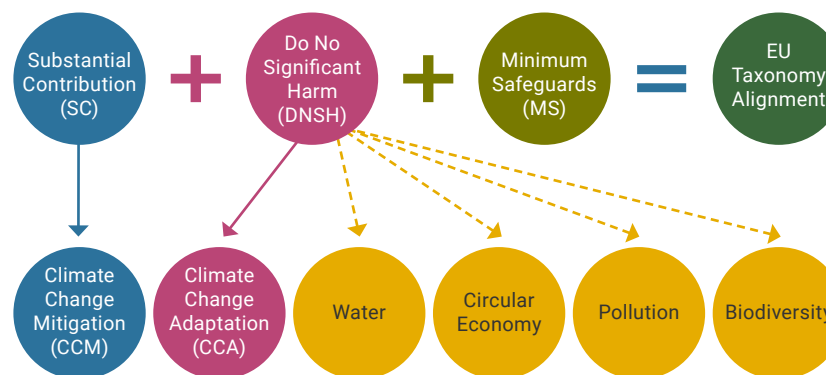
In the EU Taxonomy, household/consumer mortgage loans are considered eligible economic activities. The EU Taxonomy also sets out six climate and environmental objectives to determine eligibility and alignment of mortgages in our portfolio:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection of biodiversity and ecosystems

Achmea Bank applies the EU Taxonomy to section 7 (real estate) of the Climate Delegated Act for residential mortgage lending activities. At this time, it is only possible for Achmea Bank to assess the EU Taxonomy alignment with category 7.7 - acquisition and ownership of buildings. Due to the lack of publicly available data, we are not able to assess our alignment of our mortgage portfolio with the requirements of categories 7.1 through 7.6 at this time.

For the 'Technical Screening Criteria' (TSC), financial institutions must decide one environmental goal to which their economic activity will make a 'Substantial Contribution' (SC). Achmea Bank has determined mortgage loans are eligible for Substantial Contribution to the 'Climate Change Mitigation' (CCM) objective. In addition, Achmea Bank must also determine

whether loans 'Do No Significant Harm' (DNSH) to any of the other five environmental objectives. At this time, for residential mortgage lending in category 7.7, only the 'Climate Change Adaptation' (CCA) objective has been expanded by the European Parliament & Commission. Lastly, the economic activity must comply with the 'Minimum Safeguards' (MS) to determine if any human rights infractions have occurred in the activity.



Of all household mortgage loans on our balance sheet, EUR 2,900 million are aligned with Substantial Contribution criteria, or 17% of all our mortgages. Of this portion, EUR 394 million, or 2.3%, are not aligned with Do No Significant Harm criteria. We also consider all household mortgages compliant with Minimum Safeguards. This results in EUR 2,506 million, or 14.7%, in mortgage assets that are aligned with the EU Taxonomy regulation. Our EU Taxonomy criteria are further detailed in the following paragraphs.

Substantial Contribution Climate Change Mitigation

Substantial Contribution (SC) alignment of mortgages to the Climate Change Mitigation (CCM) objective is based on the energy efficiency of the collateral building. Achmea Bank aims to increase the proportion of green EPC labels in the mortgage portfolio, in part by enabling customers to make their homes more sustainable. This will positively impact the carbon emissions, thereby mitigating climate change. Achmea Bank's SC-criteria for CCM are based on the [Dutch Energy Efficient Mortgage Framework \(DEEMF\)](#) interpretation of the EU Taxonomy Delegated Act by the Energy Efficient Mortgage Hub Netherlands (EEM NL Hub). Achmea Bank uses the following criteria to determine Substantial Contribution.

Valid EPC label A

Buildings built before January 1st, 2021, with a valid EPC label A or better qualify as aligned. This excludes invalid labels, such as provisional, estimated or expired EPC labels. The biggest data challenge is the lack of valid EPC labels in the Dutch residential property market. Approximately 38% of our mortgage portfolio does not have a valid EPC label.

Top 15% of the most energy efficient housing stock

Alternatively, if no valid EPC label is available, buildings built before January 1st, 2021, and within the national top 15% most energy efficient building stock, qualify as aligned. To determine the top 15%, Achmea Bank applies the methodology provided by CFP Green Buildings, as described within the [Achmea Green Finance Framework Methodology Report](#). The percentage of the residential building stock built between 2006 and 2020 represents 12.2% of the total residential building stock built before 2021, which is slightly below the top 15% in the Netherlands.

NZEB/BENG -10% threshold for new buildings

Buildings built after December 31st, 2020, with a Primary Energy Demand (PED) of at least -10% of the 'Nearly Zero Emission Building' (NZEB) threshold, qualify as aligned. Achmea Bank applies the 'Bijna Energie Neutrale Gebouwen' (BENG) threshold, as set out in Dutch legislation. Of all aligned mortgages loans, 14% have a 'valid A label', 3% falls within the 'top 15%' and 0.5% aligns with the 'NZEB -10% threshold'.

Do No Significant Harm Climate Change Adaptation

When a mortgage loan is aligned with Substantial Contribution criteria for CCM, it must be determined whether the loan also aligns with the Do No Significant Harm principle for other climate and other environmental goals in the EU Taxonomy. At this time, for residential mortgage lending under section 7.7, DNSH only applies to the Climate Change Adaptation objective. Achmea Bank has performed a 'Climate Risk and Vulnerability Assessment' (CRVA) in line with the European Commission's 'Appendix A: Generic criteria for DNSH to Climate Change Adaptation'.

Climate Risk Vulnerability Assessment

Achmea Bank's CRVA uses climate projections until 2050 by the Koninklijk Nederlands Meteorologisch Instituut's (KNMI) worst case scenario (KNMI'14 WH scenario), which are aligned with the Intergovernmental Panel on Climate Change's (IPCC) Representative Concentration Pathway 8.5 (RCP 8.5) from their Assessment Report 5 (AR5). The KNMI has also published its 2023 scenarios, which have not yet been fully translated into the publicly available climate risk datasources at this time. Climate risks are assessed using open source methodology from the Klimaateffectatlas by Stichting Climate Adaptation Services (CAS) to map several physical climate risk types to individual collateral objects in our mortgage portfolio with environmental scores. The methodology applied by Achmea Bank also incorporates guidelines by the Dutch Green Building Council (DGBC).

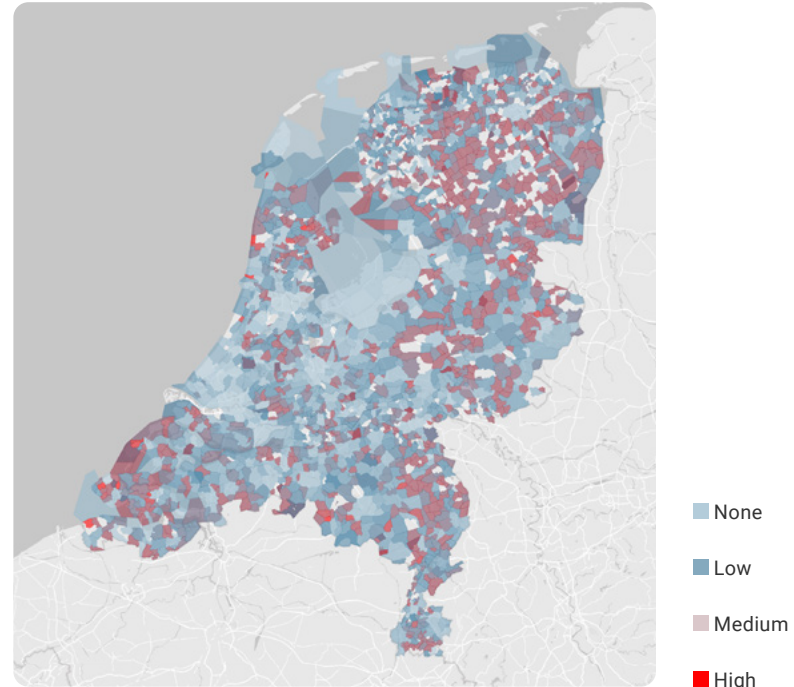
Of our entire mortgage portfolio, approximately 83% is aligned with DNSH-criteria. Of the unaligned mortgages, approximately 6% is due to insufficient data and 11% due to climate risk scores that exceed our CRVA's thresholds. In 2025 we will continue to collect additional data to fill in remaining gaps in our assessment. Additionally, we will continue our efforts with peers and the EEM NL Hub to further harmonise DNSH practices within the Dutch financial sector. Achmea Bank uses four physical climate risk types in this CRVA, as detailed in the following sections.

Wildfire risk in 2050

Due to climate change, wildfires are expected to occur more frequently in the future. The intensity, duration, spread and frequency of the wildfire may be attributed to factors such as dryness of soil, fire sensitive vegetation or recreational traffic.

Wildfires may cause large scale evacuations and catastrophic damage beyond repair in residential areas, if the fire cannot be contained in time. The excessive cost of repairs, as well as loss of valuable belongings could cause significant difficulties to our customers. In case of default, the damages may also significantly reduce the value of the collateral building. Achmea Bank considers wildfire risk as unaligned with DNSH when the environment risk score is valued at 'high'.

Wildfire exposure in 2050



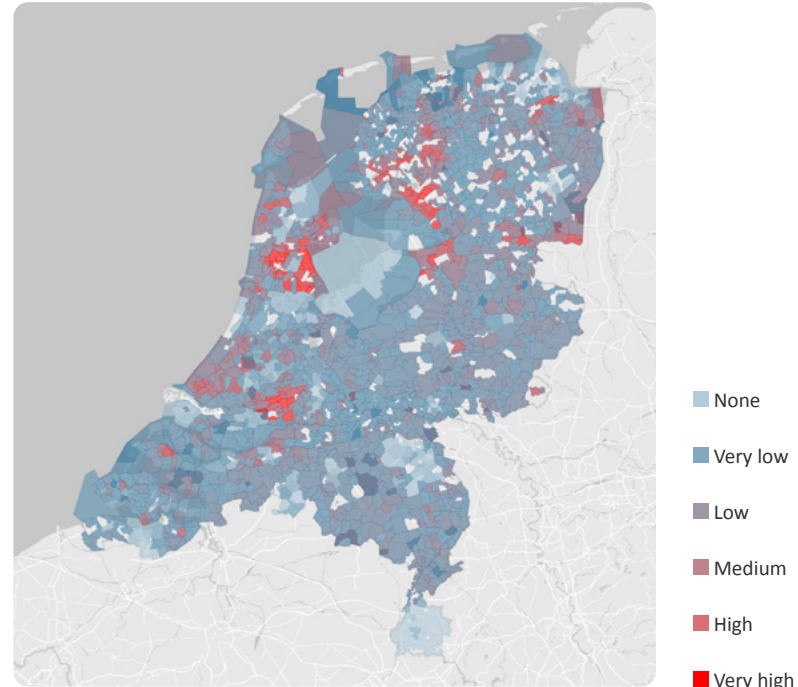
	Aligned	Not aligned	Insufficient data
Wildfire	93%	1%	6%

Foundation deterioration risk in 2050

Many buildings constructed before 1975 have been built on wooden pole foundations or on shallow steel foundations that may be prone to pole rot or land subsidence, respectively. Pole rot already poses risks to buildings, even in the current climate. Drought from climate change is expected to increase the probability of damaged foundation support.

High susceptibility to foundation deterioration could cause catastrophic damages to residential buildings. In some cases, issues with the foundation support may cause heavy damages to floors or (load bearing) walls. The excessive cost of repairs could cause significant difficulties to our customers. In case of default, the damages may also significantly decrease the value of the collateral building. Achmea Bank considers pole rot and land subsidence risks as unaligned with DNSH when the environment risk score is valued at 'high' or 'very high'.

Foundation deterioration exposure in 2050



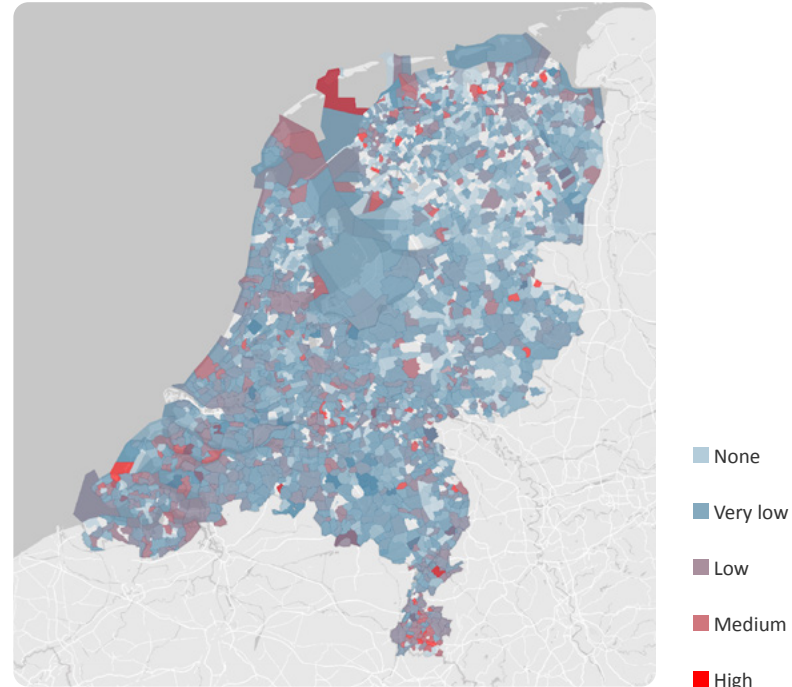
	Aligned	Not aligned	Insufficient data
Foundation deterioration	90%	4%	6%

Water precipitation risk in 2050

A substantial portion of Dutch streets and squares may flood during heavy precipitation. Our CRVA uses an extreme, brief precipitation scenario of 70mm of precipitation in 2 hours. This kind of heavy rainstorm is expected to occur approximately once every 100 years, but this probability is expected to double as a result of climate change by 2100. Most of the damage is caused by water flowing into buildings and basements.

Costs of repairs due to water damages, as well as loss of valuable belongings, could cause difficulties to our customers, which could result in arrears. However, at this time we do not expect many defaults or major write-offs due to heavy water precipitation. Achmea Bank considers water precipitation risk as unaligned with DNSH when the environment risk score is valued at 'very high', which equates to more than 30 centimetres of water depth. Buildings constructed after 2012 are not yet included in the Klimaateffectatlas, due to outdated height maps. Therefore, the alignment for these buildings is assumed to be distributed in line with the rest of our portfolio.

Water precipitation exposure in 2050 (1:100 years)



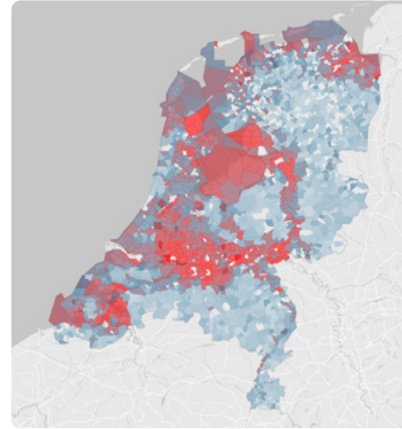
	Aligned	Not aligned	Insufficient data
Water precipitation	88%	6%	6%

Flooding risk in 2050

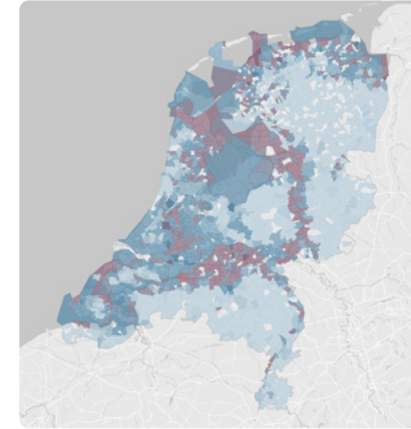
Unless carbon emissions are lowered, climate change may cause sea levels to rise up to 1.2 meters, or even up to 2 meters if ice caps become increasingly unstable. Our CRVA combines two maps from the Klimaateffectatlas to form a flooding risk matrix. The first map, the current maximum water depth, uses an extreme flooding scenario that is expected to occur once every 100,000 years. The second map, the local flooding probability in 2050, shows the likelihood of floods in 2050, in which the water rises at least 20 centimetres. This map also takes into account the maximum acceptable probability of flooding applicable by 2050, as set in the Dutch Water Act. Due to the existing and planned flood defences of the 'Delta Works', the exposure in the likelihood of flooding in 2050 map is limited in most areas of the country.

Susceptibility to flood risk could cause catastrophic damages to residential buildings. Depending on the severity, the excessive cost of repairs as well as loss of valuable belongings, could cause significant difficulties to our customers. In case of default, the damages may significantly reduce the collateral value. Achmea Bank considers flooding risk as unaligned with DNSH when the environment risk score on both flooding maps is valued at least 'medium' or 'high'. This equates to a maximum water depth of more than 100 centimetres, in combination with a flooding likelihood of more often than once every 300 years.

Current flooding depth (1:100,000 years)



Flooding likelihood in 2050



■ None ■ Very low ■ Low ■ Medium ■ High

	Aligned	Not aligned	Insufficient data
Flooding risk	94%	<1%	6%

Minimum Safeguards

The Minimum Safeguards (MS) include procedures implemented by an undertaking that is carrying out an economic activity to ensure the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This includes the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

When it comes to MS criteria for mortgage lending activities, Achmea Bank's methodology is in accordance with the DEEMF guidance to the MS, which states: *"We deem the Minimum Safeguards of the Taxonomy Regulation in the context of (mortgage) lending for residential properties to homeowners - more concretely for the economic activity 7.7 of the Climate Delegated Act – Annex I, not to be applicable to households as we do not consider these to be undertakings. The term 'undertaking' is not defined in the context of the Taxonomy Regulation. In common parlance and within the*

context of general regulatory language, the term "undertaking" is commonly understood to refer to a corporation, business entity, or an organized enterprise, rather than an individual, a homeowner in our context. We deem the (prospective) homeowner not to be an undertaking. The (prospective) building owner is exercising ownership – and thus carrying out the economic activity. A financial institution is facilitating this via a mortgage loan – financing the economic activity - of buying real estate. As there can be laid no burden of proof upon the (prospective) homeowner as he / she is not an undertaking we deem the Minimum Safeguards not to be applicable."

Therefore, as Achmea Bank only assesses the Technical Screening Criteria to mortgage lending under section 7.7 – acquisition and ownership of buildings, we consider the Minimum Safeguards criteria not applicable to household mortgages.



Social

Accessibility for our stakeholders

At Achmea, our purpose is 'Sustainable Living. Together'. We strive for a sustainable and inclusive society in which we enjoy living together and no one is left out. This means that we respect human and labour rights, promote equal opportunities and increase inclusiveness. We strive to contribute to adequate housing for all. Additionally, together with our partners and peers, we work towards improving the financial wellbeing and independence of our customers and contribute to financial education of young people.

Customers

Together with our partners we play an important part in access to the Dutch housing market and financial wellbeing in Dutch society. With our mortgages, savings and investment products and services, we are relevant in the lives of more than 415,000 households. We aim to contribute to the financial wellbeing of our customers by providing an overview, understanding and actionable insights in the financial situation of our customers. But our responsibility as a lending institution also stretches beyond that. In addition to applying a responsible credit policy, we collaborate with our customers when payment problems arise to find a solution that suits the customers' needs as well as our responsibility as a financial institution.

Together with independent mortgage advisors, we play a key role in raising awareness that customers can make their homes more sustainable. That is why it is important that the options for making the home more sustainable are discussed during the consultations between the advisor and the customer. We encourage this discussion by drawing attention to the

possibility of an Energy-Saving Budget and Energy-Saving Facilities in the mortgage proposal. In addition, we offer a training course by Centraal Beheer's Advice Academy, which teaches mortgage advisors how to incorporate sustainability advices during mortgage consultations.

We seek a fair, proactive and transparent dialogue with our customers in order to ensure that their interests and needs are taken into account e.g., when developing products and services. Achmea Bank engages with its clients and creates opportunities for feedback. The NPS survey is a good measure to monitor customer's wishes. We are actively involved in several initiatives to connect with our customers, such as:

- Centraal Beheer regularly engages in dialogue with customers. Through the Customer Council, our customers have a direct voice in our organisation. The Customer Council participates in the development of new services, products and communication. In addition, we organise customer centric dialogue sessions where we invite customers to talk about our products and services.
- Products and services development for a more sustainable living at Centraal Beheer, for example sustainability advice, solar panel installation and other products for more sustainable living.
- Approximately eighty parties from the mortgage market have joined forces to accelerate the process of making the Dutch owner-occupied property market more sustainable. The 'Sectorcollectief Duurzaam Wonen' was launched with the goal of making the sustainability of properties a fixed component of every mortgage application.

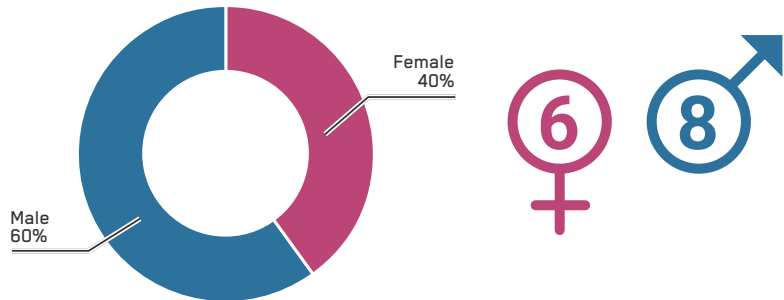
Our role as employer

We have several policies in place that contribute to the wellbeing and development of our employees, like our education budget, in which Achmea is a frontrunner. Last year Achmea introduced an 'all-you-can-learn' concept, which enables employees to increase knowledge and train soft skills. We also have our internal networks for diversity, such as our LGBTQIA+ network 'Achmea Pride!' and our 'Kleurrijk Achmea' network. Achmea introduced a climate budget for all employees; the organisation provides a budget to spend €2,500 on sustainable solutions for home, household appliances or mobility.

Achmea Bank measures gender distribution levels of employees and senior management positions. We have set a target to employ at least 40% of each gender in total, as well as senior management level. At year-end 2024, gender distribution among employees amounts 40% female and 60% male. The distribution in senior leading positions was 43% female and 57% male.

Total male - female ratio

Male - female ratio in senior leading positions



As part of our HR policy, our employees are entitled to four days off for communal service. Our aim is to empower our employees to contribute to financial literacy and wellbeing. Our target is to host at least 50 guest lessons in schools each year for the 'Bankers in the classroom' initiative of the Dutch Banking Association. In 2024, we took part in 31 classes. Achmea and the Achmea Foundation also organize guest lessons by employees with foundations LEF, in education about financial health and JINC, with education around financial inclusion, talent development and employment. Throughout these various initiatives, Achmea has reached around 2,000 young people in 2024.

Achmea applies a 34-hour working week with the option for employees to work more or less. This flexibility offers employees the opportunity to better coordinate their work-life balance. We ensure a healthy workplace and through the awareness programme 'Healthy Working', extra attention is paid to exercise, nutrition and relaxation. Our office and the outdoor area are non-smoking and various workplaces are equipped with a desk bike or sit-stand desks. Our workplace is flexible, we work independently of time and place in the place that best suits our activities. In addition, we offer employees a free health check and support in the form of a company doctor, physiotherapist, psychologist, dietician and work/life coach. Employees can make an appointment, anonymously and without intervention. We also believe it is important that our employees remain financially fit. Therefore, we have a financial safety net for and by colleagues: the Achmea Social Security Fund (SVA). Employees can turn to SVA if they are confronted with unforeseen

costs resulting from unforeseen circumstances, such as a divorce or the death of a partner. The fund offers three different forms of (financial) aid: Prevention, Budget Coaching and Financial Aid.

Partners

Our social responsibility also stretches to our partners with whom we work to deliver our services. Achmea Bank ensures that our outsourcing partners act according to ethical norms and international standards for labour and human rights, including the prohibition of child labour. Our most important target in this aspect, is to continue working according to our policies on these issues in our procurement activities, which are outlined in [Achmea's Sustainability statement for suppliers](#). In addition to this, we continuously monitor these norms in our engagement activities with our partners. As part of the Achmea Group, we are a company with a cooperative roots, which has a longstanding history in social and sustainable contributions to society. It is also in our investors' interest that their investments are allocated to these contributions.

Preventative & Special Asset Management

We are committed to sustainable home preservation for our customers. We assist our customers in (financially) difficult times. Together with the customer, we look for a suitable mortgage solution for now and in the future. By actively supporting and guiding customers in their personal and financial situation, we strive for a future-proof solution and offer help to increase their self-reliance. In 2024, of all customers with payment difficulties who have been assisted by our Special Asset Management team, 85% have recovered permanently.

We also offer budget coaches to help customers. Discussions with customers have revealed that they had insufficient insight into their own finances. Restoring or increasing this insight often requires a lengthy and intensive process. The aim of the budget coach is to increase our customers' independence. This reduces the chance of getting into financial difficulties again. Additionally, this enables our Preventative & Special Asset Management team to cooperate with the customer and find a solution to their difficulties together.

Every month, we collect customer feedback on how they have experienced the help they have received from our Preventative & Special Asset Management team. On average, customers rated our support a 4.4 out of 5. This feedback is very valuable to us. Not only to check where our processes function well (e.g. trust, respectful treatment and helpfulness), but also where our team can still improve (e.g. lack of an online customer portal or processing times).



Governance

Integration of ESG values

Our joint ambition with Achmea Group is to create sustainable value for our customers, employees, company and society at large through our ‘Sustainable Living. Together’ vision. Sustainable value creation also means that we assume responsibility to contribute to achieving the global climate goals. Achmea Bank works together with the other divisions of Achmea Group but also has its own initiatives and responsibilities for our own specific focus area. We collaborate within Achmea on themes wherever this offers added value, such as internal business operations, sustainability policies and legislation, communication and creating internal awareness. This is done via the ‘Sustainable Living. Together’ programme, under the responsibility of the Managing Board of Achmea B.V.

In addition to Achmea’s ‘Sustainable Living. Together’ programme, Achmea Bank has its own governance structure for embedding and anchoring ESG into its culture, products and activities. Achmea Bank genuinely believes that we have a social responsibility to contribute to combating climate change. ESG governance is an important theme within our organisation. Under the influence of our strategy, purpose and legislative frameworks, ESG will increasingly become more integrated into our business operations. Therefore, managing ESG will increasingly requires integration into all aspects of the organization. This is still an ongoing process in which we keep adapting to new developments and requirements.

Achmea Bank wants to contribute to the energy transition through our role as a mortgage provider. As a bank, we can enable consumers to make their

homes more sustainable by providing mortgages, green loans and Extra-Saving Budget. We offer inclusive financial products and communicate in a transparent and accessible way. Within the next years we are keen on further explore and act in the field of activating and helping consumers to actually make their houses more sustainable. Given the complexity of these challenges, we believe that collaboration between Achmea, its partners, society and the government is essential for success.

Within Achmea Bank, the ESG theme falls under the responsibility of the Chairman of the Managing Board. An ESG Officer is appointed who acts as the coordinator and advisor of the ESG themes within Achmea Bank. The ESG Officer also has a collaborative relationship with the ESG director at Achmea Group level. We believe climate-related issues are most effectively managed when incorporated in existing processes. This includes expanding the areas of attention of existing risk committees with C&E related risks as these have an impact on the bank’s traditional risk types. The Management Team ensures the implementation of sustainability decisions across the Bank and in their own domains, and approves implementation plans for key sustainability topics. The Management Team is mandated to guide and align the different sustainability activities within Achmea Bank; the formal approval of sustainability policies follows the regular governance, e.g. Credit Committee and Finance & Risk Committee. To properly integrate ESG values into our policies, we also continuously educate our Managing Board, Supervisory Board, senior management and other internal stakeholders.

Integration of sustainability into remuneration policy

Achmea's general remuneration policy focuses on encouraging employees to define goals for their contribution to sustainability. Integrating sustainability into the remuneration policy supports the achievement of the broader sustainability goals of Achmea Bank. More information about our [Remuneration Policy](#) and [Remuneration Report](#) can be found on our website.

Banking Code

Achmea Bank endorses the Banking Code. Together with the Social Charter and the Code of Conduct associated with the banker's oath, the Banking Code forms the Future-Oriented Banking package. The aim of this package is to make an important contribution to restoring public confidence in banks and their role in society. The Banking Code focuses in particular on the role of the bank's Managing Board and Supervisory Board and on the function of risk management and auditing at banks. The Banking Code also contains principles about remuneration. Please visit our website for more information how we apply the [Banking Code](#) and our [Code of Conduct](#).

Incorporating sustainability in the privacy policy

Achmea Bank respects, and is committed to protect, customer data. Achmea Group has drawn up overarching (IT) security policies and measures to protect customer data. Achmea has a Privacy Policy that describes how we process and protect customer data in compliance with applicable data protection laws. Achmea's public [Privacy Statement](#) can be found on the Achmea website.

We handle the data entrusted to us carefully and transparently. We use data in an ethically-sound manner, so our customers can conduct their business safely and securely. Therefore, Achmea has an Ethical Framework in which basic principles are laid down for the responsible use of artificial intelligence, chatbots and other data-driven applications. The goal of the framework is to prevent us discriminating against and/or excluding customers and/or treating our customers unfairly.

Talent development and wellbeing of our employees

Investing in talent development is important for us. For example, in the past few years we have made efforts to improve work-life balance by introducing and implementing a 34-hour working week. We want to help colleagues to do their best work, and we want to be regarded as an employer where all can thrive. Therefore, we measure the involvement of our employees in our yearly employee engagement survey. We strive for a score of 8/10 on both the 'enthusiasm' and the 'development and deployment of talent' metrics. In 2024, the scores of these metrics were 7.9 on enthusiasm (2023: 7.9) and 8.5 on employability (2023: 8.5).

We actively seek dialogue with our partners on ESG

Achmea Bank's strategy entails outsourcing activities to partners. It is essential that our partners share our vision and our aims to apply good governance and customer centricity. Achmea Bank continuously monitors the quality of the services provided by our partners. In regular engagement meetings, as agreed upon in each contract, we analyse the services concerned and optimise them where necessary. All necessary procedures, contractual clauses and policies are in place to comply with the European Banking Authority (EBA) Guidelines on outsourcing arrangements.

Transparency for our investors and stakeholders

Achmea Bank has a wide range of capital and liquidity sources. These includes savings, secured and unsecured funding programmes. We believe that the best way to maintain excellent relationships with our stakeholders and the wider financial community is through open and honest dialogue. We strive to balance the interests of all stakeholders while honouring long-term commitments to our customers. In terms of governance, our aim is for maximum transparency by reporting on our ESG-metrics and external ESG ratings and strive to implement any feedback that these ratings may provide to improve our efforts. In 2024, our ESG risk rating by Sustainalytics was 21.5 or medium risk (2023: 20.9 or medium risk).

Customer Due Diligence

In order to prevent the risks of violation of, among others, the Sanctions Act, and the risk of clients using our products for money laundering or terrorist financing (explicated in the Wwft), Achmea Bank carries out customer due diligence in advance of the onboarding process for new customers. In doing so, we examine, among other criteria, who the ultimate stakeholders are and what are the activities within the legal entity. We also carry out checks during the term of the agreement and in the event of payments. If there is a hit of a customer that is on the sanctions lists, we freeze the assets of the customer and report to the regulator. In case unusual transactions are detected, we report to the Financial Intelligence Unit. By following these processes, we comply to our Customer Due Diligence (CDD) policy in which Achmea Bank has defined its principles, frameworks and guidelines for the management of integrity risks.



UNEP FI Principles for Responsible Banking

UNEP FI Principles for Responsible Banking

Achmea Bank has signed the Principles of Responsible Banking (PRB). The UN Principles for Responsible Banking is a single framework for a sustainable banking industry developed through a partnership between banks worldwide and the United Nations Environment Programme Finance Initiative (UNEP FI).

Banks who have signed the Principles commit to be ambitious in their sustainability strategies, working to streamline and embed sustainability into the heart of our business, while allowing us to remain at the forefront of sustainable finance. Under the Principles, signatory banks measure the environmental and social impact resulting from their business activities, set and implement targets where they have the most significant impact, and regularly report publicly on their progress. The Principles provide a framework for banks to systematically understand the risks and seize the opportunities arising from the transition to more sustainable economies. This year marks our third reporting year under the principles.

Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

1.1 Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g., the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e., by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Response	Links and references
<ul style="list-style-type: none">• In 2024, Achmea Bank has a mortgage portfolio of approximately EUR 17 billion and a savings portfolio of approximately EUR 10 billion.• As of 2023 we also offer retail investment services, related to products managed by our partner Achmea Investment Management. These products are not in scope of this impact analysis because for the retail investment products, we only execute administration services and the reception and transmission of orders, not the fund management.• Our subsidiary Syntrus Achmea Hypotheekdiensten B.V. manages the operational activities for the mortgage portfolios of the brands Centraal Beheer, Attens, Syntrus Achmea, Woonfonds, and Tellius. Together, these brands represent a mortgage 'assets under management' volume of approximately EUR 33 billion.• We serve customers almost exclusively in the Netherlands.• Our customers are primarily private individuals and self-employed individuals.• We function as a network bank, collaborating with our partners such as Centraal Beheer, Achmea Investment Management and Achmea Mortgage Fund.• As a network bank, we consider portfolio acquisitions and origination of newly originated mortgages of external platforms as an important element in our growth strategy. Together with our partners and their customer facing brands we aim to find sustainable solutions for existing propositions as well as new propositions for clients.• Achmea Bank is part of Achmea's Retirement Services strategy. As part of Achmea's purpose 'Sustainable Living. Together', its Retirement Services strategy allows customers to have and generate income for today and tomorrow. Our ambition is making the Netherlands financially fit and self-reliant.	<p>Our ESG Ambitions</p>

1.2 Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

- Yes
 No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- UN Guiding Principles on Business and Human Rights
 International Labour Organization fundamental conventions
 UN Global Compact
 UN Declaration on the Rights of Indigenous Peoples
 Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: EU Taxonomy Climate Delegated Act, OECD Guidelines
 Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: _____
 None of the above

Response	Links and references
<ul style="list-style-type: none">• Our purpose is 'Sustainable Living. Together'.• Our ESG vision incorporates SDGs 10, 11 and 13.• The Paris Climate Agreement is incorporated in our strategy. Achmea is also signatory of the Climate Commitment of the Dutch financial sector.• Achmea aims to achieve fully sustainable and climate-neutral internal business operations by 2030.• Our long term ambition is to be climate neutral in both business operations and mortgage portfolio by 2050 while our interim ambition is to reduce 33% financed carbon emissions in our mortgage portfolio by 2030 compared to our base year 2022.• We aim to reduce the financed carbon emissions of our mortgage portfolio according to the Paris Climate Agreement using Science Based Targets based on the methodology of the SBTi. We used the most recent scenarios and calculation methods of PCAF and CRREM to benchmark for our portfolio.• Achmea Bank participates in the Partnership for Carbon Accounting Financials (PCAF) and the Energy Efficient Mortgage Hub Netherlands (EEM NL Hub).• Achmea tests its responsible investment policy against the Global Compact of the United Nations. We use these principles as a guideline when conducting engagement and completing part of the exclusion policy. The Global Compact includes: the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the UN Convention against Corruption.	<p>Our ESG Ambitions</p> <p>Operational emissions</p> <p>Financed emissions</p> <p>Achmea Human Rights and Labour Rights statement</p>

Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis

Show that your bank has performed an impact analysis of its portfolios to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly and fulfil the following requirements/elements (a-d).

- a) **Scope:** What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

Response	Links and references
<ul style="list-style-type: none">• We serve customers primarily located in the Netherlands.• Our focus is on residential mortgages and consumer savings.• Our Sustainability Strategy sets out the areas where we believe we can create sustainable, long-term value for our stakeholders, aligning with the Sustainable Development Goals and the Paris Agreement.• As of 2023 we also offer retail investment products, managed by our partner Achmea Investment Management. These products are not in scope of this impact analysis. For the retail investment products, we only execute administration services and the reception and transmission of orders, not the fund management.• Our subsidiary Syntrus Achmea Hypotheekdiensten B.V. manages the operational activities for the mortgage portfolios of the brands Centraal Beheer, Attens, Syntrus Achmea, Woonfonds, and Tellius. Together, these brands represent a mortgage 'assets under management' volume of approximately EUR 33 billion.	Our ESG Ambitions

- b) **Portfolio composition:** Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope
- i) by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or
 - ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

Response	Links and references
<ul style="list-style-type: none">• Achmea Bank's assets consist approximately 87% of residential mortgages to households. We provide mortgage products with different redemption types, such as annuity, linear and interest-only loans.• Our funding mix consists of 59% retail savings. We provide on demand and agreed maturity deposit products, as well as saving deposits linked to mortgages and pension savings.• Our customers are primarily private individuals and self-employed individuals in the Netherlands. We serve customers of all genders, ages and income brackets.• Mortgages and savings are our main business. The consumer banking identification module therefore also identifies this as our main products.	EU Taxonomy for Sustainable Activities

c) **Context:** What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

This step aims to put your bank's portfolio impacts into the context of society's needs.

Response	Links and references
<ul style="list-style-type: none"> The main challenges in the Dutch housing market are accessibility and availability to housing. With our products and services, we can help make the housing market more accessible. One of the points of attention in the Dutch market is financial vulnerability. With our savings products we help our customers to build wealth and thus become less financially vulnerable. To make as much impact as possible on these topics, we work closely with our partners. The Netherlands is a country that is vulnerable to the consequences of climate change. We also aim to play a role in making our customers and society more resilient to the consequences of climate change and stimulating the transition to a climate neutral society. One of the main sustainability challenges in our impact analysis concerns data availability and quality. To effectively help our customers with the sustainability of their homes, we must collect accurate and reliable data on the energy efficiency of their homes. This also requires government agencies to provide the required data, while also considering privacy regulations. Measurement and target setting of our ESG impact must be comparable with our peers in the context of our disclosures. To improve the quality and harmonisation of our disclosures and targets, we will continuously work with sector wide partnerships with our peers, such as PCAF and the EEM NL Hub. The extent to which our targets can be met depends partly on (external) factors over which Achmea Bank exerts little influence, such as the sustainability of the Dutch energy mix, availability of materials/installation professionals for sustainability measures and government legislature/regulation. 	<p>Our ESG Ambitions</p> <p>Financed emissions transition plan</p>

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)? Please disclose.

Response	Links and references
<ul style="list-style-type: none"> We consider Achmea Bank's first most significant impact area to be climate change mitigation. We believe we can play a critical role in stimulating the energy transition, which we consider our positive impact areas. However, negative impacts such as physical and transition risks are also expected to be applicable to our business model. Based on the results of the Double Materiality Assessment and the consumer banking identification in 2024, we have determined that Financial Health & Inclusion as the second impact area for Achmea Bank. Our ambition is making the Netherlands financially fit and self-reliant. We believe we can make a positive impact by helping our customers achieving financial stability when they experience financial difficulties. Negative impacts can also occur when customers have insufficient financial knowledge or experience with our products and services. 	<p>EU Taxonomy for Sustainable Activities</p>

d) **Performance measurement:** Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services.

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

Response	Links and references
<ul style="list-style-type: none">Achmea Bank primarily focuses on residential mortgage customers and savings customers. We consider our residential mortgage portfolio to be our focus area for impact.As a mortgage provider, we can encourage our customers to become more sustainable. We can do this through financial incentives via different communication channels. Ultimately, it is the homeowner who decides whether to actually invest in and make their home more sustainable. In the coming years, we want to further expand the possibilities to encourage and facilitate our customers to make the transition towards a more sustainable living.	Financed emissions transition plan

Self-assessment summary

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?

- Scope: Yes In progress No
- Portfolio composition: Yes In progress No
- Context: Yes In progress No
- Performance measurement: Yes In progress No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

- We consider Achmea Bank's first most significant impact area to be climate change mitigation.
- Based on the results of the Double Materiality Assessment and the consumer banking identification in 2024, we have determined that Financial Health & Inclusion as the second impact area for Achmea Bank.

How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

2.2 Target Setting

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis. The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) **Alignment:** which international, regional or national policy frameworks to align your bank's portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

Response	Links and references
<p>Our Sustainable Development Goals include:</p> <ul style="list-style-type: none">• SDG 10: Every year our employees provide guest lessons to young people about dealing with their financials. We aim at a minimum of 50 guest lessons. Financial health is also part of our material themes from our DMA. In 2025, we will develop targets and plans to further progress with this theme. We already deploy several initiatives for this theme, but we wish to increase our impact by further embedding it into our strategy, metrics and targets.• SDG 11: Our long term ambition is to be climate neutral in our mortgage portfolio by 2050 while our interim ambition is to reduce 33% financed carbon emissions in our mortgage portfolio by 2030 compared to our base year 2022.• SDG 13: We aim for carbon neutrality from our business operations by 2030. <p>Achmea Bank also applies the following commitments and frameworks:</p> <ul style="list-style-type: none">• The Paris Agreement.• The Dutch Climate Agreement.• The Partnership for Carbon Accounting Financials.• The Energy Efficient Mortgage Hub Netherlands.• The Science-Based Targets initiative and the Carbon Risk Real Estate Monitor.• The Principles for Responsible Banking Framework.	<p><u>Our ESG Ambitions</u></p>

- b) **Baseline:** Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline. In case you have identified other and/or additional indicators as relevant to determine the baseline and assess the level of alignment towards impact driven targets, please disclose these.

Response	Links and references
<p>Climate change mitigation:</p> <ul style="list-style-type: none"> SDG 11: In our base year (2022), our financed carbon intensity was 26.7 kg CO₂e/m² and in 2024 this amounted to 24.6 kg CO₂e/m² (2023: 25.8 kg CO₂e/m²). SDG 13: In the baseline year of 2019 our operational carbon footprint amounted to 1.1 kt CO₂e and in 2024 this amounted to 0.9 kt CO₂e (2023: 0.4 kt). This increase is due to the acquisition of Syntrus Achmea Hypotheekdiensten B.V. <p>Financial Health and Inclusion:</p> <ul style="list-style-type: none"> SDG 10: In 2024 we organised 31 guest lessons. SDG 10: In 2024, of all customers with payment difficulties who have been assisted by our Special Asset Management team, 85% have recovered permanently. SDG 10: In 2025 we will develop targets and plans to further progress with this theme. We already deploy several initiatives for this theme, but we wish to increase our impact by further embedding it into our strategy, metrics and targets. 	<p>Our ESG Ambitions</p> <p>Financed emissions</p> <p>Operational carbon emissions</p>

- c) **SMART targets:** (incl. key performance indicators (KPIs): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

Response	Links and references
<p>Climate change mitigation:</p> <ul style="list-style-type: none"> Achmea aims to achieve a sustainable and climate-neutral business operations by 2030. In tangible terms, this means that as of 2030 the carbon footprint of our business operations should be net-zero. Based on the Climate and Energy Outlook from the PBL Netherlands Environmental Assessment Agency, we have set an interim ambition to reduce 33% of financed carbon intensity of our mortgage portfolio by 2030 compared to our base year 2022. This means that our financed carbon emission needs to be an average of 18.0 kg CO₂/m² in 2030 compared to 26,7 kg CO₂/m² of our base year 2022. As of year-end 2024, the carbon emission of our mortgage portfolio has reduced with 8% compared to our base year 2022. We also apply a science-based benchmark based on CRREM's methodology, which is in line with 1.5 °C scenarios. <p>Financial Health and Inclusion:</p> <ul style="list-style-type: none"> Financial health and inclusion is also part of our material themes from our DMA. In 2025 we will develop targets and plans to further progress with this theme. We already deploy several initiatives for this theme, but we wish to increase our impact by further embedding it into our strategy, metrics and targets. 	<p>Operational emissions targets</p> <p>Financed emission targets</p>

d) **Action plan:** Which actions including milestones have you defined to meet the set targets? Please describe.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

Response	Links and references
<p>Climate change mitigation:</p> <ul style="list-style-type: none"> • Due to the longevity of our 2050 climate-related commitments, our main milestone is leading up to 2030. • Our approach is based on five pillars, four of which are aimed at helping customers make their homes more sustainable and one that relates to green funding. • This ESG Impact Report outlines the transition plans towards our 2030 goals for our operational and financed emissions. <p>Financial Health and Inclusion:</p> <ul style="list-style-type: none"> • Financial health and inclusion is also part of our material themes from our DMA. In 2025 we will develop targets and plans to further progress with this theme. We already deploy several initiatives for this theme, but we wish to increase our impact by further embedding it into our strategy, metrics and targets. 	<p>Operational emissions transition plan</p> <p>Financed emissions transition plan</p>

Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	First area of most significant impact: Climate Change Mitigation			Second area of most significant impact: Financial Health & Inclusion		
Alignment:	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No	<input type="radio"/> Yes	<input checked="" type="radio"/> In progress	<input type="radio"/> No
Baseline:	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No	<input type="radio"/> Yes	<input checked="" type="radio"/> In progress	<input type="radio"/> No
SMART targets:	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No	<input type="radio"/> Yes	<input checked="" type="radio"/> In progress	<input type="radio"/> No
Action plan:	<input type="radio"/> Yes	<input checked="" type="radio"/> In progress	<input type="radio"/> No	<input type="radio"/> Yes	<input checked="" type="radio"/> In progress	<input type="radio"/> No

2.3 Target implementation and monitoring

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

Response	Links and references
<p>Our ESG activities are explained and detailed in this report. Some of the main initiatives for target implementation and monitoring include:</p> <p>Overall targets:</p> <ul style="list-style-type: none">• ESG elements are included in remuneration policy through Shareholder Value Management (SVM) and target setting to senior managers goals (in coordination with Achmea Group).• Inclusion in permanent education programme Management and Supervisory Board.• Monitoring prudential sustainability legislation.• Monitoring behavioural legislation.• Raising awareness on ESG-related topics within Achmea Bank (internal communication).• Increase engagement with partners on different ESG themes. <p>Climate change mitigation:</p> <ul style="list-style-type: none">• SDG 11: A yearly impact report with our carbon emissions based on methods provided by the Partnership for Carbon Accounting Financials (PCAF). This report also includes our carbon reduction targets and transition plans.• SDG 13: Net-zero banking operations by 2030 and Net zero financed emissions of mortgages portfolio by 2050. The systematic reduction of our environmental footprint is an important part our understanding of sustainability. We reach this by a combination of reduction, efficiency and compensation. <p>Financial Health and Inclusion:</p> <ul style="list-style-type: none">• SDG 10: Every year our employees provide guest lessons to youngsters about dealing with their financials. We aim at a minimum of 50 guest lessons.• SDG 10: In 2025 we will develop targets and plans to further progress with this theme. We already deploy several initiatives for this theme, but we wish to increase our impact by further embedding it into our strategy, metrics and targets.	<p>Governance</p> <p>Social</p> <p>Mortgage lending</p> <p>Operations</p>

Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers in place to encourage sustainable practices?

Yes In progress No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts

Yes In progress No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

Response	Links and references
<ul style="list-style-type: none">• The highest negative impact on climate is caused by the financed carbon emissions of our mortgage portfolio. We have a sustainability policy on housing, KPIs on the energy efficiency score of our mortgages and programmes to encourage homeowners to make their houses more sustainable.• We serve 415,000 households with our products. We seek a fair, proactive and transparent dialogue with our customers to systematically consider their interests and to ensure that their ideas and suggestions are taken into account e.g., when developing products and services.• We collaborate closely with Centraal Beheer to stimulate our customers to make sustainability-related improvements to their homes, such as measures to save energy, to enable customers to make their homes more sustainable through different products and services• We are currently implementing new products in which gives customers the possibility to receive an interest rate discount for homes with energy efficiency rating of A or higher and the possibility to arrange an execution only sustainability loan.• Together with Centraal Beheer we offer training on sustainability to independent mortgage advisors.• We have a customer council and customer centric dialogue sessions.• We encourage customers to save or invest by offering good propositions with attractive conditions and/or interest rates.• Our Preventative & Special Asset Management team assists customers in (financially) difficult times. By actively supporting and guiding customers in their personal and financial situation, we strive for a future-proof solution and offer help to increase their self-reliance.	Customers

3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

Response	Links and references
<ul style="list-style-type: none">• We strive to make a positive impact on SDGs 10, 11 and 13.• We offer services such as Centraal Beheer's 'Duurzaam Woongemak' with services for making homes more sustainable (insulation, solar panels, home batteries, heat pumps and green roofs).• We offer our customers the option of financing energy-saving products as part of their mortgage. Customers do not immediately need to present a plan for how the budget will be spent. The Energy-Saving Budget (ESB) can be kept in deposit for up to two years.• We offer a longer quotation period for new-build homes. So that this is in line with the process that buyers of new-build homes must go through.• We added a "green loan" component to the mortgage offering. The additional loan for sustainability can be co-financed at a lower interest rate. We also want to make it easier for existing customers to take out an additional loan for energy-saving facilities. In 2025 we are implementing a label A+ discount for houses that have an energy label of A+ or higher.• We monitor both the average energy efficiency score and financed emissions of our mortgage portfolio.• Achmea Bank plays a key role in Achmea's Green Finance Framework for issuing green bonds.	<p>Our ESG Ambitions</p> <p>Financed emissions transition plan</p> <p>Achmea Green Finance Framework</p>

Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups) you have identified as relevant in relation to the impact analysis and target setting process?

Yes In progress No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Response	Links and references
<p>Achmea Bank engages with stakeholders with different tools and methods. This ensures alignment with our society's goals and values. Our main stakeholder groups are employees, customers, partners and investors. We connect with them by:</p> <ul style="list-style-type: none">• Customer councils & customer centric dialogue sessions.• Measuring the quality of our services via NPS.• Market research.• Employee council.• The Banking Code and our Code of Conduct.• We actively participate in the Dutch banking Association initiatives like 'Bankers in the classroom' and market research.• We actively seek out partnerships to reach our SDGs on various fronts, for example PCAF, EEM NL Hub and the Sector Collective 'Duurzaam Wonen'.• Engagement dialogue with our partners and investors.	<p>Customers</p> <p>Accessibility for our stakeholders</p> <p>Our partnerships</p> <p>Transparency for our investors and stakeholders</p>

Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

- Yes In progress No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about:

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

Response	Links and references
<ul style="list-style-type: none">• For implementation on all our ESG objectives governance is embedded into policies, culture, products and activities. In 2024 we further integrated ESG in our governance by concretizing the reporting lines and formats, with the aim of clear management and sufficient strategic attention for ESG.• Within Achmea Bank, the ESG theme falls under the responsibility of the Chairman of the Managing Board. It is our opinion that the most effective way to manage climate-related problems is to incorporate them into existing processes. For this reason, each department incorporates sustainability into its relevant functions and reports frequently and consistently on its efforts on climate-related issues to the Managing Board of Achmea Bank. The Managing Board has regular oversight over the implementation of the ESG activities through the bank's governance.• There is a sustainability working group, which also focusses on PRB, chaired by our ESG Officer.• Social impact themes related to the PRB impact areas are part of the Achmea programme 'Sustainable Living. Together'. Every brand is responsible for their own social impact KPIs and runs its own governance. These KPIs are regularly discussed and monitored in the central programme.• Achmea has an overarching remuneration policy in place which also includes ESG. ESG elements are included in remuneration policy through Shareholder Value Management (SVM) and target setting to senior managers goals (in coordination with Achmea Group).	Integration of ESG values

5.2 Promoting a culture of responsible banking

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Response	Links and references
<ul style="list-style-type: none">• There are various initiatives to bring sustainability, risk and finance to the attention of our employees, for example, through information in our intranet and newsletters, and through internal lunch sessions.• In 2024, a training course was developed and rolled out for all employees about sustainability, our sustainability strategy and insight into what this means for them.• All employees can learn about sustainability through our education platform.• We organise permanent education sessions for Board of Directors and the Supervisory Board.• Employee e-learnings on communication, data governance and privacy.• We have internal networks for diversity, such as our LGBTQIA+-network 'Pride!' and our network 'Kleurrijk Achmea'.• From January 1st, 2023, all Achmea employees received a climate budget of €2,500. The budget can be used for, among others, solar panels, home insulation, a green roof or a heat pump.	Our role as employer

5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio? Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

Response	Links and references
<ul style="list-style-type: none">Achmea Bank is focusing on climate and environmental (C&E) risks within its risk management framework. The bank views physical and transition C&E risks as drivers of traditional risk types e.g. credit risk, operational risk, and strategic risks. In 2024, Achmea Bank conducted a comprehensive materiality risk assessment of the impact C&E drivers on the traditional risk types with different time horizon up to 10 years. Based on the analyses we concluded that the impact C&E risk drivers on financial risks for Achmea Bank are not material for the short term. The potential longer-term impact of these drivers will be investigated further. The analysis assessed the ways in which physical and transition factors can cause or amplify strategic and operational risks. Based on current insights, the impact of C&E risk drivers on Achmea Bank's strategic risk and operational risk are assessed as not material for the time horizons (< 5 years and < 10 years) considered in the analyses. The impact of C&E risks on strategic and operational risk will be further investigated considering a long time horizon (> 10 years).In 2024, Achmea Bank took an important step by setting up a C&E Risk Framework (CERF), which also captures the risk governance surrounding C&E risks. An overview was set up which illustrates how physical and transition climate risk drivers affect the banks' financial and non-financial risks via micro and macroeconomic transmission channels. In 2025 we will focus on the (further) implementation of the ECB expectations for C&E risk management and the new EBA guidelines on ESG risk management and ESG scenario analysis. The deliverables of these actions are important elements for upgrading our CERF in 2025 and beyond.We are committed to sustainable home preservation for our customers. We assist our customers in (financially) difficult times. Together with the customer, we look for a suitable mortgage solution for now and in the future. By actively supporting and guiding customers in their personal and financial situation, we strive for a future-proof solution and offer help to increase their self-reliance.In order to prevent the risks of violation of, among others, the Sanctions Act, and the risk of clients using our products for money laundering and terrorist financing (explicated in the Wwft), Achmea Bank carries out customer due diligence in advance of the onboarding process for new customers. In doing so, we examine, among other criteria, who the ultimate stakeholders are and what are the activities within the legal entity. We also carry out checks during the term of the agreement and in the event of payments.	<ul style="list-style-type: none">Risk managementPreventative & Special Asset ManagementCustomer Due Diligence

Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

Yes No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

Yes No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

Yes In progress No

Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

Yes Partially No

If applicable, please include the link or description of the assurance statement.

Response	Links and references
• This report has not been audited by an external auditor.	n.a.

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- GRI
- SASB
- CDP
- IFRS Sustainability Disclosure Standards (to be published)
- TCFD
- Other: PCAF Global GHG Accounting and Reporting Standard, Dutch Energy Efficient Mortgage Framework

Response	Links and references
<ul style="list-style-type: none">• For our operational emissions we apply standards provided by the GHG-Protocol.• For our financed emissions, we apply standards provided PCAF.• For our EU Taxonomy disclosure, we apply the EEM NL Hub's Dutch Energy Efficient Mortgage Framework.• Achmea Bank plays a key role in Achmea's Green Finance Framework for issuing green bonds. Our green bond reporting applies the Green Bond Principles 2018 (Green Finance Framework 2024).• We apply the UNEP FI PRB framework.• Achmea Bank does not yet fall under the scope of the CSRD in 2024. We currently started the preparations for the CSRD, which will be applicable to Achmea Bank in 2025. Achmea B.V. reports on CSRD requirements in its own annual reporting for 2024.• Achmea B.V. also applies GRI and CDP frameworks in the annual report.• We disclose ESG ratings by independent agencies (Sustainalytics and ISS ESG).	<ul style="list-style-type: none">Achmea Bank N.V. Annual Report 2024Operational emissionsFinanced emissionsEU Taxonomy for Sustainable ActivitiesAchmea Green Finance FrameworkAchmea B.V. Annual Report

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis, target setting and governance structure for implementing the PRB)? Please describe briefly.

Response	Links and references
<ul style="list-style-type: none">• Further steps on integrating ESG in our main strategy, governance and culture.• On the topic of climate, we will embed the actions formulated in our transition plans throughout the organisation.• The methodologies for financed emissions, decarbonisation pathways and EU Taxonomy are constantly evolving. We aim to keep these methodologies up to date as we pro-actively participate in sector wide initiatives such as PCAF and the EEM NL Hub.• We currently started the preparations for the CSRD, which will be applicable to Achmea Bank in 2025. In 2024 we have conducted our first Double Materiality Assessment, which will be updated for 2025.• Based on the results of the Double Materiality Assessment and the consumer banking identification in 2024, we have determined that Financial Health & Inclusion as the second impact area for Achmea Bank. We believe we can make a positive impact by helping our customers achieving financial stability when they experience financial difficulties. Negative impacts can also occur when customers have insufficient financial knowledge or experience with our products and services. In 2025 we will develop targets and plans to further progress with this theme. We already deploy several initiatives for this theme, but we wish to increase our impact by further embedding it into our strategy, metrics and targets.	<p>Financed emissions transition plan</p> <p>Risk management transition plan</p>

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

- | | |
|---|--|
| <input type="checkbox"/> Embedding PRB oversight into governance | <input type="checkbox"/> Customer engagement |
| <input type="checkbox"/> Gaining or maintaining momentum in the bank | <input type="checkbox"/> Stakeholder engagement |
| <input type="checkbox"/> Getting started: where to start and what to focus on in the beginning. | <input checked="" type="checkbox"/> Data availability |
| <input type="checkbox"/> Conducting an impact analysis | <input type="checkbox"/> Data quality |
| <input type="checkbox"/> Assessing negative environmental and social impacts | <input type="checkbox"/> Access to resources |
| <input checked="" type="checkbox"/> Choosing the right performance measurement methodology | <input type="checkbox"/> Reporting |
| <input checked="" type="checkbox"/> Setting targets | <input type="checkbox"/> Assurance |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Prioritizing actions internally |

If desired, you can elaborate on challenges and how you are tackling these:

ESG is subject to a lot of changes due to tightening objectives and regulations, increasingly clearer insights and improving calculations of emissions, for example. As a bank, we will continue to actively contribute to market standards to stay up to date with our own activities. This will ensure that we will regularly update our processes and gain new insights and/or refine objectives in the coming years. This has an effect on both the measurement methodology and the target setting. Targets should be ambitious but also focussed on our business, portfolio and span of control.

In achieving our objectives, it is important to gain better insight into how we can help and motivate consumers to become more sustainable. This requires pilots and we can only take these steps in collaboration with others. To enable us to achieve our targets, it is important that we increase data availability and improve data quality. Here too, collaboration within the industry but also with the government are essential.



Appendices

Glossary

CO₂

Carbon dioxide, or CO₂, is a gas that is naturally present in the atmosphere. However, human activity has resulted in the amount of CO₂ in the atmosphere increasing extremely sharply in the last 150 years. This is mainly from burning fossil fuels, such as coal, oil and gas. CO₂ is the principal greenhouse gas. The steep rise in the amount of greenhouse gases is causing the earth's climate to change.

Carbon footprint

This is the amount of greenhouse gases relating to all the activities of a person or entity (e.g., a building, business, country). It includes direct and indirect emissions expressed in scope 1, 2 and 3 emissions. The carbon footprint often also comprises the emissions of other greenhouse gases, such as methane, nitrous oxide or chlorofluorocarbons (CFCs). To be able to add up the impact of the individual greenhouse gases, emissions data are converted into CO₂ equivalents.

- Scope 1: direct emissions from the organisation's own sources. These are emissions from the organisation's own buildings, transport and production-related activities;
- Scope 2: indirect emissions from the generation of purchased and consumed electricity or heat;
- Scope 3: indirect emissions from another organisation's business operations. These are emissions from sources that are not owned by the organisation itself and over which we are unable to exert direct influence.

CO₂ equivalents

There are other greenhouse gases besides CO₂. To be able to add up the impact of the individual greenhouse gases, these gases are normally converted into carbon dioxide equivalents (CO₂e). The greenhouse gases included under international treaties are methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen fluoride (NF₃).

EPC label

A home's Energy Performance Certificate tells us how energy-efficient it is and what you can do to make it even more so. Possession of an EPC label is mandatory on selling, leasing or completing construction of a residential property. EPC labels are registered at EP online (Netherlands Enterprise Agency). This is the official nationwide database on which energy advisors can register energy performance indicators and EPC labels. Homeowners need to register their labels themselves.

Financed emissions

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

Climate-neutral (net-zero or CO₂-neutral)

By climate-neutral we mean that specific activities do not exacerbate the greenhouse gas effect, in other words that the activities do not contribute to the amount of CO₂ and other greenhouse gases in the atmosphere. This can be achieved by sharply reducing greenhouse gas emissions and by extracting these gases from the atmosphere, e.g., by planting trees. Climate-neutral, net-zero or CO₂-neutral are terms that are often used as synonyms and indicate that an activity, product or process does not contribute to climate change.

Dutch National Climate Agreement

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

Climate Act

The Climate Act states that the Netherlands must reduce greenhouse gas emissions by 49% in 2030 and by 95% in 2050 versus 1990. This has been laid down in law. The Climate Act does not stipulate how these targets need to be met. The specific measures were agreed in the Dutch National Climate Agreement with those social partners that participated in consultations. Here, greenhouse gases other than CO₂ are converted into CO₂ equivalents.

Net-zero ready

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

Partnership for Carbon Accounting Financials (PCAF)

The Partnership for Carbon Accounting Financials has developed a standard for measuring and reporting on the carbon emissions from loans and investments. The PCAF standard is the most commonly used standard internationally for measuring and reporting on financed carbon emissions from loans and investments.

Science Based Targets initiative (SBTi)

The Science Based Target initiative was founded in 2015 to help businesses set science-based carbon emission reduction targets in line with the Paris Agreement. It is the most commonly used standard internationally for setting carbon emission reduction targets. The Science Based Targets initiative (SBTi) is a partnership between the Carbon Disclosure Project (CDP), United Nations Global Compact, World Resources Institute (WRI) and Worldwide Fund for Nature (WWF).

SBTi is developing standards for defining science-based carbon reduction targets and reduction pathways. The SBTi also validates CO₂ targets and plans for businesses.

Energy Efficient Mortgage Hub Netherlands (EEM NL Hub)

The Energy Efficient Mortgages NL Hub is an initiative from stakeholders active in the Dutch mortgage market. It brings them together to promote the acceleration and adaptation of energy efficient housing in the Dutch market. The EEM NL Hub has developed a Dutch framework for energy efficient mortgages that facilitates the translation and application of European regulation into the Dutch mortgage market.

Carbon Risk Real Estate Monitor (CRREM)

The Carbon Risk Real Estate Monitor uses GHG emissions and energy consumption to determine an asset's intensity-based transition pathway. It offers a framework focused on carbon risk exposure and potential strategies and enables market participants to leverage resources for the structured decarbonization of their real estate portfolios.

United Nations Environment Programme Finance Initiative (UNEP FI)

The United Nations Environment Programme Finance Initiative is a partnership that brings together banks, insurers and investors worldwide to collectively catalyze action across the financial system to deliver more sustainable global economies. The UNEP FI has established various frameworks that help the finance industry address global environmental, social and governance challenges.

Principles for Responsible Banking (PRB)

The Principles for Responsible Banking are a banking framework from the UNEP FI. Through the Principles, banks can take action to align their core strategy and decision-making process with the UN Sustainable Development Goals and international agreements such as the Paris Climate Agreement.

Dutch Geen Building Council (DGBC)

The Dutch Green Building Council is an organization that accelerates the sustainable transition of the building and real estate sector. Impact is being made in their programmes within four areas: CO₂ reduction (Paris Proof), circularity, health and climate adaptation.

Colophon

Achmea Bank welcomes feedback on all its publications. Please send any comments or suggestions to: communicatie.bank@achmea.nl.

Achmea Bank ESG Impact Report 2024

Achmea Bank N.V.
Sporlaan 298
5017 JZ TILBURG
PO Box 54
7300 AB Apeldoorn

This report has been published on: www.achmeabank.nl.

Disclaimer

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

Internal and external developments can affect Achmea Bank's ability to achieve its climate ambitions. New climate insights, laws and regulations and technological developments are continuously developing. The data, standards and methods on which Achmea Bank bases its climate ambitions, including methods for measuring CO₂ and setting reduction targets, are constantly under development. In addition, the availability and quality of data is often still a challenge. However, the quantity and quality of available data are expected to improve in the coming years. This may create new insights that could lead to Achmea Bank having to adjust its climate ambitions and to us having to adapt our climate objectives, plans and statements. We will therefore update this plan annually. We note that if we publish other reports or documents relating to climate or other topics covered in this report, we will not update this report at the same time.

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

- Changes to government policy, laws and regulations and their interpretation and application;
- The availability and quality of accurate and reliable data, such as data on greenhouse gas emissions, energy labels or climate-related customer data;
- Changes arising from market practices and standards, including ESG standards;
- Operational, regulatory, reputational, transition and other ESG-related risks;
- Uncertainties and changes to and in the use of (emission) calculation methods and models for measuring greenhouse gas emissions or setting reduction targets from, for example, PCAF, SBTi or CRREM;
- Uncertainties and changes to and in the interpretation of the EU Taxonomy and the Climate Delegated Act, such as definition of the top 15% most energy efficient building stock or climate risk modelling by for example, the EEM NL Hub, DGBC or CAS; and
- New or altered scientific insights into climate change.

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

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