

financial supplement

ACHMEA FINANCIAL SUPPLEMENT HALF YEAR 2021

August 2021

Unaudited

HY 2021 - Achmea financial supplement

Contents financial supplement	Page
Group	
Key figures	3
Gross written premiums per country	4
Consolidated statement of financial position	5
Consolidated income statement	6
Consolidated statement of comprehensive income	7
Consolidated statement of total equity	8
Capital structure	9
Solvency II	10
Consolidated cash flow statement	11
Investments for own risk	12
Specification of fixed-income portfolio	13
Segment	
Non-Life Netherlands results	14
Non-Life Netherlands specification of gross written premiums	14
Non-Life Netherlands ratios	15
Health Netherlands results	16
Health Netherlands specification of gross written premiums	17
Health Netherlands ratios	17
Pension & Life Netherlands results	18
Pension & Life Netherlands specification of gross written premiums	18
Retirement Services Netherlands results	19
Retirement Services Netherlands ratios	20
International activities results	21
Other activities results	22
Disclaimer	23

HY 2021 - Achmea financial supplement

KEY FIGURES

	(€ million)	
	HY 2021	HY 2020
Results		
Gross written premiums	17,402	17,675
Change in provision for unearned premiums and current risks (net of reinsurance)	-7,394	-7,688
Other income	218	204
Interest and similar expenses	100	125
Operational result	363	127
Operational result by segment		
Non-life Netherlands	103	91
Health Netherlands	147	7
Pension & Life Netherlands	170	71
Retirement Services Netherlands	10	20
International activities	23	28
Other activities	-90	-90
Total	363	127
Balance sheet		
	30-6-2021	31-12-2020
Total assets	97,422	93,655
Total equity	10,664	10,559
Investments for own risk	50,332	53,664
Insurance liabilities own risk	49,543	43,629
Employees in The Netherlands and abroad		
	30-6-2021	31-12-2020
FTEs Netherlands	13,816	13,811
FTEs International	3,193	3,222
Total FTEs	17,009	17,033

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GROSS WRITTEN PREMIUMS PER COUNTRY

(€ million)

	Non-life		Health		Life		Other		Eliminations		Total	
	HY 2021	HY 2020	HY 2021	HY 2020	HY 2021	HY 2020	HY 2021	HY 2020	HY 2021	HY 2020	HY 2021	HY 2020
Netherlands	2,384	2,323	13,838	14,099	457	556	182	182	-80	-74	16,781	17,086
Greece	112	109	57	55	11	13					180	177
Turkey	98	119	14	16							112	135
Slovakia	29	29	257	215	3	4					289	248
Australia	40	29									40	29
Total	2,663	2,609	14,166	14,385	471	573	182	182	-80	-74	17,402	17,675

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(€ million)	
	30-6-2021	31-12-2020
Assets		
Intangible assets	729	735
Associates and joint ventures	60	55
Property for own use and equipment	529	551
Investment property	1,007	973
Investments		
Investments own risk	50,332	53,664
Investments for account and risk of policyholders	15,237	15,250
Banking credit portfolio	12,029	12,725
Deferred tax assets	604	626
Amounts ceded to reinsurers	717	685
Receivables and accruals	14,018	6,207
Cash and cash equivalents	2,158	2,184
Assets classified as 'Held for sale'	2	
Total assets	97,422	93,655
Equity		
Equity attributable to holders of equity instruments of the company	10,656	10,552
Non-controlling interest	8	7
Total equity	10,664	10,559
Liabilities		
Liabilities related to insurance contracts	64,192	58,401
Other provisions	1,049	1,113
Financial liabilities	19,552	20,564
Derivatives	1,843	2,870
Deferred tax liabilities	29	31
Income tax payable	93	117
Total liabilities	86,758	83,096
Total equity and liabilities	97,422	93,655

HY 2021 - Achmea financial supplement

CONSOLIDATED INCOME STATEMENT

	(€ million)	
	HY 2021	HY 2020
Income		
Gross written premiums	17,402	17,675
Reinsurance premiums	-185	-186
Change in provision for unearned premiums and current risks (net of reinsurance)	-7,394	-7,688
Net earned premiums	9,823	9,801
Income from associates and joint ventures	-5	7
Investment income	187	1,635
Other income	218	204
Total income	10,223	11,647
Expenses		
Net expenses from insurance contracts	8,555	10,188
Fair value changes and benefits credited to investment contracts	8	-12
Interest and similar expenses	100	125
Operating expenses	1,159	1,139
Other expenses	38	80
Total expenses	9,860	11,520
Result before tax	363	127
Income tax expenses	57	19
Net result	306	108
Net result attributable to:		
<i>Holders of equity instruments of the company</i>	305	108
<i>Non-controlling interest</i>	1	0

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(€ million)	
	HY 2021	HY 2020
Net profit	306	108
Net other comprehensive income		
Remeasurements of net defined benefit liability	-21	36
Unrealised gains and losses on property for own use	-7	2
Currency translation differences (including realisations) on subsidiaries, associates, goodwill and joint ventures	-4	-23
Share in other comprehensive income of Associates and joint ventures	1	
Unrealised gains and losses on financial instruments 'Available for sale'	-299	7
Changes in the Provision for unwinding of discount insurance liabilities from unrealised investment income	458	-192
Gains and losses on financial instruments 'Available for sale' reclassified to the Income statement on disposal	-284	-143
Reclassification to the Income statement as Provision for unwinding of discount insurance liabilities from investment income	162	59
Impairment charges on financial instruments 'Available for sale' reclassified to the Income statement on disposal	3	48
Net other comprehensive income	9	-206
Comprehensive income	315	-98
Comprehensive income attributable to:		
<i>Holders of equity instruments of the company</i>	314	-98
<i>Non-controlling interest</i>	1	0
Condensed consolidated statement of changes in total equity	HY 2021	HY 2020¹
Balance at beginning of period	10,559	10,185
Comprehensive income	315	-98
Dividends and coupon payments	-210	-43
Balance at end of period	10,664	10,044

¹ The recognition of the fee interest has been retrospectively changed. As a result, the Total shareholders' equity as of 1 January 2020 has been adjusted by € -6 million.

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CONSOLIDATED STATEMENT OF TOTAL EQUITY

	(€ million)	
	HY 2021	FY 2020 ¹
Share capital	11,357	11,357
Own shares	-335	-335
Legal reserves	56	65
Revaluation reserve	1,116	1,069
Exchange difference reserve	-479	-475
Hedging reserves	-7	-7
Retained earnings	-2,607	-3,014
Profit for the year	305	642
Other equity instruments	1,250	1,250
Equity attributable to holders of equity instruments of the company	10,656	10,552
Non-controlling interest	8	7
Total equity	10,664	10,559

¹ The recognition of the fee interest has been retrospectively changed. As a result, the Total shareholders' equity as of 1 January 2020 has been adjusted by € -6 million.

HY 2021 - Achmea financial supplement

CAPITAL STRUCTURE

	(€ million)	
Development of total equity	HY 2021	FY 2020 ¹
Total equity – start of year	10,559	10,185
Net profit	306	642
Dividends and coupons payments	-210	-223
Revaluation reserves	34	-29
Foreign exchange results and hedge reserves	-4	-46
Post-employment benefits	-21	30
Total equity – end of period	10,664	10,559

¹ The recognition of the fee interest has been retrospectively changed. As a result, the Total shareholders' equity as of 1 January 2020 has been adjusted by € -6 million.

HY 2021 - Achmea financial supplement

SOLVENCY II¹

	(€ million)	
	HY 2021	FY 2020
Solvency ratio group partial internal model²		
Eligible own funds	10,860	10,696
Solvency Capital Requirement (SCR)	5,141	5,153
Surplus	5,719	5,543
Ratio (%)	211%	208%

Eligible own funds group partial internal model²

	(€ million)	
	HY 2021	FY 2020
Tier 1 Restricted	795	842
Tier 1 Unrestricted	7,966	7,603
Tier 2	1,550	1,699
Tier 3	549	552
Total eligible own funds	10,860	10,696

Solvency capital requirement partial internal model²

	(€ million)	
	HY 2021	FY 2020
Market Risk	2,503	2,423
Counterparty Default Risk	254	250
Life Underwriting Risk	1,859	1,977
Health Underwriting Risk	1,883	1,746
Non-Life Underwriting Risk	969	953
Diversification	-2,677	-2,639
Basic Solvency Capital Requirement	4,791	4,710
Operational Risk	598	607
Loss-Absorbing Capacity of Expected Profits Underwriting Risk	-83	-56
Loss-Absorbing Capacity of Expected Profits Market Risk	-147	-132
Loss-Absorbing Capacity of Deferred Taxes	-673	-659
SCR Other Financial Sectors & Other Entities	655	683
Solvency Capital Requirement	5,141	5,153

¹ After foreseeable dividends

² Including CRD IV entities

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CONSOLIDATED CASH FLOW STATEMENT

	(€ million)	
	HY 2021	FY 2020
Net cash and cash equivalents start of year	2,184	963
Cash flow from operating activities	266	1,633
Cash flow from investing activities	-43	-97
Cash flow from financing activities	-249	-315
Net cash flow	-26	1,221
Net cash and cash equivalents end of period	2,158	2,184

HY 2021 - Achmea financial supplement

INVESTMENTS FOR OWN RISK

(€ million)

	HY 2021	%	FY 2020	%
Total investment portfolio				
Equities and similar investments	2,491	5%	2,143	4%
Investment property ¹	1,427	3%	1,341	2%
Bonds ²	27,965	54%	29,468	55%
Loans and mortgages	9,937	19%	10,019	18%
Deposits with credit institutions	307	1%	182	0%
Derivatives	6,487	13%	9,087	17%
Other financial investments	2,725	5%	2,397	4%
Total	51,339	100%	54,637	100%

	HY 2021	%	FY 2020	%
Specification of equities and similar investments				
Listed ordinary shares	1,717	69%	1,390	65%
Alternatives	704	28%	684	32%
Other	70	3%	69	3%
Total	2,491	100%	2,143	100%

	HY 2021	%	FY 2020	%
Specification of investment property ³				
Residential	591	60%	544	56%
Retail	186	18%	194	20%
Offices	226	22%	232	24%
Other	4	0%	3	0%
Total	1,007	100%	973	100%

	HY 2021	FY 2020
Running yield	0.8%	1.8%

¹ Including Real Estate funds

² Including Fixed-income funds. In the Financial Statement Fixed-income funds are presented as part of equities and similar investments.

³ Excluding Real Estate funds

HY 2021 - Achmea financial supplement

SPECIFICATION OF FIXED-INCOME PORTFOLIO

External credit rating activa Fixed income investments

(€ million)

30-6-2021	AAA Sovereign	AAA	AA	A	BBB	Below BBB	Not rated	Total
Bonds	6,788	2,845	4,314	5,887	7,263	296	310	27,703
Loans and mortgages	0	1,134	57	1	38	0	8,707	9,937
Deposits with reinsurers	0	0	0	0	0	0	0	0
Deposits with credit institutions	0	212	5	17	0	59	14	307
Fixed-income funds ¹	0	0	0	0	0	0	262	262
Total fixed income investments	6,788	4,191	4,376	5,905	7,301	355	9,293	38,209

¹ In the Financial Statement Fixed-income funds are presented as part of equities and similar investments.

31-12-2020	AAA Sovereign	AAA	AA	A	BBB	Below BBB	Not rated	Total
Bonds	7,674	2,863	4,888	5,847	7,307	330	273	29,182
Loans and mortgages	0	1,232	57	1	2	24	8,703	10,019
Deposits with reinsurers	0	0	0	0	0	0	0	0
Deposits with credit institutions	0	87	5	24	0	56	10	182
Fixed-income funds ¹	0	0	0	0	0	0	286	286
Total fixed income investments	7,674	4,182	4,950	5,872	7,309	410	9,272	39,669

¹ In the Financial Statement Fixed-income funds are presented as part of equities and similar investments.

HY 2021 - Achmea financial supplement

Non-Life Netherlands results

	(€ million)	
	HY 2021	HY 2020
Income		
Gross written premiums	2,384	2,323
Reinsurance premiums	-101	-93
Change in provision for unearned premiums and current risks (net of reinsurance)	-536	-540
Net earned premiums	1,747	1,690
Investment income	70	35
Other income	13	14
Total income	1,831	1,739
Expenses		
Net expenses from insurance contracts	1,272	1,187
Interest and similar expenses	2	2
Operating expenses related to insurance activities	435	435
Other operating expenses	17	15
Other expenses	2	9
Total expenses	1,728	1,648
Operational result	103	91

Non-Life Netherlands specification of gross written premiums

	(€ million)	
	HY 2021	HY 2020
Accident	604	605
Property	626	598
Motor liability	468	436
Motor other	359	367
General liability	192	189
Legal assistance	105	102
Transport/aviation	30	26
Total	2,384	2,323

HY 2021 - Achmea financial supplement

Non-Life Netherlands ratios

Non-Life Netherlands	HY 2021	HY 2020
Claims ratio ¹	71.0%	68.3%
Expense ratio	24.8%	25.4%
<i>Of which acquisition expenses</i>	11.1%	11.9%
<i>Of which other operating expenses</i>	13.7%	13.5%
Combined ratio ¹	95.8%	93.7%

Property & Casualty Netherlands

	HY 2021	HY 2020
Claims ratio	71.2%	66.7%
Expense ratio	25.4%	26.0%
<i>Of which acquisition expenses</i>	11.5%	12.0%
<i>Of which other operating expenses</i>	13.9%	14.0%
Combined ratio	96.6%	92.7%

Income Protection Netherlands

	HY 2021	HY 2020
Claims ratio ¹	70.4%	76.5%
Expense ratio	21.5%	22.4%
<i>Of which acquisition expenses</i>	8.9%	11.4%
<i>Of which other operating expenses</i>	12.6%	11.0%
Combined ratio ¹	91.9%	98.9%

Claims ratio by productline Non-Life Netherlands

	HY 2021	HY 2020
Accident	73.4%	79.3%
Motor liability	91.3%	75.9%
Motor other	50.4%	59.6%
Transport/aviation	47.3%	47.3%
Property	60.5%	68.4%
General liability	112.2%	68.4%
Legal assistance	63.5%	67.4%

¹ Corrected for technical interest

HY 2021 - Achmea financial supplement

Health Netherlands results

	(€ million)	
	HY 2021	HY 2020
Income		
Gross written premiums	13,838	14,099
Reinsurance premiums	-1	-1
Change in provision for unearned premiums and current risks (net of reinsurance)	-6,782	-7,056
Net earned premiums	7,055	7,042
Investment income	35	8
Other income	62	58
Total income	7,152	7,108
Expenses		
Net expenses from insurance contracts	6,766	6,823
Operating expenses related to insurance activities	183	189
Other operating expenses	58	56
Interest and similar expenses	1	1
Other expenses	-3	32
Total expenses	7,005	7,101
Operational result	147	7

Health specification of gross written premiums

	(€ million)	
	HY 2021	HY 2020
Basic Health - risk equalization pool (ZvF)	7,048	7,409
Basic Health - private individuals	5,579	5,468
Supplementary Health	1,211	1,222
Total	13,838	14,099

HY 2021 - Achmea financial supplement

Health Netherlands ratios

Health Netherlands	HY 2021	HY 2020
Claims ratio	95.9%	96.9%
Expense ratio	2.6%	2.7%
Combined ratio	98.5%	99.6%

Basic Health Netherlands	HY 2021	HY 2020
Claims ratio	97.3%	98.7%
Expense ratio	1.9%	1.9%
Combined ratio	99.2%	100.6%

Supplementary Health Netherlands	HY 2021	HY 2020
Claims ratio	80.8%	78.1%
Expense ratio	10.4%	10.9%
Combined ratio	91.2%	89.0%

HY 2021 - Achmea financial supplement

Pension & Life Netherlands results

	(€ million)	
	HY 2021	HY 2020
Income		
Gross written premiums	457	556
Reinsurance premiums	-18	-19
Change in provision for unearned premiums and current risks (net of reinsurance)	7	4
Net written premiums	446	541
Investment income	-115	1,440
Other income	2	1
Total income	333	1,982
Expenses		
Net expenses from insurance contracts	90	1,831
Operating expenses related to insurance activities	70	77
Interest and similar expenses	3	2
Other expenses		1
Total expenses	163	1,911
Operational result	170	71

Pension & Life Netherlands specification of gross written premiums

	(€ million)	
	HY 2021	HY 2020
Single premiums	180	226
Annual premiums	277	330
Total	457	556
Traditional	289	358
Unit-linked	168	198
Total	457	556
Life & Pensions open book	125	143
Of which Annuities	93	113
Of which Term-Life	32	30
Life & Pensions service book	332	413
Of which service book Life	287	310
Of which service book Pensions	45	103
Total	457	556

HY 2021 - Achmea financial supplement

Retirement Services Netherlands results

	(€ million)	
	HY 2021	HY 2020
Retirement Services total		
Total Income	196	191
Of which: Administration and management fees	123	114
Operating expenses	186	171
Operational result	10	20
Achmea Bank		
Net interest margin	69	79
Fair value result	4	-2
Operating expenses	53	54
Withdrawals from loan loss provisions	-3	0
	HY 2021	FY 2020
Common Equity Tier 1 ratio	21.4%	20.4%
		(€ billion)
Assets under Management	HY 2021	FY 2020
Achmea Investment Management	201	203
Syntrus Achmea Real Estate and Finance	37	37
Total Assets under Management ¹	225	227

¹ Total assets under management after eliminations

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Retirement Services Netherlands ratios

Achmea Bank	HY 2021	HY 2020
Efficiency ratio	75.3%	64.4%
Core Tier 1 ratio	21.4%	21.0%
Total Capital Ratio	21.4%	21.0%
Liquidity Coverage Ratio	836.9%	252.1%
Net Stable Funding Ratio	136.8%	126.4%
Leverage Ratio	6.0%	6.4%

HY 2021 - Achmea financial supplement

International activities results

	(€ million)	
	HY 2021	HY 2020
Income		
Gross written premiums	621	589
Reinsurance premiums	-67	-77
Change in provision for unearned premiums and current risks (net of reinsurance)	-38	-40
Net written premiums	516	472
Income from associates and joint ventures	-1	2
Investment income	25	2
Other income	17	18
Total income	557	494
Expenses		
Net expenses from insurance contracts	394	339
Fair value changes and benefits credited to investment contracts	8	-12
Operating expenses related to insurance activities	116	118
Other operating expenses	3	2
Other expenses	13	19
Total expenses	534	466
Operational result	23	28
Health International	HY 2021	HY 2020
Claims ratio	85.9%	84.0%
Expense ratio	12.7%	14.3%
Combined ratio	98.6%	98.3%
Non-Life International	HY 2021	HY 2020
Claims ratio	58.7%	52.5%
Expense ratio	38.7%	40.3%
Combined ratio	97.4%	92.8%

HY 2021 - Achmea financial supplement

Other activities results

	(€ million)	
	HY 2021	HY 2020
Income		
Gross written premiums	182	182
Reinsurance premiums	-79	-71
Change in provision for unearned premiums and current risks (net of reinsurance)	-44	-55
Net written premiums	59	56
Income from associates and joint ventures	-4	5
Investment income	16	-24
Other income	18	15
Total income	89	52
Expenses		
Net expenses from insurance contracts	35	9
Operating expenses related to insurance activities	26	22
Other operating expenses	65	58
Interest and similar expenses	29	37
Other expenses	24	16
Total expenses	179	142
Operational result	-90	-90

HY 2021 - Achmea financial supplement

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