

### Operational result 2022 of € 174 million

- Gross premium volume increased by 5.3% to € 21 billion; growth in Health, Non-Life and International segments
- In line with development financial markets the investment income decreased by € 453 million resulting in a lower operational result; Underlying result develops well
- Combined Ratio for Non-Life improved to 93.0% (2021: 93.9%) despite the claims from February's storm of € 100 million after reinsurance
- Small loss on basic health insurance; operational result Health € 121 million
- Solvency position robust at 209%
- Acquisition ABN AMRO PPI strengthens position in the pension market
- Achmea Investment Management world number 1 in sustainable voting activity at shareholder meetings

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#### **Bianca Tetteroo, Chair of the Executive Board: solid progress in a difficult year**

"We have had an eventful year, one that was overshadowed by the war in Ukraine. First and foremost, this sadly led to enormous human suffering. Partly driven by the war, 2022 was an extreme year in many other respects as well with rising energy prices, soaring inflation, higher interest rates and lower equity prices. This had an impact on our operational result, which decreased to € 174 million. Underlying we accomplished our strategic goals. Gross premium income increased by more than 5%, whilst expenses only increased by 2%. Our solvency position remains robust at 209%. Furthermore, our Health business performed well and Non-Life earned a solid insurance result. The latter resulted in an improved Combined Ratio to 93.0%.

Where higher interest rates are positive for the future, they impact the financial results negatively in the short term. The impact of financial markets caused investment income to decrease by € 453 million versus 2021. This mostly had a downward impact on the results in the Pension & Life and Non-Life segments. Claims in excess of €100 million (after reinsurance) for helping our customers to repair storm damage also had a negative effect on our operational result.

#### **Consolidated market position**

Gross premium volume increased in 2022 owing to growth in the Health, Non-Life and International segments. Together with partner Rabobank, for example, Interpolis displayed sound growth in the commercial lines. At our International activities premiums increased strongly with 15%.

We consolidated our market position through a number of targeted acquisitions. For instance, we anticipated on the opportunities presented by the new pension system by buying ABN AMRO PPI. On top of this, we acquired mortgage portfolios worth € 900 million. Mortgage production at Achmea Bank tripled to more than € 2 billion. In contrast, interest margins and mortgage prepayment compensations at Achmea Bank were under pressure due to the increased interest rates. The higher interest rates also led to assets under management at Achmea IM decreasing to € 166 billion. Nevertheless, revenues at Achmea IM increased further. Revenue was also higher at Achmea Pension Services and Syntrus Achmea Real Estate & Finance (Syntrus Achmea) in 2022. Assets under management in real estate and mortgages increased marginally to € 41 billion.

### Optimal use of digitisation

Expenses increased slightly over 2022. This is partly due to investments in efficiency and digitisation. Apart from growth, digitisation is another important strategic building block. As one of the biggest direct insurers in Europe we are in direct touch with millions of customers. We took several important steps to further expand the ways that our customers can contact us, making full use of online options while at the same time continuing to offer the option of person-to-person contact. Our digital insurer Inshared developed well in Germany after the introduction in 2021.

### Achmea invests in the society of tomorrow

With 17,500 employees and over 10 million customers, we stand at the very heart of society. We serve our customers in many markets by offering financial services and advice. In these same markets we work together with our partners on solutions to social challenges based on our ‘Sustainable Living. Together’ vision. Interpolis works on increasing road safety. For example by alerting road users to the risks of using their phones while on the move via the stark message contained in the recent “MisNiks” campaign. Zilveren Kruis is investing in the future of healthcare. An additional € 40 million was invested in healthcare transformation in 2022. For example by working together with hospitals and general practitioners on digitalisation of healthcare., while our Innovation Fund invested in start-ups and scale-ups that introduce ground-breaking healthcare-concepts.

An additional 450,000 lifetime homes for the elderly are needed in the period up to 2040. We want to contribute to solving this shortage. In 2022 Syntrus Achmea acquired 32 residential care complexes. Moreover, we opened our own development project for a residential care complex, de Nieuwe Sint Jacob in Amsterdam, and put this topic firmly on the public agenda via a national campaign.

Finally we were closely involved in developing the new pension system. Achmea IM and Achmea Pensionservices are working together to make the Wet Toekomst Pensioenen (“Future Pensions Act”) workable for our clients. The transition to the new system is an important theme in the coming years.

### On track with sustainability ambitions

Achmea has long term goals to migrate all activities to net zero CO2-emissions. In line with the commitment of the financial sector to the Dutch Climate Agreement in December we published our Climate Transition Plan with our goals and actions.

Our own business operations realised a 54% emission reduction in 2022 compared to 2019. This puts us on schedule to realise our goal of net zero CO2-emissions in 2030. From 1 January 2023 our employees can spend a climate budget of € 2,500 to improve the sustainability of their own living environment. Over a third of our employees used this budget already.

Achmea IM signed the Net Zero Asset Managers in 2022, launched the Climate Infrastructure Fund and ranks number one on Shareaction’s ranking of asset managers globally when it comes to sustainable voting activity at shareholder meetings. We also encourage our customers to become more sustainable in other areas. Centraal Beheer offers both its retail and commercial customers advice and services for making their real estate more sustainable. In 2022, Centraal Beheer launched a new service that helps homeowner associations to make their buildings more sustainable.

### Earthquakes in Turkey and Syria

2023 began with the shocking news on the earthquakes in Turkey and Syria. We have a subsidiary in Turkey and many colleagues have family and friends in the stricken area. From Achmea in the Netherlands we, together with colleagues, raised funds to help. We sympathise greatly.

Concluding, 2022 was a turbulent year. Despite the difficult circumstances we still managed to accomplish a great deal. 2023 will be challenging as well, but I remain confident about the future. We have set a clear course and taken several important steps on our strategic agenda. I would like to thank my colleagues, our partners and customers for their contribution and for the trust they have placed in Achmea.

ACHMEA ANNUAL RESULTS 2022 - 9 March 2023

For the presentation of the annual results and more information please visit:

[www.achmea.nl](http://www.achmea.nl)

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# Group results

## KEY FIGURES

(€ MILLION)

RESULTS	2022	2021	Δ
Non-Life Netherlands	190	264	-28%
Pension & Life Netherlands	69	392	-82%
Retirement Services	-14	18	n.m.*
International activities	-8	47	n.m.*
Other activities	-184	-146	-26%
<b>Operational result excluding Health Netherlands</b>	<b>53</b>	<b>575</b>	<b>-91%</b>
Health Netherlands	121	10	n.m.*
of which Basic Health Insurance	-6	-127	n.m.*
of which Supplementary Health Insurance and other	127	137	-7%
<b>Operational result including Health Netherlands</b>	<b>174</b>	<b>585</b>	<b>-70%</b>
Transaction results (mergers & acquisitions)	-29	0	n.m.*
<b>Result before tax</b>	<b>145</b>	<b>585</b>	<b>-75%</b>
Corporate income tax expenses	40	117	-66%
<b>Net result</b>	<b>105</b>	<b>468</b>	<b>-78%</b>

<b>Gross operating expenses<sup>1</sup></b>	<b>2,174</b>	<b>2,132</b>	<b>2%</b>
Non-Life Netherlands	3,881	3,766	3%
Health Netherlands	14,790	14,025	5%
Pension & Life Netherlands	813	859	-5%
International activities	1,453	1,260	15%
<b>Gross written premiums</b>	<b>21,088</b>	<b>20,026</b>	<b>5%</b>

BALANCE SHEET	31.12.2022	31.12.2021	Δ
Total assets	80,240	89,556	-10%
Total equity	9,278	10,485	-12%

ASSETS UNDER MANAGEMENT (in € billion)	31.12.2022	31.12.2021	Δ
Achmea Investment Management	166	220	-25%
Syntrus Achmea Real Estate & Finance	41	40	2%
<b>Total Assets under Management**</b>	<b>194</b>	<b>247</b>	<b>-21%</b>

SOLVENCY II	31.12.2022	31.12.2021	Δ
Solvency ratio after dividend <sup>2</sup>	209%	214%	-5 pp

RATINGS	31.12.2022	31.12.2021	
S&P (Financial Strength Rating)	A (Stable)	A (Stable)	
Fitch (Insurer Financial Strength)	A+ (Stable)	A+ (Stable)	

EMPLOYEES IN THE NETHERLANDS AND ABROAD <sup>3</sup>	31.12.2022	31.12.2021	Δ
FTEs Netherlands	14,075	13,672	3%
FTEs International	3,451	3,152	9%
<b>Total FTEs</b>	<b>17,526</b>	<b>16,824</b>	<b>4%</b>

\* n.m.: not meaningful

\*\* Total assets under management after eliminations

# Group results

## OVERVIEW OF GROUP RESULTS

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Achmea earned an operational result of € 174 million in 2022 (2021: € 585 million). The underlying insurance results are developing well, with premium growth in the Health, Non-Life and International segments. The main reason for the lower result is the € 453 million decrease in investment income caused by the exceptional market conditions that resulted in a strong increase in interest rates. The Non-Life segment noted sound insurance results. The result from our health business is higher than last year thanks to a strong improvement in the result of basic health insurance. The lower result at Achmea Bank was the main reason for the decrease in the result at Retirement Services. At International activities the result was lower owing to hyperinflation in Turkey, a higher cost of claims in Greece and a lower government contribution in relation to Health activities in Slovakia.

The operational result at Non-Life Netherlands decreased to € 190 million in 2022 (2021: € 264 million), driven by lower investment results caused by trends on the financial markets. The sharply higher inflation also had a negative impact. The insurance results were robust in 2022, with the Combined Ratio improving to 93.0% (2021: 93.9%). We are seeing increased traffic intensity compared to 2021 and in turn a higher number of traffic and burglary-related claims as well as large fire claims. Claims arising from February's storm amounted to € 100 million. In 2021 the result was adversely affected by additional provisions for personal injury claims from previous years, partly owing to the continued low market interest rates at the time.

Health Netherlands earned a result of € 121 million in 2022 (2021: € 10 million). The result for supplementary health insurance was € 126 million (2021: € 140 million), while the result for basic health insurance was € 6 million negative (2021: € 127 million negative). Medical expenses were higher than last year, mostly as a result of the higher number of policyholders, increased personnel expenses for medical personnel and higher other healthcare expenses. In contrast to 2021, no provision was made for loss-making contracts in 2022. Furthermore, premium income increased and there was a higher-than-expected contribution from the Health Insurance Equalisation Fund.

The operational result of Pension & Life Netherlands decreased to € 69 million in 2022 (2021: € 392 million). This decrease was mainly driven by the impact of the financial markets. The investment income declined by € 276 million due to the downturn in equity markets, higher interest rates, spread movements and a less positive market sentiment in real estate. A further allocation of € 39 million was made to the provision for policyholder liabilities as a result of trends in interest rates and the higher life expectancy.

The operational result of Retirement Services decreased to € 14 million negative in 2022 (2021: € 18 million). This decrease was mainly the results of a lower result at Achmea Bank. The sharply higher interest rates led to a drop in mortgage

prepayment compensations together with higher funding expenses, which led to a lower result. Furthermore, the fair value result declined by a one-off amount of € 10 million following a downward adjustment to the market value of an older mortgage portfolio. Mortgage production tripled to € 2,044 million in 2022 (2021: € 771 million). The result at Achmea Investment Management decreased from € 4 million in 2021 to € 1 million negative in 2022 because of increased expenses relating to investments in new sustainability legislation, the transition to the new pension system and transformation into a new operating model. At Syntrus Achmea Real Estate & Finance the result improved from € 1 million in 2021 to € 9 million in 2022, mainly thanks to an increase in revenue caused by growth in both real estate and mortgages.

The operational result for the International activities decreased by € 55 million to € 8 million negative in 2022 (2021: € 47 million). The negative result is partly due to the effect of the accounting for hyperinflation in Turkey (€ 14 million negative). This decrease was also driven by a lower result in Greece arising from a higher number of claims in the motor portfolio and a lower government contribution to Health in Slovakia.

The result for Other activities decreased by € 38 million to € 184 million negative in 2022, mainly due to the € 40 million lower result at Achmea Reinsurance caused by lower investment income and higher (storm-related) claims, as well as by higher cost of claims in our external reinsurance programme. The result for our Other activities is negative because many of the expenses from the holding company and shared service activities, as well as the financing charges for the bonds issued by Achmea, are included in this segment.

Achmea acquired ABN AMRO PPI on 1 September 2022 and continued the business under the name Centraal Beheer PPI. A part of the activated goodwill relating to this acquisition has been written off with € 29 million and does not form part of the operational result. This write-off relates to the increase in interest rates.

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### Net result

The net result amounted to € 105 million in 2022 (2021: € 468 million). The effective tax expenses amounted to € 40 million (27.6%), € 3 million higher than the nominal tax expenses because of a combination of exempt results from our health business, non-deductible expenses and the write-down of a deferred tax asset.

# Group results

## Income

### GROSS WRITTEN PREMIUMS IN THE NETHERLANDS AND ABROAD

	2022	2021	Δ
Non-Life	4,674	4,399	6%
Health	15,505	14,689	6%
Life	909	938	-3%
<b>Gross written premiums</b>	<b>21,088</b>	<b>20,026</b>	<b>5%</b>

Gross written premiums increased by 5% to € 21,088 million in 2022 (2021: € 20,062 million).

Written premiums at Non-Life Netherlands grew by 3% to € 3,881 million (2021: € 3,766 million) owing to autonomous growth in the business segment in particular. At our international property & casualty business, written premiums increased by 24% to € 695 million (2021: € 560 million), mainly due to strong premium growth in Turkey and growth in the client base in Australia.

Written premiums at Health Netherlands increased by 5% to € 14,790 million (2021: € 14,025 million) thanks to a higher number of policyholders in 2022, higher average premiums and a higher contribution per policyholder from the Health Insurance Equalisation Fund. Premiums from our international health business grew by 8% to € 715 million (2021: € 664 million), largely owing to growth in Slovakia.

Premium income from pension and life insurance policies declined by 3% to € 909 million (2021: € 938 million), mainly owing to lower premiums at Pension & Life Netherlands. This decrease is in line with our expectations for the development of the service-book.

At Retirement Services, revenues decreased by 1% on balance to € 391 million in 2022 (2021: € 396 million) due to a combination of a lower interest margin at Achmea Bank on the one hand, partly offset by an increase in revenues at Achmea Investment Management, Achmea Pension Services and Syntrus Achmea.

Assets under management at Achmea Investment Management declined to € 166 billion (2021: € 220 billion) as the higher interest rates and other developments on the financial markets led to a decrease in the value of the investments. Assets under management at Syntrus Achmea increased to € 41 billion (2021: € 40 billion). This growth was driven by the expansion of existing mandates and acquisition of new mandates.

## Operating expenses

Gross operating expenses increased by 2% to € 2,174 million in 2022 (2021: € 2,132 million). This limited increase was the result of project expenses and acquisitions.

The total number of employees grew to 17,526 FTEs (year-end 2021<sup>3</sup>: 16,824 FTEs). In the Netherlands, the number of FTEs increased to 14,075 (year-end 2021<sup>3</sup>: 13,672 FTEs) owing to commercial growth, additional project deployment and the acquisition of ABN AMRO PPI.

The total number of employees outside the Netherlands increased to 3,451 FTEs (year-end 2021<sup>3</sup>: 3,152 FTEs) through further growth and a number of small-scale acquisitions.

## Investments

Both equity and bond prices were under pressure because of the exceptional market conditions in 2022. Energy prices and in turn inflation soared, in part due to Russia's invasion of Ukraine. In response, central banks in Europe and the US rapidly raised their policy interest rates, which pushed up market interest rates.

In 2022, the 5-year European swap rate increased by 321 bps to 3.23%, while the 20-year swap rate climbed by 238 bps to 2.92%. Yields on government bonds displayed similar increases. At the same time, equity prices came under pressure as well. The MSCI World index dropped by nearly 20% in 2022. Our investment portfolio developed in line with the market.

These market developments had a strong impact on our investment income. In 2022, investment income<sup>4</sup> from our own risk investment portfolio was € 691 million (2021: € 1,144 million). The lower income versus 2021 was caused in part by lower realised gains on equities and equity-related instruments. Whereas these generated a result of € 190 million in 2021, in 2022 this amount decreased to € 91 million; a reduction of € 99 million. The lower realised gains derive mainly from the global downturn in equity prices in 2022. These lower equity prices also resulted in a higher amount for impairments on equities; € 72 million in 2022 versus € 12 million in 2021.

The results on fixed-income securities mostly relate to realised gains in the Non-Life segment. Realised gains amounted to € 91 million negative as a result of the sharp increase in interest rates on the capital markets in 2022. This is € 144 million lower than last year (2021: € 53 million).

Finally, the price result on direct real estate was also lower compared to last year. The reduction in value is particularly visible in the second half of 2022, in part because of higher mortgage rates that lenders have implemented in response to the sharp increase in interest rates mentioned above. Compared with growth in the value of the direct real estate portfolio of € 123 million in 2021, this year the value increased by a limited € 11 million.

# Group results

## CAPITAL MANAGEMENT

### Total equity

Achmea's equity decreased by € 1,207 million to € 9,278 million in 2022 (year-end 2021: € 10,485 million). This decrease was largely due to a drop in the revaluation reserves caused by the higher interest rates. The defined benefit liability from interest rate and inflation trends decreased by € 322 million on balance, which results in an increase in equity. The investments related to this defined benefit liability have also decreased in value due to the higher interest rates; this lower value is included in the decreased revaluation reserve. Achmea bought back € 41 million in depositary certificates for shares in 2022. In addition, equity decreased due to the dividend payment over 2021 and coupon payments.

### DEVELOPMENT OF TOTAL EQUITY

(€ MILLION)

	(€ MILLION)
<b>Total equity 31.12.2021<sup>5</sup></b>	<b>10,485</b>
Net result	105
Movement in revaluation reserve	-1,342
Movement in exchange difference reserve	1
Revaluation of net defined benefit liability	322
Dividends and coupon payments to holders of equity instruments	-245
Issue, sale and buyback of equity instruments	-41
Minority interest	-7
<b>Total equity 31.12.2022</b>	<b>9,278</b>

### Solvency II

The solvency position of Achmea Group remains robust at 209% (2021: 214%). Market developments had a positive impact on balance. Although total own funds decreased owing to lower equity prices, higher interest rates and spreads, this was more than mitigated by a decrease in the required capital for market risk, life risk and non-life risk due to the higher interest rates. Portfolio developments, including the run-off of the Pension & Life Netherlands service book and the result of Non-Life Netherlands, contributed positively. The increase in the inflation curve and adjusted assumptions for mortality, expenses and lapses had a negative impact on the solvency position. The acquisition of ABN AMRO PPI and expected coupon payments likewise had a negative effect. Due to the decrease in the required capital, the part of the Tier 3 capital no longer eligible for inclusion in the own funds increased. In addition, a pension indexation liability and the decrease in the UFR<sup>6</sup> as of 1 January 2022 had a negative effect on the solvency position.

On 28 February 2023, Achmea announced its intention to exercise the call option on € 500 million Tier 2 bonds, with a first call date of 4 April 2023. This is expected to reduce the Solvency II ratio by 8 percentage points.

### SOLVENCY II RATIO FOR ACHMEA GROUP

(€ MILLION)

	31.12.2022	31.12.2021	Δ
Eligible Own Funds under Solvency II	9,195	10,363	-1,168
Solvency Capital Requirement	4,410	4,853	-443
Surplus	4,785	5,510	-725
<b>Solvency II Ratio<sup>2</sup></b>	<b>209%</b>	<b>214%</b>	<b>-5 pp</b>

### Free Capital Generation<sup>7</sup>

Total Free Capital generation (FCG) in 2022 amounted to € 137 million negative, mainly due to negative one-off developments. The results and developments of the own funds of the Dutch healthcare activities are not included in the Free Capital Generation. The structural FCG developed well supported by the strong results of Non-Life and the capital release in the service-book of Pension & Life Netherlands. This was partly mitigated by the increase in required capital driven by commercial growth. Therefore the FCG from operational activities amounted to € 149 million. Market developments on balance had an additional positive impact of € 115 million. Methodological changes also contributed positively. The increased inflation curve and updated assumptions for mortality, expenses and lapse had a significant one-off negative impact on the FCG. In addition there were negative one-off impact on the FCG due to the restriction on Tier 3 capital and an indexation of the pension provision for own employees.

### Financing

The debt-leverage ratio<sup>8</sup> increased to 30.7% (year-end 2021: 24.2%) because of a decrease in total equity and an increase in the debt position. In November 2022, Achmea issued € 500 million in Senior Green Notes under its new Green Finance Framework. There was significant interest in these bonds on the market. Following the announced redemption of the € 500 million Tier 2 bonds on 4 April 2023 the debt-leverage ratio is expected to decrease with 3.5%-point.

The lower result caused the fixed-charge coverage ratio<sup>9</sup> to decrease to 2.6x (2021: 6.0x).

On 16 November 2022, Standard & Poor's (S&P) affirmed its A rating and stable outlook for Achmea's Dutch core insurance entities. The stable outlook reflects S&P's expectation that Achmea will maintain its leading position in the Dutch non-life and health insurance markets. Furthermore, S&P's model leads it to expect that Achmea's capital position will remain robust at a fixed-charge coverage ratio of 4x or higher in 2023 and 2024. The credit rating (ICR<sup>10</sup>) for Achmea B.V. remained unchanged at BBB+. The rating (FSR<sup>11</sup>) for Achmea Reinsurance Company N.V. and the rating (ICR) for Achmea Bank N.V. remained unchanged at A-.

# Group results

Fitch affirmed its rating for Achmea B.V. and its insurance entities on 15 July 2022. Achmea was awarded a score of Very Strong with regard to its business profile, capitalisation and investment risk management. Its ratings are A (IDR<sup>12</sup>) and A+ (IFS<sup>13</sup>) respectively with a stable outlook.

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## Uncertainties

What will happen in the near future with respect to the geopolitical situation, the financial markets and COVID-19 remains uncertain. In addition, our activities involve inherent uncertainties, as do the related investments. The risks related to developments on the financial markets are managed via execution on our investment policy and the restrictions it contains. The impact and volatility are kept within specific bandwidths based on the set limits for the individual investments and interest rate sensitivities.

Given the nature of our activities, there is always a risk of potential catastrophes. This latter risk is mitigated by means of reinsurance agreements.

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## Introduction of IFRS 9/17

IFRS 9 (Financial Instruments) and IFRS 17 (Insurance Contracts) came into force for insurers on 1 January 2023. Achmea will therefore report its results based on these accounting standards from 2023. This means that the first time Achmea reports results in accordance with these new standards will be on publication of the results over the first half of 2023, including corresponding figures over 2022.

For more insights in the implementation of IFRS 9/17, the policy choices made and the impact on the balance sheet and equity we refer to the November 2022 update (<https://www.achmea.nl/en/investors/events-and-key-dates>).

# Non-Life Netherlands

- Sound result at Non-Life despite lower investment results and high cost of claims from February's storm
- Combined ratio improved to 93.0% in 2022
- Expense ratio stable, continuing focus on digitisation and cost efficiency

## RESULTS

(€ MILLION)

	2022	2021	Δ
Gross written premiums	3,881	3,766	3%
Operating expenses	941	909	4%
Insurance result	215	149	44%
Investment result	-25	115	-122%
<b>Operational result</b>	<b>190</b>	<b>264</b>	<b>-28%</b>

## NON-LIFE NETHERLANDS

	2022	2021	Δ
Claims ratio	68.4%	69.3%	-0.9 pp
Expense ratio	24.6%	24.6%	0 pp
<b>Combined ratio</b>	<b>93.0%</b>	<b>93.9%</b>	<b>-0.9 pp</b>

## GENERAL INFORMATION

Achmea is market leader in Property & Casualty insurance and ranks in the top three in Income Protection insurance in the Netherlands. We provide our retail and commercial customers with car insurance, fire insurance, liability insurance and travel insurance. In addition, we offer income protection insurance against sickness and disability. We use innovative services that, for example, give our customers insight into the risks to which they are exposed. In doing so, we help them to prevent and/or restrict damage or loss as much as possible. We distribute our products and services directly through our brands Centraal Beheer, FBTO and InShared, which gives us a strong position in the retail market. Interpolis is the brand for Rabobank customers, and via Avéro Achmea we have an excellent partnership with intermediaries and insurance brokers. Our focus is on maintaining a high level of customer satisfaction, cost efficiency and digitisation of processes. Based on Achmea's Sustainable Living. Together vision, we are devoting ever greater attention to sustainability and climate change. Our services increasingly enable us to help customers with solutions relating to sustainability and the energy transition. Examples of this include sustainable repairs, the Duurzaam Woongemak website (sustainability of homes) and Verduurzamen van uw VvE proposition (assistance on sustainability for homeowner associations), as well as improving the long-term employability of our customers' workforce. All these propositions are greatly appreciated by our customers, as shown by the high customer satisfaction scores.

### Gross written premiums

Gross written premiums increased by 3% to € 3,881 million in 2022 (2021: € 3,766 million). This comes from autonomous growth in the business segment in particular, in part driven by the strong online market propositions at all our brands.

Gross written premiums for Property & Casualty insurance increased to € 3,247 million (2021: € 3,136 million). This growth is largely due to the increased number of customers in the commercial lines at both Centraal Beheer and Interpolis.

At € 634 million, gross written premiums from the Income Protection insurance business were more or less the same as in 2021.

### Operating expenses

Operating expenses increased slightly to € 941 million (2021: € 909 million), in line with premium growth, while the expense ratio remained stable at 24.6%. The continued digitisation of business operations leads to improved efficiency and contributed to the expense ratio remaining stable despite the rising inflation and shortages on the labour market.

### Operational result

The operational result for Non-Life decreased to € 190 million in 2022 (2021: € 264 million), driven by lower investment results caused by developments on the financial markets and higher interest rates. The strong insurance results on balance displayed an improvement, which resulted in a combined ratio of 93.0% (2021: 93.9%).

The result on Property & Casualty insurance decreased to € 172 million in 2022 (2021: € 210 million), with the higher insurance results partially offsetting the lower investment results. The combined ratio for the Property & Casualty insurance business improved to 92.8% (2021: 94.4%). We are seeing increased traffic related claims due to an increase in traffic intensity compared to 2021 and also a higher number of burglary and large fire-related claims. Additional provisions were



# Non-Life Netherlands

made for personal injury claims from previous years in 2021. Conversely, February's storm generated a high cost of claims. The settlement of the large number of storm-related claims resulted in a high operational workload and presented organisational challenges. The dedication and flexibility of our employees enabled us to handle all these claims, although this sometimes took us longer than usual. Customer satisfaction declined marginally as a result of this, yet remains high. Despite the tight labour market, in collaboration with the companies carrying out the repairs and after a great deal of hard work from our employees we succeeded in settling the vast majority of these storm-related claims over the course of 2022.

The result for Income Protection insurance was € 18 million over 2022 (2021: € 54 million) and is less than last year due to both

lower investment income and lower insurance results. For the provisions in the WIA (group disability) insurance portfolio we have taken into account the Dutch government's decision to raise the minimum wage by 10.15% as of 1 January 2023. The Disability and Sickness insurance portfolios displayed slightly higher levels of absenteeism. In the insurance results we only observe a minor impact from the long-term effects of Covid-19 on the income protection products. We help employers and the self-employed to keep absenteeism to a minimum by devoting continued attention to the recovery process. As a result of these developments, the combined ratio increased to 94.0% in 2022 (2021: 91.1%).

# Health Netherlands

- Small loss on basic health insurance; operational result increased to € 121 million
- After growth in 2022, in 2023 the number of policyholders decreases by approximately 200,000 to 4.9 million
- Further reduction in operating expenses per policyholder

## RESULTS

	2022	2021	Δ
Gross written premiums	14,790	14,025	5%
Operating expenses	492	469	5%
<b>Operational result</b>	<b>121</b>	<b>10</b>	<b>n.m.*</b>
Result current year	134	-47	n.m.*
Result prior years <sup>14</sup>	-13	57	n.m.*

## BASIC HEALTH

	2022	2021	Δ
Claims ratio	98.0%	99.6%	-1.6 pp
Expense ratio	1.7%	1.8%	-0.1 pp
<b>Combined ratio</b>	<b>99.7%</b>	<b>101.4%</b>	<b>-1.7 pp</b>

## SUPPLEMENTARY HEALTH

	2022	2021	Δ
Claims ratio	78.7%	79.2%	-0.5 pp
Expense ratio	10.3%	10.0%	0.3 pp
<b>Combined ratio</b>	<b>89.0%</b>	<b>89.2%</b>	<b>-0.2 pp</b>

\* n.m.: not meaningful

## GENERAL INFORMATION

Zilveren Kruis, Pro Life, De Friesland, Interpolis and FBTO offer basic and supplementary health insurance. The Eurocross Assistance Company provides healthcare services worldwide. To ensure that healthcare remains affordable in the future, Zilveren Kruis and Achmea's other health insurance brands focus on preventing illness and promoting a healthy lifestyle. Zilveren Kruis aims to bring good healthcare closer to everyone. Our ambition is to be able to provide healthcare online and at customers' homes (*zorg digitaal en thuis*). Home-based care gives policyholders greater control and reduces the impact of treatments, improves the quality of life and helps keep health care accessible. Initiatives such as Gezond Ondernemen (Healthy Enterprise) and the Actify lifestyle platform enable us to help our customers live and work more healthily and motivate them to lead a healthy lifestyle.

As of the start of 2023, the number of policyholders with basic health insurance was about 200,000 lower than at the start of 2022. This gives Achmea an estimated market share of 28% in 2023 (2022: 29%).

## Covid-19

In 2020 and 2021, the Covid-19 pandemic had an enormous impact on society, healthcare providers and health insurers. Covid-19 had not disappeared in 2022 but partly thanks to the milder Omicron variant and vaccinations it had less of a disruptive impact than in 2020 and 2021. Society has now returned more or less to normal and the treatment of Covid-19 patients is increasingly a regular component of healthcare.

The two-year statutory catastrophe scheme no longer applies as of 1 January 2022. This means that Covid-19-related expenses are part of regular medical expenses, with the financial risk of exceeding the medical expenses estimated by the government being restricted by retrospective correction of total costs in 2022.

## Gross written premiums

Gross written premiums from basic and supplementary health insurance were € 14,790 million and therefore higher than last year (2021: € 14,025 million). Gross written premiums from basic health insurance amounted to € 13,567 million (2021: € 12,816 million). Premiums increased by about 6% as the number of policyholders grew by about 300,000 in 2022 and because of higher average premiums owing to higher medical expenses and a higher contribution per policyholder from the Health Insurance Equalisation Fund.

# Health Netherlands

Gross written premiums from supplementary health insurance improved slightly to € 1,223 million (2021: € 1,209 million). This is mainly due to the growth in the number of policyholders and higher average premiums compared to 2021.

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## Operating expenses

The total operating expenses of our health activities increased to € 492 million (2021: € 469 million). This increase can largely be explained by higher commission charges as a result of the higher number of policyholders and higher expenses for the Long-term Care Act (Wlz), caused in part by an expansion of the statutory duties. These effects are mitigated by lower HR expenses from unfilled job vacancies or vacancies that were filled at a later date owing to the tight labour market and by further digitisation of customer contacts in particular. The sharp upturn in the number of policyholders and ongoing digitisation have resulted in lower operating expenses per policyholder versus last year.

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## Operational result

The operational result from our health business amounted to € 121 million in 2022 (2021: € 10 million). The result on supplementary health insurance and the healthcare service companies is positive. This compensated for the marginally negative result on basic health insurance.

### Basic health insurance

The operational result from our basic health insurance amounted to € 6 million negative over 2022 (2021: € 127 million negative). The operational result in the current underwriting year was € 10 million (2021: € 197 million negative).

Medical expenses were higher than last year, mostly as a result of increased personnel and other healthcare expenses and the higher number of policyholders. These effects were mitigated by the release of the provision for loss-making contracts that had been made at the end of 2021 for the loss-making 2022 premium, higher premium income and a higher-than-expected contribution from the Health Insurance Equalisation Fund. When the premium for 2023 was announced in November 2022, a capital deployment of € 35 million was taken into

account, but the most recent insights into the expected result for 2023 mean that this will no longer be necessary.

The result from previous years was € 16 million negative (2021: € 70 million). This decrease is mainly due to lower subsequent results from the catastrophe scheme and solidarity schemes relating to the Covid-19 pandemic.

The improvement in the result is also reflected in the improvement in the combined ratio of basic health insurance to 99.7% (2021: 101.4%).

### Supplementary health insurance

Supplementary health insurance policies account for € 126 million of the operational result from the health business (2021: € 140 million); € 123 million of this derives from the current underwriting year (2021: € 153 million). There was also a result from previous underwriting years of € 3 million (2021: € 13 million negative).

The percentage of basic health insurance policyholders with supplementary coverage (supplementary and/or dental cover) stands at 79% in 2022 (2021: 80%). The combined ratio of supplementary health insurance policies improved marginally in 2022 and stood at 89.0% (2021: 89.2%).

### Other (healthcare offices and services)

The Other category relates to healthcare offices that implement the Long-term Care Act (Wlz) and the healthcare service companies. The healthcare service companies, particularly the Eurocross Assistance Company, aim to assist customers if they urgently require healthcare when abroad, travelling in the Netherlands or at home, and to help people to improve their vitality at work and in everyday life. The operational result of Other over 2022 improved compared to last year and amounted to € 1 million (2021: € 3 million negative). This is largely thanks to higher revenue at the Eurocross Assistance Company as the number of travel movements has increased again after the COVID-19 pandemic. The higher expenses at the Healthcare offices are offset by higher reimbursements.

# Pension & Life Netherlands

- Lower operational result due to decrease in investment income caused by developments on the financial markets
- Higher interest rates and increased life expectancy led to an additional allocation to the provision for policyholders
- Further reduction in expenses thanks to cost-cutting initiatives and rationalisation programmes

## RESULTS

(€ MILLION)

	2022	2021	Δ
Gross written premiums	813	859	-5%
Operating expenses	140 <sup>15</sup>	144	-3%
<b>Operational result</b>	<b>69</b>	<b>392</b>	<b>-86%</b>

## GENERAL INFORMATION

Achmea manages a growing open-book portfolio containing term life insurance policies and individual pension and annuity products. In addition, the Pension & Life service organisation manages a service-book portfolio containing group pension contracts and traditional savings and life insurance products. The service organisation has the ambition of earning a stable result with positive capital generation combined with a high level of customer satisfaction.

We pool our resources via the Centraal Beheer, FBTO and Interpolis brands and aim to accomplish growth in our open-book portfolio through capital-light products.

The total technical provisions are evolving in line with the development of the portfolio but are at the same time affected by volatility on the financial markets.

### Gross written premiums

Total gross written premiums decreased by 5% to € 813 million in 2022 (2021: € 859 million). Of this amount, € 202 million came from the open book and € 611 million from the service book.

The open-book portfolio noted a 5% increase in written premiums from term life insurance policies to € 69 million (2021: € 66 million). Production of individual annuities and pensions decreased to € 133 million in 2022 (2021: € 170 million).

Written premiums on our service-book pension portfolio increased to € 111 million in 2022 (2021: € 64 million), while total written premiums on our service-book life insurance

portfolio amounted to € 500 million (2021: € 559 million). In line with our strategy, no new insurance contracts are being sold in these portfolios. The decline in premium income is in line with expectations and the result of the natural portfolio development.

### Operating expenses

Operating expenses decreased by € 4 million to € 140 million in 2022. Expenses are moving in line with our ambitions and the run-off of the service-book portfolio, with cost-cutting initiatives and IT investments leading to a structural reduction in expenses. We have also successfully completed rationalisation programmes and are fully committed to digital customer service and further execution on rationalisation roadmaps.

### Operational result

The operational result decreased to € 69 million in 2022 (2021: € 392 million). This decrease was mainly driven by developments on the financial markets. The investment result declined by € 276 million due to the downturn on the equity markets, interest rate and spread movements and less positive market sentiment in the real estate portfolio. In addition, there was an impact on the result of € 39 million arising from a deficit on the liability adequacy test ("LAT"). This was primarily caused by the sharp increase in interest rates in 2022. The increase in life expectancy had a negative impact on the LAT outcome as well. The technical result was € 10 million lower in 2022 compared to last year. This was due to lower risk premiums. Lower operating expenses had a positive effect of € 4 million on the result over 2022.

# Retirement Services Netherlands

- Lower result caused by lower interest margin and revaluation of part of the mortgage portfolio due to higher interest rates
- Decrease in Assets under Management owing to developments on the financial markets
- Investments for the new pension agreement boost our position as a multi-client institutional service provider
- Acquisition of PPI strengthens Centraal Beheer's position in the employer market for Retirement Services
- High scores on the international sustainability benchmark GRESB and launch of Achmea IM Climate Infrastructure Fund

## RESULTS

(€ MILLION)

RETIREMENT SERVICES	2022	2021	Δ
Total income	391	396	-1%
Portion from administration and management fees pension administration	276	251	10%
Operating expenses <sup>16</sup>	405	378	7%
<b>Operational result</b>	<b>-14</b>	<b>18</b>	<b>n.m.*</b>

  

ACHMEA BANK	2022	2021	Δ
Net interest margin	118	138	-14%
Fair value result <sup>17</sup>	-6	4	n.m.*
Operating expenses	105	101	4%
Changes to loan loss provisions	-2	-2	0%

	31.12.2022	31.12.2021	Δ
Common Equity Tier 1 ratio	18.2%	20.9%	-2.7 pp

(€ BILLION)

ASSETS UNDER MANAGEMENT <sup>18</sup>	31.12.2022	31.12.2021	Δ
Achmea Investment Management	166	220	-54
Syntrus Achmea Real Estate & Finance	41	40	1
<b>Total Assets under Management**</b>	<b>194</b>	<b>247</b>	<b>-53</b>

\* n.m.: not meaningful

\*\* Total assets under management after eliminations

## GENERAL INFORMATION

Through Retirement Services, Achmea provides (financial) solutions for employers, institutional and retail customers for today and tomorrow. We do this via Achmea Bank, Achmea Investment Management, Achmea Pension Services, Syntrus Achmea Real Estate & Finance (Syntrus Achmea) and Centraal Beheer PPI.

In the employer and retail customer market we position ourselves via the Centraal Beheer brand as a financial service provider that offers a wide range of pension, savings, investment, mortgage and insurance products. With our retail

solutions we serve 423,000 customers. In 2022 the number of clients increased with 2%. The segments work together to realise our commercial growth ambitions in the institutional market.

Achmea Pension Services administers pension funds, including the Centraal Beheer General Pension Fund (APF), and supports and advises employers on issues relating to retirement services.

# Retirement Services Netherlands

Achmea acquired ABN AMRO's PPI in September 2022. This PPI, or Pension Premium Institution, will continue under the new name Centraal Beheer PPI.

Achmea Investment Management offers products for asset accrual and supports via strategic and portfolio advice. In addition, Achmea IM manages investments on behalf of Achmea Group, pension funds including the Centraal Beheer APF and institutional investors. Here we opt for sustainable investments that yield good financial and positive returns for society.

Thanks to our knowledge of both pension administration and asset management within Retirement Services, we are excellently positioned to service our clients on implementation of the new pension agreement.

The savings products and some of the mortgages are managed by Achmea Bank. Furthermore, Achmea Bank conducts transactions with institutional parties and works with external partners with a view to expanding services and achieving economies of scale.

Syntrus Achmea manages real estate and mortgages on behalf of pension funds and other institutional investors. Syntrus Achmea Real Estate & Finance also acts as a central platform for issuing mortgages within Achmea.

As a leading player, we actively contribute to a CO2 neutral society. In 2022, Achmea IM published the CO2 preferred approach. In it we state, among other things, that we want to reduce the carbon footprint of the Achmea IM investment funds by 50% in 2030 compared to 2020. In addition, with the launch of the Achmea IM Climate Infrastructure Fund, we are giving clients even more opportunities to make their investment portfolios more sustainable. Achmea IM scored a No. 1 position on ShareAction's ranking of asset managers worldwide when it comes to sustainable voting activity at shareholder meetings. In 2022, Syntrus Achmea participated in the international sustainability benchmark GRESB. Syntrus Achmea's average overall score of 89 points is stable compared to 2021 and well above the benchmark of 74 points. All our Dutch funds and portfolios achieved the highest rating of 5 stars and our German funds achieved a rating of 4 stars. The knowledge and expertise of Achmea IM and SAREF are also used to achieve the targets in our own investment portfolio.

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## Operational result

The operational result of Retirement Services decreased to € 14 million negative in 2022 (2021: € 18 million). This is largely because of the lower result at Achmea Bank due to a lower interest margin caused by higher financing expenses and lower mortgage prepayment compensations as a result of fewer remortgaging transactions. The decrease in the result at Achmea Bank was partly offset by a higher result at Syntrus Achmea Real Estate & Finance.

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## Achmea Bank

Due to developments on the financial markets the operational result over 2022 for Achmea Bank decreased by € 37 million to € 4 million (2021: € 41 million). In the short term, the rapid increase in interest rates resulted in a lower interest result (€ 20 million). This was caused by higher financing expenses and lower mortgage prepayment compensations as a result of fewer remortgaging transactions. Furthermore, the fair value result declined by € 10 million following a downward adjustment in the market value of an older mortgage portfolio. Operating expenses were € 4 million higher than they were last year.

In underlying terms the market has moved towards shorter mortgages at higher rates, which has led to an increase in inflow volumes on the mortgage balance sheet at improved returns. This is reflected in the significant upturn in mortgage production, which stood at € 2,044 million in 2022 (2021: € 771 million). On top of this, mortgage portfolios were acquired in 2022 for a total of € 944 million (2021: € 500 million).

The capital position remains strong. As of 31 December 2022, the Common Equity Tier 1 ratio stood at 18.2% (2021: 20.9%). Achmea Bank applies the standardised approach to risk weighting its assets but is working towards implementing an internal credit risk model (A-IRB) approach for its mortgage book.

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## Achmea Investment Management

The operational result of Achmea IM amounted to € 1 million negative in 2022 (2021: € 4 million). This is mainly due to an increase in expenses of € 7 million caused by higher HR and project expenses for investments in implementing new sustainability legislation, the transition to the new pension system and transformation into a new operating model.

Developments on the financial markets, especially the higher interest rates, led to a sharp decrease in assets under management at Achmea IM. As a result, as of year-end 2022 these stood at € 166 billion (2021: € 220 billion). Despite this reduction in assets under management, revenue grew by about € 2 million in 2022. This was thanks to higher one-off revenue and the expansion of services to existing and new customers.

Achmea made a capital injection of € 10 million to fund the abovementioned investments. This capital injection is part of the reason that Achmea Investment Management enjoys a robust and solid solvency position. The ICLAAP ratio stood at 187% as of 31 December 2022.

# Retirement Services Netherlands

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## Achmea Pension Services

The result for Achmea Pension Services amounted to € 26 million negative in 2022 (2021: € 28 million negative). A € 10 million increase in revenue was realised. Conversely, expenses increased by € 8 million from investments in new IT systems and further preparation for implementing the Future of Pensions Act.

Achmea Pension Services took important steps in the development towards achieving its ambition of becoming a high-quality digital service provider that puts the customer experience first. In 2022 we started to administer the pension schemes of two new clients: Stichting Pensioenfonds Huisartsen (SPH) and Stichting Pensioenfonds Ahold Delhaize (ADP). The new RAP pension platform has been operational for DC (Defined Contribution) schemes since the start of 2022. The AllVida platform for DB (Defined Benefit) schemes is expected to be operational in early 2023.

Clients award Achmea Pension Services a score of 7.6. All of Achmea Pension Services' existing clients will continue to use its services in 2023.

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## Syntrus Achmea Real Estate & Finance

The operational result of Syntrus Achmea Real Estate & Finance (SAREF) grew to € 9 million in 2022 (2021: € 1 million).

Total revenue increased to € 137 million (2021: € 123 million), with growth in both real estate and mortgages, despite the impact of higher mortgage rates on revaluations. In addition, a higher number of acquisition and development projects were realised in 2022. The higher inflation, combined with the nitrogen emissions crisis, is causing delays in the realisation and start-up of new construction projects.

The assets under management in real estate and mortgages increased to € 41 billion (2021: € 40 billion). This growth was driven by the expansion of existing mandates and realisation of new mandates, mainly via growth in the CB Leef Hypotheek but also via PHF and Attens. The size of the real estate investments has grown largely thanks to higher real estate valuations in 2022, even though valuations declined again in the final quarter of the year.

Expenses increased due to accelerated depreciation costs as part of outsourcing the back office for all mortgage activities. This outsourcing will be completed in Q2 2023.

With an ICLAAP ratio of 199%, the capital position is strong, thereby allowing SAREF to continue its investment and growth as a leading asset manager specialising in real estate and mortgages.

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## Centraal Beheer PPI

Centraal Beheer PPI is included in the Retirement Services segment. Achmea has the ambition to expand the PPI over the next few years. To achieve this, we will use our extensive distribution network and work intensively with the professional pension consultancy market. The focus will be on employers that want to offer their employees a Defined Contribution (DC) pension scheme.

CB PPI's customers now comprise approximately 950 employers and about 190,000 members from small and medium-sized enterprises and the major corporates market. Assets under management totalled € 3.2 billion as of year-end 2022.

# International activities

- Strong premium growth to €1,453 million (+15%)
- Lower result due to hyperinflation accounting in Turkey and higher cost of claims in Greece and Health in Slovakia

## RESULTS

	2022	2021	Δ
Gross written premiums	1,453	1,260	15%
Operating expenses	284	248	15%
<b>Operational result</b>	<b>-8</b>	<b>47</b>	<b>n.m.*</b>

## GROSS WRITTEN PREMIUMS PER COUNTRY

	2022	2021	Δ
Slovakia	688	609	13%
Greece	392	367	7%
Turkey	314	236	33%
Australia	59	48	23%

\* n.m.: not meaningful

## GENERAL INFORMATION

Achmea's international activities focus on Non-Life and Health insurance products, distributed via the online (direct) and banking channels. Achmea pursues an international growth strategy by exporting knowledge and digital expertise gained in the Netherlands to other countries. This strategy is executed selectively in specific international markets.

### Gross written premiums

Gross written premiums increased by 15% to € 1,453 million (2021: € 1,260 million).

In Slovakia, written premiums in the health business increased by 7%. Premiums from the property & casualty and life insurance business grew by 55% as a result of a temporary incoming reinsurance contract and the portfolio acquired from Slovakian insurer Poštová poisťovňa, combined with premium growth in the motor portfolio and travel insurance owing to the return to normality in the travel industry after the lifting of Covid-19 restrictions.

In Greece, premium income at Interamerican increased by 7%. This was driven by higher production in the motor portfolio and commercial product lines. The health business realised 8% growth in gross written premiums, largely thanks to modular healthcare product BeWell.

Premium growth in Turkey was 118% in local currency, although the devaluation of the Turkish lira meant this was 33% when converted into euros. This growth was mainly driven by Turkey's high rate of inflation, whereby premium growth should cover higher claims and expenses.

In Australia, gross written premiums grew by about 20% in local currency thanks to premium measures and portfolio growth, in part owing to its unique 'All-in-One Farm Pack' product. When converted to euros, this translates into a growth rate of 23%. This premium growth was made possible by the existing partnerships with Rabobank and Angus Australia.

In Canada, Onlia continued to grow via its digital business model. Our partnership with Fairfax has been expanded and Achmea therefore now also shares in the technical results.

### Operating expenses

Operating expenses amounted to € 284 million in 2022, an increase of 15% compared to 2021 (€ 248 million) and in line with the premium growth of 15%.

### Operational result

The total operational result of € 8 million negative is € 55 million lower than in 2021 (€ 47 million). The negative result is partly due to the accounting for hyperinflation in Turkey, which had a negative impact of € 14 million. In addition, in Greece there was an increase in claims in the motor portfolio as a result of heavier commuter traffic after Covid-19 restrictions were lifted and inflation led to higher claims expenses (€ 27 million negative), some of which was offset by the release of provisions for new healthcare legislation. Slovakia noted higher medical expenses in 2022 owing to Covid-19 PCR tests. Furthermore, in 2021 there was a one-off positive correction of € 18 million in the health segment. Finally, other effects had a combined positive impact of € 3 million.



# Other activities

- Lower result at Achmea Reinsurance due to February's storm and higher cost of claims

## RESULTS

(€ MILLION)

	2022	2021	Δ
Total gross income	421	381	10%
Operating expenses	151	157	-4%
Interest and similar expenses	64	58	10%
<b>Operational result</b>	<b>-184</b>	<b>-146</b>	<b>n.m.*</b>
<b>ACHMEA REINSURANCE</b>			
Gross written premiums	376	312	21%
<b>Operational result</b>	<b>-13</b>	<b>27</b>	<b>n.m.*</b>

\* n.m.: not meaningful

## GENERAL INFORMATION

Other activities include the results of Achmea Reinsurance and shareholder expenses, including a part of the expenses from the holding company and shared service activities that are not charged to the operating activities, as well as the financing charges for the bonds issued by Achmea.

### Operational result

The operational result amounts to €184 million negative, a decrease of €38 million compared to 2021 (€146 million negative).

The operational result for Achmea Reinsurance declined to €13 million negative (2021: €27 million). The result of the holding company excluding Achmea Reinsurance improved by €2 million.

## ACHMEA REINSURANCE COMPANY N.V.

As Achmea's reinsurance expert, Achmea Reinsurance Company N.V. (Achmea Reinsurance) has three roles: advisor, purchaser and risk carrier. In its role as group reinsurer and risk carrier, Achmea Reinsurance provides reinsurance coverage to the group's Dutch and foreign insurance entities. In addition,

Achmea Reinsurance has a reinsurance portfolio covering global risks for third parties.

Gross written premiums amounted to €376 million in 2022, an increase compared to 2021 (€312 million). This increase is mainly driven by higher written premiums from Achmea portfolios following further integration of the reinsurance programmes of the International activities into the group reinsurance programme, portfolio growth, the stronger US dollar and hardening of the insurance market. Achmea Reinsurance's overall risk profile remained more or less unchanged.

The operational result was €13 million negative in 2022 (2021: €27 million). The lower result is mostly due to €20 million in claims from February's storm and a number of other major claims in our internal reinsurance programme in 2022. In addition, claims in our external reinsurance programme are higher than in 2021, mostly because of natural disasters, although this is partially mitigated by the higher premiums resulting from the hardening of the market and stronger US dollar.

# Footnotes

## GROUP RESULTS

### Key figures

<sup>1</sup> Gross operating expenses comprise personnel expenses, depreciation costs for land and buildings for company use and plant and equipment and general expenses, including IT expenses and marketing expenses. These are operating expenses excluding paid and due fees, profit sharing and reinsurance commissions, and before the allocation of claims handling expenses and allocated investment costs. The operating expenses included in the annual or semi-annual report relate to costs including commissions and claims handling costs.

<sup>2</sup> The solvency ratios reported here are based on a Partial Internal Model and are after the deduction of (planned) payment of dividends and coupons on hybrid capital.

<sup>3</sup> The number of FTEs is based on a working week of 34 hours.

### Investments

<sup>4</sup> Investment income (including realised and unrealised gains and losses) for own account and risk are adjusted for fair value results and other investment income directly related to the insurance liabilities.

### Total equity

<sup>5</sup> A provision has been retroactively accounted for as of 1 January 2021 for the conditional indexation commitment to accrued rights of a number of (former) employees in the Netherlands who are insured with Achmea Pensioen- en Levensverzekeringen N.V. and SBZ. As a result, Total equity as of 31 December 2021 has adjusted by €148 million negative.

### Solvency II

<sup>6</sup> UFR: Ultimate Forward Rate

### Free Capital Generation

<sup>7</sup> This relates to the amount of free capital that is generated. This is the increase in capital above the required capital.

### Financing

<sup>8</sup> Leverage ratio: (non-banking debt + perpetual subordinated bonds) as a percentage of the sum off (total equity + non-banking debt + perpetual subordinated bonds minus goodwill)

<sup>9</sup> The FCCR is based on the results and financing charges of the last four quarters.

<sup>10</sup> ICR: Issuer Credit Rating

<sup>11</sup> FSR: Financial Strength Rating

<sup>12</sup> IDR: Issuer Default Rating

<sup>13</sup> IFS: Insurer Financial Strength

## HEALTH NETHERLANDS

<sup>14</sup> Results for prior years refer to earnings from health expenses and/or equalisation from previous book years.

## PENSION & LIFE NETHERLANDS

<sup>15</sup> Operating expenses in 2022 excluding a one-off €7 million write-off of Deferred Acquisition Costs in relation to the deficit on the liability adequacy test.

## RETIREMENT SERVICES NETHERLANDS

<sup>16</sup> Operating expenses including other expenses and excluding transaction results

<sup>17</sup> The fair value result is an accounting result that is compensated for in other financial periods, in line with the value development of the underlying derivatives. Derivatives are used to restrict the interest rate risk. This explicitly concerns the result relating to the activities of Achmea Bank.

<sup>18</sup> The Assets under Management (AuM) include a Derivatives (overlay) portfolio.