

financial supplement

ACHMEA FINANCIAL SUPPLEMENT HALF YEAR 2022

August 2022

Unaudited

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KEY FIGURES

	(€ million)	
	H1 2022	H1 2021
Results		
Gross written premiums	18,474	17,402
Change in provision for unearned premiums and current risks (net of reinsurance)	-7,860	-7,394
Other income	230	218
Interest and similar expenses	96	100
Operational result	115	362
Operational result by segment		
Non-life Netherlands	106	103
Health Netherlands	17	147
Pension & Life Netherlands	97	170
Retirement Services Netherlands	-8	10
International activities	-1	23
Other activities	-96	-91
Total	115	362
Balance sheet		
Total assets	86,499	89,556
Total equity ¹	9,583	10,485
Investments for own risk	43,414	50,895
Insurance liabilities own risk	42,727	41,539
Employees in The Netherlands and abroad²		
FTEs Netherlands	13,790	13,672
FTEs International	3,244	3,152
Total FTEs	17,034	16,824

¹ A provision has been made with retroactive effect for the conditional indexation commitment to accrued rights of a number of (former) employees who are insured with Achmea Pensioen- en Levensverzekeringen N.V. and SBZ.

As a result, Total equity as at 31 December 2021 has been adjusted by €148 million negative.

² The number of FTEs is based on a working week of 34 hours.

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GROSS WRITTEN PREMIUMS PER COUNTRY

(€ million)

	Non-life		Health		Life		Other		Eliminations		Total	
	H1 2022	H1 2021	H1 2022	H1 2021	H1 2022	H1 2021	H1 2022	H1 2021	H1 2022	H1 2021	H1 2022	H1 2021
Netherlands	2,472	2,384	14,726	13,838	429	457	225	182	-87	-80	17,765	16,781
Greece	126	112	60	57	11	11					197	180
Turkey	123	98	14	14							137	112
Slovakia	44	29	277	257	11	3					332	289
Australia	43	40									43	40
Total	2,808	2,663	15,077	14,166	451	471	225	182	-87	-80	18,474	17,402

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(€ million)	
	30-6-2022	31-12-2021
Assets		
Intangible assets	736	748
Associates and joint ventures	43	41
Property for own use and equipment	396	473
Investment property	1,065	1,028
Investments		
<i>Investments own risk</i>	43,414	50,895
<i>Investments for account and risk of policyholders</i>	12,908	15,305
<i>Banking credit portfolio</i>	11,352	11,932
Deferred tax assets	687	610
Income tax receivable	9	
Amounts ceded to reinsurers	843	737
Receivables and accruals	13,487	6,211
Cash and cash equivalents	1,549	1,569
Assets classified as 'Held for sale'	10	7
Total assets	86,499	89,556
Equity	30-6-2022	31-12-2021
Equity attributable to holders of equity instruments of the company	9,581	10,476
Non-controlling interest	2	9
Total equity	9,583	10,485
Liabilities	30-6-2022	31-12-2021
Liabilities related to insurance contracts		
<i>Insurance liabilities own risk</i>	42,727	41,539
<i>Insurance liabilities where policyholders bear investment risks</i>	12,520	14,629
Other provisions	985	1,205
Financial liabilities	17,885	20,083
Derivatives	2,779	1,427
Deferred tax liabilities	20	32
Income tax payable		156
Total liabilities	76,916	79,071
Total equity and liabilities	86,499	89,556

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CONSOLIDATED INCOME STATEMENT

	(€ million)	
	H1 2022	H1 2021
Income		
Gross written premiums	18,474	17,402
Outgoing reinsurance premiums	-215	-185
Change in provision for unearned premiums and current risks (net of reinsurance)	-7,860	-7,394
Net earned premiums	10,399	9,823
Income from associates and joint ventures	-6	-5
Investment income	-4,477	187
Other income	230	218
Total income	6,146	10,223
Expenses		
Gross expenses from insurance contracts	4,902	8,657
Share of re-insurers	-200	-102
Net expenses from insurance contracts	4,702	8,555
Fair value changes and benefits credited to investment contracts	-18	8
Interest and similar expenses	96	100
Operating expenses	1,172	1,160
Other expenses	79	38
Total expenses	6,031	9,861
Result before tax	115	362
Income tax	21	57
Net result	94	305
Net result attributable to:		
<i>Holders of equity instruments of the company</i>	94	304
<i>Non-controlling interest</i>	0	1

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(€ million)	
	H1 2022	H1 2021
Net profit	94	305
Net other comprehensive income		
Remeasurements of net defined benefit liability	297	-5
Unrealised gains and losses on property for own use	2	-7
Currency translation differences (including realisations) on subsidiaries, associates, goodwill and joint ventures	-7	-4
Share in other comprehensive income of Associates and joint ventures		1
Unrealised gains and losses on financial instruments 'Available for sale'	-3,887	-299
Changes in the Provision for unwinding of discount insurance liabilities from unrealised investment income	2,823	458
Gains and losses on financial instruments 'Available for sale' reclassified to the Income statement on disposal	-9	-284
Reclassification to the Income statement as Provision for unwinding of discount insurance liabilities from investment income	-14	162
Impairment charges on financial instruments 'Available for sale' reclassified to the Income statement on disposal	39	3
Net other comprehensive income	-756	25
Comprehensive income	-662	330
Comprehensive income attributable to:		
<i>Holders of equity instruments of the company</i>	-662	329
<i>Non-controlling interest</i>		1
Condensed consolidated statement of changes in total equity	H1 2022	H1 2021
Balance beginning of the year	10,485	10,410
Comprehensive income	-662	330
Dividends and coupon payments	-233	-210
Changes in minority interest	-7	
Balance end of the reporting period	9,583	10,530

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CONSOLIDATED STATEMENT OF TOTAL EQUITY¹

	(€ million)	
	H1 2022	FY 2021
Share capital	11,357	11,357
Own shares	-466	-466
Legal reserves	78	55
Revaluation reserve	238	1,159
Exchange difference reserve	-539	-517
Hedging reserves	-7	-7
Retained earnings	-2,424	-2,822
Profit for the year	94	467
Other equity instruments	1,250	1,250
Equity attributable to holders of equity instruments of the company	9,581	10,476
Non-controlling interest	2	9
Total equity	9,583	10,485

¹ A provision has been made with retroactive effect for the conditional indexation commitment to accrued rights of a number of (former) employees who are insured with Achmea Pensioen- en Levensverzekeringen N.V. and SBZ.

As a result, Total equity as at 31 December 2021 has been adjusted by €148 million negative.

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CAPITAL STRUCTURE

	(€ million)	
Development of total equity	H1 2022	FY 2021
Total equity start of year	10,485	10,410
Net profit	94	467
Issue, sale and purchase of equity instruments		-131
Dividends and coupons payments	-233	-222
Revaluation reserves	-1,046	22
Foreign exchange results and hedge reserves	-7	-42
Post-employment benefits	297	-19
Changes in minority interest	-7	
Total equity end of the reporting period	9,583	10,485

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SOLVENCY II¹

	(€ million)	
	30-6-2022	31-12-2021
Solvency ratio group partial internal model		
Eligible own funds	9,017	10,363
Solvency Capital Requirement (SCR)	4,516	4,853
Surplus	4,501	5,510
Ratio (%) ²	200%	214%

Eligible own funds group partial internal model

	(€ million)	
	30-6-2022	31-12-2021
Tier 1 Restricted	769	820
Tier 1 Unrestricted	6,289	7,411
Tier 2	1,481	1,578
Tier 3	478	554
Total eligible own funds	9,017	10,363

Solvency capital requirement partial internal model

	(€ million)	
	30-6-2022	31-12-2021
Market Risk	2,138	2,315
Counterparty Default Risk	180	202
Life Underwriting Risk	1,355	1,849
Health Underwriting Risk	1,975	1,800
Non-Life Underwriting Risk	1,074	1,014
Diversification	-2,453	-2,602
Basic Solvency Capital Requirement	4,269	4,578
Operational Risk	610	596
Loss-Absorbing Capacity of Expected Profits Underwriting Risk	-129	-70
Loss-Absorbing Capacity of Expected Profits Market Risk	-199	-147
Loss-Absorbing Capacity of Deferred Taxes	-634	-682
SCR Other Financial Sectors & Other Entities	599	578
Solvency Capital Requirement	4,516	5,153

¹ After foreseeable dividends

² With reference to the Solvency II regulation, the SII ratio Q4 2021 has not been amended. If the SII ratio would have been amended for the correction on the pension obligations, the SII ratio would have been 209%

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CONSOLIDATED CASH FLOW STATEMENT

	(€ million)	
	H1 2022	FY 2021
Net cash and cash equivalents start of year	1,569	2,184
Cash flow from operating activities	587	797
Cash flow from investing activities	-35	-108
Cash flow from financing activities	-572	-1,304
Net cash flow	-20	-615
Net cash and cash equivalents end of period	1,549	1,569

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INVESTMENTS FOR OWN RISK

	(€ million)			
	30-6-2022	%	31-12-2021	%
Total investment portfolio				
Equities and similar investments	2,584	6%	2,613	5%
Investment property ¹	1,648	4%	1,528	3%
Bonds ²	24,187	54%	28,107	54%
Loans and mortgages	8,871	20%	10,230	20%
Deposits with credit institutions	187	0%	388	0%
Derivatives	4,806	11%	6,363	12%
Other financial investments	2,196	5%	2,694	5%
Total	44,479	100%	51,923	100%

Specification of equities and similar investments	30-6-2022	%	31-12-2021	%
Listed ordinary shares	1,764	68%	1,830	70%
Alternatives	752	29%	720	28%
Other	68	3%	63	2%
Total	2,584	100%	2,613	100%

Specification of investment property ³	30-6-2022	%	31-12-2021	%
Residential	728	69%	676	66%
Retail	161	15%	168	16%
Offices	174	16%	180	18%
Other	2	0%	4	0%
Total	1,065	100%	1,028	100%

Running yield annualized	30-6-2022	31-12-2021
	1.6%	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

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SPECIFICATION OF FIXED-INCOME PORTFOLIO

External credit rating activa Fixed income investments

(€ million)

30-6-2022	AAA Sovereign	AAA	AA	A	BBB	Below BBB	Not rated	Total
Bonds	4,429	3,100	3,360	5,821	6,518	323	375	23,926
Loans and mortgages	0	854	0	1	36	46	7,934	8,871
Deposits with credit institutions	0	77	5	42	0	37	26	187
Fixed-income funds ¹	0	0	0	0	0	0	261	261
Total fixed income investments	4,429	4,031	3,365	5,864	6,554	406	8,596	33,245

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

31-12-2021	AAA Sovereign	AAA	AA	A	BBB	Below BBB	Not rated	Total
Bonds	6,397	3,300	4,268	5,889	7,320	298	369	27,841
Loans and mortgages	0	1,130	0	1	37	0	9,062	10,230
Deposits with credit institutions	0	188	5	60	0	80	55	388
Fixed-income funds ¹	0	0	0	0	0	0	266	266
Total fixed income investments	6,397	4,618	4,273	5,950	7,357	378	9,752	38,725

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

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Non-Life Netherlands results

	(€ million)	
	H1 2022	H1 2021
Income		
Gross written premiums	2,472	2,384
Reinsurance premiums	-111	-101
Change in provision for unearned premiums and current risks (net of reinsurance)	-564	-536
Net earned premiums	1,797	1,747
Investment income	-16	70
Income from associated companies	1	
Other income	14	14
Total income	1,796	1,831
Expenses		
Gross expenses from insurance contracts	1,362	1,329
Share of re-insurers	-134	-57
Net expenses from insurance contracts	1,228	1,272
Operating expenses related to insurance activities	440	435
Other operating expenses	19	17
Interest and similar expenses	1	2
Other expenses	2	2
Total expenses	1,690	1,728
Operational result	106	103

Non-Life Netherlands specification of gross written premiums

	(€ million)	
	H1 2022	H1 2021
Accident	607	604
Property	674	626
Motor liability	485	468
Motor other	371	359
General liability	202	192
Legal assistance	106	105
Transport/aviation	27	30
Total	2,472	2,384

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Non-Life Netherlands ratios

	H1 2022	H1 2021
Non-Life Netherlands		
Claims ratio ¹	67.8%	71.0%
Expense ratio	24.2%	24.8%
<i>Of which acquisition expenses</i>	11.1%	11.1%
<i>Of which other operating expenses</i>	13.1%	13.7%
Combined ratio ¹	92.0%	95.8%
Property & Casualty Netherlands		
Claims ratio	66.6%	71.2%
Expense ratio	25.0%	25.4%
<i>Of which acquisition expenses</i>	11.5%	11.5%
<i>Of which other operating expenses</i>	13.5%	13.9%
Combined ratio	91.6%	96.6%
Income Protection Netherlands		
Claims ratio ¹	74.2%	70.4%
Expense ratio	20.2%	21.5%
<i>Of which acquisition expenses</i>	8.6%	8.9%
<i>Of which other operating expenses</i>	11.6%	12.6%
Combined ratio ¹	94.4%	91.9%
Claims ratio by productline Non-Life Netherlands		
Accident	70.3%	73.4%
Motor liability	79.6%	91.3%
Motor other	59.2%	50.4%
Transport/aviation	86.2%	47.3%
Property	62.3%	60.5%
General liability	70.2%	112.2%
Legal assistance	61.3%	63.5%

¹ Corrected for technical interest

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Health Netherlands results

	(€ million)	
	H1 2022	H1 2021
Income		
Gross written premiums	14,726	13,838
Reinsurance premiums	-1	-1
Change in provision for unearned premiums and current risks (net of reinsurance)	-7,175	-6,782
Net earned premiums	7,550	7,055
Investment income	8	35
Other income	63	62
Total income	7,621	7,152
Expenses		
Gross expenses from insurance contracts	7,339	6,766
Net expenses from insurance contracts	7,339	6,766
Operating expenses related to insurance activities	179	183
Other operating expenses	59	58
Interest and similar expenses	2	1
Other expenses	25	-3
Total expenses	7,604	7,005
Operational result	17	147

Health specification of gross written premiums

	(€ million)	
	H1 2022	H1 2021
Basic Health - risk equalization pool (ZvF)	7,417	7,048
Basic Health - private individuals	6,084	5,579
Supplementary Health	1,225	1,211
Total	14,726	13,838

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Health Netherlands ratios

Health Netherlands	H1 2022	H1 2021
Claims ratio	97.2%	95.9%
Expense ratio	2.4%	2.6%
Combined ratio	99.6%	98.5%

Basic Health Netherlands	H1 2022	H1 2021
Claims ratio	99.0%	97.3%
Expense ratio	1.7%	1.9%
Combined ratio	100.7%	99.2%

Supplementary Health Netherlands	H1 2022	H1 2021
Claims ratio	77.2%	80.8%
Expense ratio	10.0%	10.4%
Combined ratio	87.2%	91.2%

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Pension & Life Netherlands results

	(€ million)	
	H1 2022	H1 2021
Income		
Gross written premiums	429	457
Reinsurance premiums	-18	-18
Change in provision for unearned premiums and current risks (net of reinsurance)	7	7
Net written premiums	418	446
Investment income	-4,625	-115
Other income	0	2
Total income	-4,207	333
Expenses		
Gross expenses from insurance contracts	-4,375	93
Share of re-insurers	0	-3
Net expenses from insurance contracts	-4,375	90
Operating expenses related to insurance activities	68	70
Interest and similar expenses	3	3
Total expenses	-4,304	163
Operational result	97	170

Pension & Life Netherlands specification of gross written premiums

	(€ million)	
	H1 2022	H1 2021
Single premiums	175	180
Annual premiums	254	277
Total	429	457
Traditional	281	289
Unit-linked	148	168
Total	429	457
Life & Pensions open book	102	125
<i>Of which Annuities</i>	67	93
<i>Of which Term-Life</i>	35	32
Life & Pensions service book	327	332
<i>Of which service book Life</i>	220	287
<i>Of which service book Pensions</i>	107	45
Total	429	457

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Retirement Services Netherlands results

	(€ million)	
	H1 2022	H1 2021
Retirement Services total		
Total Income	189	196
<i>Of which Administration and management fees</i>	135	123
Operating expenses	197	186
Operational result	-8	10
Achmea Bank	H1 2022	H1 2021
Net interest margin	56	69
Fair value result	-2	4
Operating expenses	51	53
Withdrawals from loan loss provisions	0	-3
	H1 2022	FY 2021
Common Equity Tier 1 ratio	20.1%	20.9%
	(€ billion)	
Assets under Management	H1 2022	FY 2021
Achmea Investment Management	175	220
Syntrus Achmea Real Estate and Finance	40	40
Total Assets under Management ¹	201	247

¹ Total assets under management after eliminations

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Retirement Services Netherlands ratios

Achmea Bank	H1 2022	H1 2021
Efficiency ratio	91.3%	75.3%
Core Tier 1 ratio	20.1%	21.4%
Total Capital Ratio	20.1%	21.4%
Liquidity Coverage Ratio	516.5%	836.9%
Net Stable Funding Ratio	139.4%	136.8%
Leverage Ratio	6.2%	6.0%

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International activities results

	(€ million)	
	H1 2022	H1 2021
Income		
Gross written premiums	709	621
Reinsurance premiums	-88	-67
Change in provision for unearned premiums and current risks (net of reinsurance)	-59	-38
Net written premiums	562	516
Income from associates and joint ventures	-1	-1
Investment income	10	25
Other income	21	17
Total income	592	557
Expenses		
Gross expenses from insurance contracts	537	439
Share of re-insurers	-91	-45
Net expenses from insurance contracts	446	394
Fair value changes and benefits credited to investment contracts	-18	8
Operating expenses related to insurance activities	129	116
Other operating expenses	3	3
Other expenses	33	13
Total expenses	593	534
Operational result	-1	23
Health International	H1 2022	H1 2021
Claims ratio	86.3%	85.9%
Expense ratio	11.7%	12.7%
Combined ratio	98.0%	98.6%
Non-Life International	H1 2022	H1 2021
Claims ratio	78.2%	58.7%
Expense ratio	38.3%	38.7%
Combined ratio	116.5%	97.4%

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Other activities results

	(€ million)	
	H1 2022	H1 2021
Income		
Gross written premiums	225	182
Reinsurance premiums	-88	-79
Change in provision for unearned premiums and current risks (net of reinsurance)	-65	-44
Net written premiums	72	59
Income from associates and joint ventures	-6	-4
Investment income	15	16
Other income	14	18
Total income	95	89
Expenses		
Gross expenses from insurance contracts	213	78
Share of re-insurers	-149	-43
Net expenses from insurance contracts	64	35
Operating expenses related to insurance activities	28	26
Other operating expenses	57	66
Interest and similar expenses	30	29
Other expenses	12	24
Total expenses	191	180
Operational result	-96	-91

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