

DELA Group Annual report

2020

DELA Coöperatie U.A.
(abridged version)



coöperatie
DELA

This report is a translation and condensed version of the Dutch annual report dated 7 May 2021, which includes a summary of the statutory financial statement which was composed as follows: the original consolidated balance sheet as on 31 December 2020 and the operational result statement over 2020 were copied integrally from the statutory financial statement. The statutory financial statement is based on Title 9 Book 2 of the Dutch Civil Code (BW). This summary suffices with repeating the principles for the material financial statement items. The notes that are required based on Title 9 Book 2 of the Dutch Civil Code are included in a simplified version, taking into account the intended purpose of these summarised financial statements. The summary also includes comparative figures. Consulting this summary cannot replace consultation of the statutory financial statement over book year 2020 as various simplifications are made in the summary. Readers who would like more information can download a copy of the statutory financial statement via the website jaarverslag2020.dela.nl (only available in Dutch). All other chapters have been copied integrally from the original annual report.

Disclaimer: Parts of this annual report refer to future expectations. These components may – without limitation – include expectations about future realised and unrealised results, returns, payments, market developments, government measures, the influence of other regulatory measures on DELA's or its subsidiaries' activities, and macroeconomic trends and DELA's performance within them. Such statements are preceded by, followed by or contain words such as 'believes', 'expects', 'predicts', 'believes', 'anticipates', or similar expressions. These statements refer to future activities based on current assumptions and are subject to uncertainty, including known and unknown factors of which many are beyond DELA's control. This means that actual future results may differ materially from these expectations.

La Grande Suisse, Maastricht

In 2020 DELA teamed up with Monuta to open this attractive crematorium on an estate dating back to the first half of the 18th century. When entering La Grande Suisse visitors first see a large corten steel Physalis lantern with a golden seed at its centre. This was made by local artist Désirée Tonnaer who was inspired by the physalis plant in which the full-grown lantern must perish to allow new life to emerge. It is a wondrous cycle in which the lantern protects the seed. All the art at La Grande Suisse illustrate themes such as reflection, consolation and sharing memories.



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1 In brief

Foreword

‘A year of trials and dedication’

In 2020, the world faced an extraordinary challenge due to the COVID-19 pandemic, an unprecedented crisis which continues to demand the most from society as a whole. Healthcare facilities are under tremendous pressure, social interaction is limited, younger generations can no longer study or meet friends, and the elderly receive few if any visitors. The impact on the economy has been enormous too and will take years to recover. The same can be said for the resulting social and societal consequences.

For DELA, 2020 was a year of trials and tribulations. A year in which society’s need for solidarity was clearer than ever. As a cooperative, we aim to play our part – not just by organising respectful funeral services and carrying each other’s financial burdens, but also by helping to ‘pass on’ life to the next generation and supporting bereaved relatives in picking up the pieces.

Amidst this all we should also pause to put things into perspective. In the long term, this crisis might actually be seen as a reset button that leads to new insights and solutions. Governments are taking action to protect the healthcare sector, vaccinations are being developed worldwide at a rapid pace, and the digital world is keeping the economy moving. The question remains as to how the new norm will look like because the pandemic will certainly accelerate various changes.

DELA is changing too. The spirit of solidarity continues to motivate us and, in our chosen field, we are striving to make care and a feeling of security accessible to all.

Focus on the possible

COVID-19 came as a complete surprise. 'Exponential growth' is how virologists described it. Apparently, you have to experience it to understand it. The virus came in waves, with enormous regional peaks. In the spring in particular we saw areas where the number of funerals rose abruptly, sometimes by almost four times. As well as demanding serious dedication from our staff, this required us to be very agile and flexible. We addressed the new situation quickly and well, thanks in part to those colleagues from less affected regions who provided assistance without hesitation.

Our first response was to find the right approach to safeguard the bereaved and our colleagues. We then focused on ensuring that every funeral was as unique as they were before, despite all the limitations. In the beginning this was particularly heart-breaking, but by focusing on what was still possible, we saw a growing understanding and a fresh perspective for new possibilities; more intimacy with smaller groups, reaching more people via streaming instead of physical attendance, and new services outside such as honour guards.

Was it tough? Ye, undoubtedly, but the task suited us. What is most challenging has been the length of the crisis and the need to constantly adapt to new measures. Regularly re-assessing what is possible and ensuring proper communication guarantees and continues to guarantee an unswerving attention to detail.

Increased appreciation

Looking at our results, we are especially pleased that the restrictive measures did not have a negative impact on our customer satisfaction and reputation survey figures. On the contrary, the evaluation scores were actually higher. Clearly our efforts did not go unnoticed and we received lots of recognition of the importance of our services. Moreover, the many loving messages from bereaved relatives gave us the strength and energy to go the extra mile. In June we heard that DELA Netherlands had been appointed Best Workplace for the third consecutive year. Our score on the statement 'overall, I see DELA as a good employer' further increased in the Netherlands and Belgium alike. DELA Belgium rose to fourth place overall in the best workplace ranking.

Financial results

The pandemic did sadly result in more deaths, of course. For DELA the main financial consequence was that we made extra payments to our members. Operationally, we organised more funerals, but our costs also increased as a result of the measures. On balance, we were able to achieve the budgeted result. We did see disappointing investment results, with commercial real estate impacted especially hard by the crisis. Nonetheless, our solvency is as strong as ever, even with the low interest rates.

Another aspect that we are very pleased about is the net growth in the number of insured people. DELA saw solid growth across the board in the Netherlands, Belgium and Germany. In total, the number rose by more than 109,000 to 4.25 million. The strong growth in Germany continued and is meeting our expectations. We are also very pleased with the increase in our funeral insurance policies in the Netherlands, which meant that our market share increased in a saturated market.

Takeover of Yarden

Just before publishing this annual report, DELA and Yarden signed an agreement on 5 May 2021 confirming DELA's takeover of Yarden. The preparations for this took place throughout 2020. Because it was important to DELA that Yarden financially recover independently, and that seemed impossible in the third quarter of the year under review, DELA stopped preparing for the takeover in late September. DELA and Yarden then restarted consultations after the Dutch Financial Services Complaints Authority (KiFid) and the courts decided that Yarden was allowed to change the policy conditions of its package policies unilaterally in the interest of its financial recovery. In addition, it was vital to DELA that the Dutch

Consumer Association end its preparations for judicial proceedings against Yarden's recovery plan. As DELA felt confident that Yarden's recovery would continue, the takeover became an option again. If regulators approve the plans, Yarden will soon officially become part of DELA.

Our significance

A year like this requires keeping a sharp focus on the issues that really matter: the satisfaction of our members, clients and staff. Despite the crisis, these this actually improved in 2020.

Dutch Prime Minister Mark Rutte visited our Rhijnhof crematorium in Leiden on 12 February 2021. He showed considerable interest in our work, confirmed the importance of the funeral sector, and was very positive after speaking to our employees. DELA was honoured with his visit and the recognition it brought for the funeral sector in general and DELA's role in particular.

All in all, the Board is proud of our cooperative and organisation. The 2,000-plus people who work for DELA strived to ensure we fulfilled our social responsibilities in 2020. We worked as one family with suppliers and other stakeholders. It wasn't always easy, but we succeeded. All these efforts can be summarised in just two words that serve as the compass on our journey: solidarity and continuity. They allowed us to also explore new paths in 2020 and set a fresh course for the coming years. We would like to express our sincere gratitude to everyone for their contribution in a year of tests and heart-warming dedication.

Eindhoven, 7 May 2021

DELA Cooperative

The Executive Board

Edzo Doeve, CEO / chair

Jack van der Putten, CCO / vice-chair

Jon van Dijk, CFRO

"I am truly impressed by your professionalism and, specifically, the warmth and deep sense of belief in the significance of what you are doing. And it certainly is important. Anyone who experiences your services can attest to that."

12 February 2021. Dutch prime minister Mark Rutte visits DELA's Rhijnhof crematorium in Leiden



Watch video: <https://youtu.be/guQukT5FJIY>

Profile

The DELA cooperative is an international insurer and funeral organiser. We ensure a dignified send-off for our insured persons and customers. We help bereaved family members say farewell and create an environment where memories and experiences can flourish. In this way, we help bind generations together. Our strength is in our cooperative model, which places solidarity and continuity to the fore. More than four million insured in three countries have already chosen DELA. We are happy to help everyone. For each other.

Insuring and caring

DELA was founded almost 85 years ago to ensure a personalised and dignified farewell for its members by insuring and organising funerals. Since its inception, DELA has focused on offering security, care and continuity.

With some 170 locations, 50,000 funerals a year and over four million insured, DELA cooperative is market leader in the Benelux region and a scale-up in Germany. DELA helps people with a funeral or cremation, repatriation, aftercare for the bereaved and the related financial services at a fair price. DELA exists to 'carry each other's burdens'.

By and for members

DELA is a cooperative and our members collectively own DELA. They benefit from profits, which keeps premiums low and compensates for rises in the price of funerals. DELA's Executive Board and Supervisory Board are accountable to the members via the General Meeting. The cooperative model is a unique safeguard for the interests of the insured, whether they are active members or not.

Increasing membership, safeguarding solidarity

In the interest of providing high-quality services to members for the lowest possible premium, DELA strives to increase membership, strengthen solidarity and achieve purchasing benefits. Having initially only done this in the Netherlands, we have branched out internationally over the last three decades. Ever since its inception, the cooperative has operated according to the motto 'stronger together'.

International

DELA consists of insurance and funeral companies in the Netherlands and Belgium. This includes 54 funeral centres and 21 crematoriums in the Netherlands, and 59 funeral centres, two crematoriums and a repatriation centre in Belgium. All ensure a dignified farewell to the departed every day. DELA has also been active in Germany as an insurer since 2018.

Financial buffers

DELA has a yearly premium income of more than half a billion euros and manages assets of more than €6 billion. Unlike non-life insurers, DELA has an insurance portfolio made up of long-term liabilities. This has consequences for our investment policy, which is therefore carefully aligned with our obligations. From the beginning we have built up financial buffers in good times to ensure sufficient reserves are in place when things are less rosy.

Employees and society

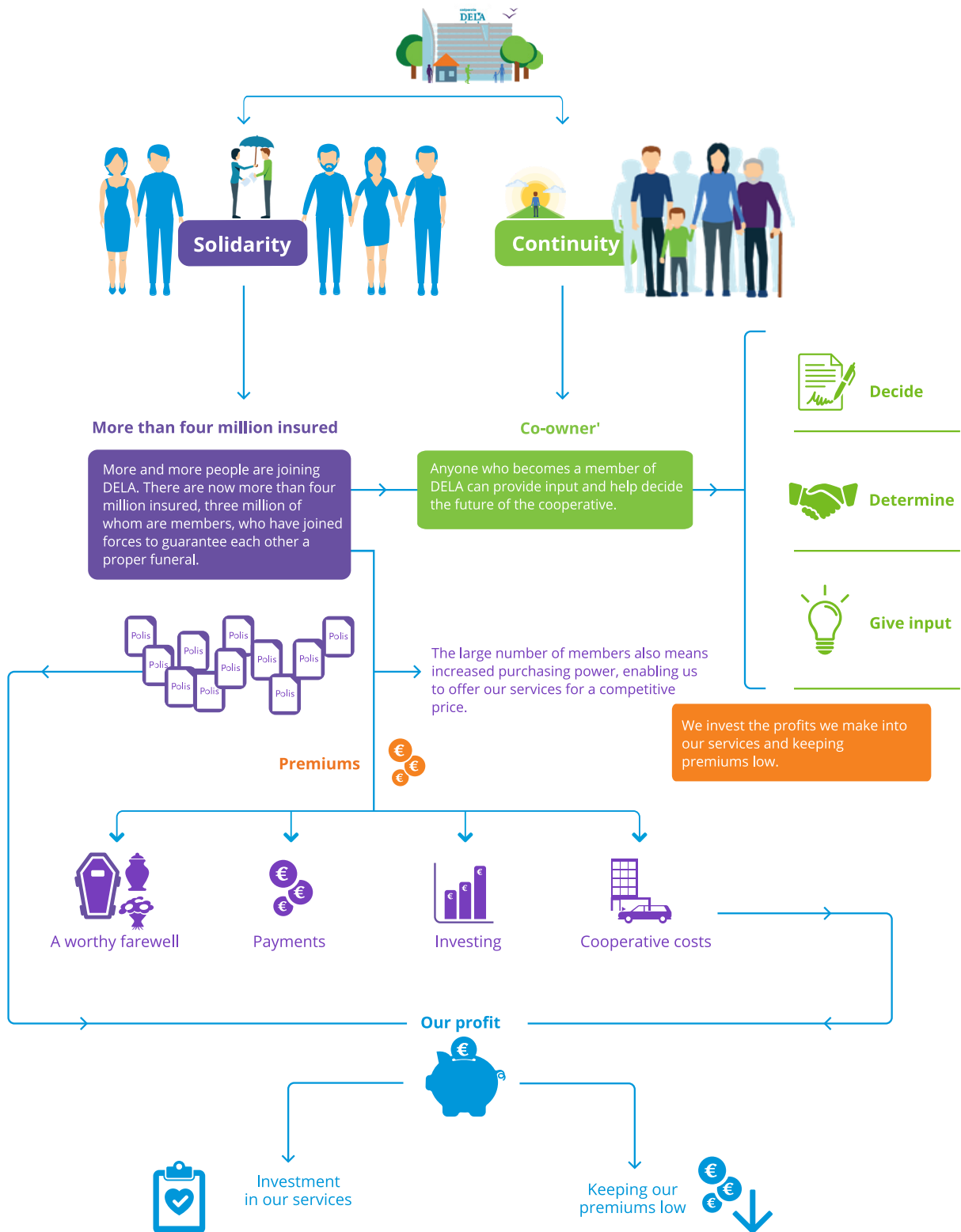
At the end of 2020, DELA had around 2100 employees (around 1600 FTEs). Committed, honest and enterprising, they work tirelessly to expand our membership, give people quality insurance products, ensure good investment results, provide an excellent service and dignified funerals, and offer sustainable and cost-efficient activities, all with a sense of pride and satisfaction. In addition, we make social contributions in a range of other contexts.

For and by members

How our cooperative structure works

- Stronger together: we already insure more than 4.25 million people. The 3.14 million Dutch insured are also members of the DELA cooperative. Our goal is for our Belgian and German insured to also join the cooperative and this is being actively investigated.
- Members are distributed across 36 geographical divisions.
- Each division chooses a representative and deputy. Together, they form the General Meeting and collectively function as DELA's shareholders.
- The General Meeting:
 - Appoints the Supervisory Board, which oversees the Executive Board and the organisation at large. The Supervisory Board safeguards continuity and the interests of stakeholders, including the members;
 - Determines the profit distribution scheme, which decides how much of the profit is used to keep premiums as low as possible for the people insured and how much goes to strengthening the cooperative's buffers.
- Moreover, members are represented in an online cooperative panel in which some 2300 members take part to advise DELA and provide input on policy issues.

Solidarity and continuity



2020 in numbers

CUSTOMER SATISFACTION

66

NPS (2019: 62)

info



REPUTATION

74

RepTrak score (2019: 72)

info



EMPLOYEE SATISFACTION

88

GPtW score (2019: 88)

info



INSURED PERSONS

4.25 million

(2019: 4.14 million)

info



FUNERALS

51,590

Number (2019: 44,781)

info



CREMATIONS

35,602

Number (2019: 32,524)

info



DISTRIBUTION OF PROFIT

€ 43 million

Appropriated (2019: € 42 million)

info



NET TURNOVER

€ 631 million

(2019: € 594 million)

info



SOLVENCY

270%

Solvency II ratio (2019: 296%)

info



COVERAGE

122%

Year average (2019: 156%)

info



CO2 EMISSIONS

19.1 kilo tonnes

Footprint (2019: 35.4 kilo tonnes)

info



EMPLOYEES

1,585

Fte (2019: 1,524)

info



Group

	2020	2019	2018	2017	2016
Customer satisfaction					
<i>NPS</i>					
Netherlands	61	60	53	52	52
Belgium	70	66	52	43	-
Total (weighted by respondents)	66	62	53	49	-
Reputation					
Netherlands, members	82	80	79	80	81
Netherlands, non-members	69	67	65	65	65
Netherlands (RepTrak pulse)*	74	72	71	71	71
Belgium ('DELA = the funeral specialist')	70%	67%	70%	72%	62%
Employee satisfaction					
<i>GpW score</i>					
Netherlands	88	88	89	84	81
Belgium	87	87	87	83	79
Total	88	88	88	84	80
Employees					
<i>Fte, at end of the year</i>					
Netherlands	1,154	1,113	1,115	1,017	1,038
Belgium	408	392	369	357	371
Germany	23	19	11	6	-
Total	1,585	1,524	1,495	1,380	1,409
Turnover					
<i>x € 1,000</i>					
Turnover insurance	516,792	480,189	450,891	438,191	401,223
Turnover funeral company	267,633	244,865	241,155	237,110	234,593
Minus: Internal turnover	-153,426	-130,872	-127,680	-121,028	-115,740
Net turnover	630,999	594,182	564,366	554,273	520,076
Distribution of investment results					
<i>x € 1,000</i>					
Investment results	74,659	664,185	-139,287	422,973	333,402
Minus: for future insurance payments**	144,482	137,065	130,314	124,624	119,856
Minus: for premium limitation insurance***	42,994	42,323	42,321	17,753	31,237
Remaining for financial position cooperative****	-112,817	484,797	-311,922	280,596	182,309

* Adjusted from previous publications: members account for 40%, non-members account for 60%; previously this was 50%-50%.

** added to the technical provision based on actuarial interest

*** distribution of profit

**** income from investments, available for capital gain.

Group, continued

	2020	2019	2018	2017	2016
Balance sheet					
<i>Unless indicated otherwise: x € 1 million</i>					
Balance sheet total	7,120	6,939	6,159	6,111	5,722
Investment value	6,592	6,482	5,686	5,742	5,293
Technical provision	5,155	4,870	4,584	4,291	4,063
Equity capital	1,343	1,434	1,048	1,251	1,016
... as percentage of technical provision	26%	29%	23%	29%	25%
Insured capital					
<i>x € 1 million</i>					
Insured capital	57,841	49,915	42,987	38,548	34,981
Coverage					
Average coverage*	122%	156%	175%	189%	171%
Solvency					
Solvency II ratio	270%	296%	373%	309%	239%
CO2 emissions**					
<i>x 1 tonne. Only DELA Netherlands</i>					
Scope 1	338	324			
Scope 2	-	-			
Scope 3	18,728	35,169			
Total	19,066	35,493			

* Average of 12 end-of-month positions. The average coverage ratio represents the basis of the distribution of profits in the following year.

** Differs from previous publication due to changes in calculation model/scope.

Insurer

	2020	2019	2018	2017	2016
Customer satisfaction					
<i>NPS. Excluding customer service</i>					
Netherlands	53	50	43	42	41
Belgium	57	52	39	30	nb
Total (weighted by respondents)	55	52	40	34	nb
Insured persons					
<i>Balance at the end of the year</i>					
Netherlands	3,304,917	3,255,079	3,218,355	3,176,382	3,129,427
Belgium*	878,088	856,458	835,392	758,456	724,868
Germany	67,195	29,496	4,100	-	-
Total	4,250,200	4,141,033	4,057,847	3,934,838	3,854,295
Premium revenue					
<i>x € 1,000. After deduction of reinsurance</i>					
Uitvaartplan, Netherlands (funeral insurance)	277,669	264,662	257,445	254,172	246,915
Leefdoorplan, Netherlands (life insurance)	30,200	29,542	26,044	23,947	20,706
Spaarplan, Netherlands (savings insurance)	69,694	60,587	58,091	57,741	39,808
Total Netherlands	377,563	354,791	341,580	335,860	307,429
Belgium	128,763	121,912	108,905	98,913	92,140
Germany	10,466	3,476	297	-	-
Total	516,792	480,179	450,782	434,773	399,569

* Adjusted from previous publications due to correction.

Customer service

	2020	2019	2018	2017	2016
Customer satisfaction					
<i>NPS</i>					
Netherlands	50	45	35	32	26
Belgium	60	54	32	26	nb
Total (weighted by respondents)	55	46	35	32	nb
Contact by phone					
<i>Number</i>					
Netherlands	254,651	244,297	290,906	261,461	
Belgium	167,959	199,762	255,227	242,744	
Total	422,610	444,059	546,133	504,205	

Funeral home

	2020	2019	2018	2017	2016
Customer satisfaction rating by descendants					
<i>NPS</i>					
Netherlands	73	76	71	70	68
Belgium	80	78	74	71	nb
Total (weighted by respondents)	76	77	72	70	nb
Aftercare services					
<i>Number of consultations</i>					
Netherlands (by phone)	45,959	38,977	33,580	31,920	
Belgium (in person and by phone)	10,076	8,851	8,745	8,792	
Total	56,035	47,828	42,325	40,712	
Funerals					
<i>Number</i>					
Netherlands	38,144	33,645	33,422	31,821	31,433
Belgium	13,446	11,136	11,461	11,795	11,793
Total	51,590	44,781	44,883	43,616	43,226
Cremations					
<i>Number in own crematoriums</i>					
Netherlands	26,296	24,137	23,984	22,781	22,341
Belgium	9,306	8,387	8,367	10,013	12,658
Total	35,602	32,524	32,351	32,794	34,999
Turnover					
<i>x € 1,000</i>					
Netherlands	206,656	191,841	188,635	182,508	179,613
Belgium	60,977	53,024	52,520	54,602	54,980
Total	267,633	244,865	241,155	237,110	234,593
Average funeral costs					
<i>€ Naturapolis (pre-arranged set package), adult, Netherlands</i>					
Average funeral costs	4,383	4,298	4,188	4,134	4,099
Increase from previous year	2.0%	2.6%	1.3%	0.9%	1.1%

Vision and strategy

DELA has been around for almost 85 years, and our mission has remained faithful to that of our founders throughout this time. The business model is robust and our course determines how we generate value for our stakeholders, and also how our stakeholders create this value for each other. Our long-term strategy and ambitious objectives light the way to the future. In 2020 we laid the foundation for a new strategy for the period 2021-2025, with solidarity and continuity serving as the foundation of the cooperative.

We are here for everyone... And for each other. This is deeply embedded in who we are: helping people, regardless of background, status or rank. It gives our work meaning. We have always remained loyal to what our founders started with their funeral business in 1937. This is related to two inextricably linked key words.

Solidarity and continuity

Many hands make light work. Together we can get things done. A powerful collective based on equality and reciprocity. Together we are the cooperative: when the going gets tough we all play our part, and when things get better we all reap the rewards. The fact that solidarity works is proven by the millions of people who have joined our cooperative. The growth in the number of insured means we can keep the premiums as low as possible and sustain this mutual solidarity for the long term. From generation to generation.

Solidarity is not possible without continuity, and vice versa. DELA's members and management together guarantee the continuity of the cooperative and ensure that the concept will continue to function and flourish for years to come.

Our renewed mission is: Using the power of solidarity to connect society and ensure the continuity of the cooperative. This is how we support each other.'

Business model

Our business model is simple and revolves around:

- **Combining the strength of as many members as possible.** Solidarity only works well when there is a mutual connection that allows us to rely on one another. We confirm this connection through membership.
- **Reciprocity.** We explicitly do not aim for unilateral solidarity in which there is a clear giver and a clear taker. Benefits and costs are fully borne by the group.
- **A valued service provision when people die.** As well as cost-efficient purchasing and organising dignified farewells, we approach our domain from a broader perspective than funerals alone. The 'saying goodbye and sharing memories' concept has enriched our service provision around funerals for the bereaved and will continue to do so in the years to come.

This is achieved by:

- **Developing product propositions** that strengthen the position in our core and growth markets, such as the fine foundations we have laid with aftercare services for the bereaved and notary services. We will continue to develop and expand similar services in the years ahead such as additional help for the grieving process, dealing with estates, and drawing up last will and testaments.
- **Aiming for cost savings** so we can continue to offer attractive prices in the market.
- **Achieving growth** so that we can increase our scale and organise even more efficiently.
- **Realising innovation** and researching how we can use the strength of the cooperative in domains other than the funeral sector.
- **Increasing internationalisation** as we realise growth outside of the Netherlands too.
- **Strengthening our digital mastery** and increasing the adaptive capacity of our organisation.
- **Making investments** to generate profit sharing and keep premiums as low as possible.
- **Taking corporate social responsibility.** We aim to provide sustainable funerals, further reduce our CO2 footprint, use more eco-friendly materials and become a more inclusive organisation.

Ambitious goal up until 2020

We periodically define an ambitious goal we would like to achieve at the end of a planning period. Like a flag on the horizon this gives us direction and tells us where we would like to go.

DELA Netherlands

The ambitious goal of DELA Netherlands until 2020 was focused on social engagement and excellent service provision. It stated that 'by 2020, DELA will be the most committed cooperative and give life more meaning.' Based on the underlying indicators this goal was achieved.

DELA Belgium

DELA Belgium is in a phase of growth, both organically and through acquisitions. Its ambitious goal for the period until 2020 was to build up brand recognition and reputation: 'by 2020, DELA will be the foremost funeral specialist in Belgium and a warm family for all other families.' This goal was also achieved.

DELA Germany

Due to its recent creation, no specific ambitious goal was formulated for DELA Germany in 2020 other than making a strong entrance into the German market.

Ambitious goal 2021-2025

In 2020 we laid the foundation for a new strategy, both for the group as a whole, and for the national organisations DELA Netherlands and Belgium.

DELA Group

To make the overall vision of the cooperative complete, an ambitious goal was set for the DELA Group too: "In 2030, our cooperative will have increased the solidarity within society."

DELA Netherlands

The ambitious goal for the Netherlands specifically addresses membership: "In 2025 our members consider membership valuable because we help them with all issues related to death." This starts by building up and strengthening relationships with members, including by offering them a listening ear and actively involving them in the development of new products and services. By adding new member services, we will increase the value of membership. We want members to feel connected to what we represent as an organisation and sense that we are truly there for them.

DELA België

Death reminds us of the essence of life. As a funeral specialist we hear the life stories of many people. Someone's life is typified in an hour. What remains? What truly matters in the end? Sharing these life stories gives the bereaved comfort and serve as a source of strength for picking up the pieces of their own lives. This is our mission: to contribute to the meaning and continuity of everyone's existence. With our funeral services and with our insurance policies that make these goodbyes possible. Each in their own unique way. Picking up the pieces is also the basis for the ambitious goal we formulated: "In 2025, over 600,000 families will feel more hope and perspective in their own life at times of death." The 600,000 represents a combination of insured families and realised funerals.



> Read the interview: [Strategy process, building the future together](#) (in Dutch)

"Solidarity and continuity are the foundation of the cooperative. Solidarity means ensuring that the strength of the greater whole works on everyone's behalf. The millions of people who have joined the cooperative testify to the success of this approach."

Solidarity and continuity



Personal details of Executive Board

Mr E. (Edzo) Doeve MAIA (1956), CEO, chair

Dutch citizen. Position in the DELA Group: CEO, Chair of Executive Board (since 2004). Position in DELA Netherlands: Managing Director (since 2004) with a focus on general policy, HR, communication, CSR, internal audit, information technology, procurement and administrative and legal affairs. Employment period: indefinite. Additional functions: chair of Executive Board of national funeral museum Tot Zover, chair of Supervisory Board Eindhoven 365, chair of Stichting Promotors Van Abbemuseum, chair of Vereniging Impact 040, Board Member of DELA charity fund, member of Advisory Board of ORMIT.

Mr J.A.M. (Jack) van der Putten MMO (1959), CCO, deputy chair

Dutch citizen. Position in the DELA Group: CCO, Member of Executive Board (since 2010) and Deputy Chair (since 2010). Position in DELA Netherlands: Director (since 2010) with a focus on management, insurance, cooperative issues, funeral care and services, customer intelligence and processes, customer service and innovation. Employment period: indefinite. Additional functions: chair of Stichting Onbeperkt Genieten, member of Supervisory Board UNC Holding BV.

Mr J.L.R. (Jon) van Dijk RA (1957), CFRO

Dutch citizen. Position in the DELA Group: CFRO, Member of Executive Board (since 2014). Position DELA Netherlands: Financial Director (since 1994) with a focus on finance, control, actuarial, tax, capital management, real estate and financial and secondary risk management. Employment period: indefinite. Additional functions: treasurer of Stichting Los Niños, member of Supervisory Board and chair of audit committee Finances and Real Estate at Stichting Oktober.

Jon van Dijk (left), Edzo Doeve and Jack van der Putten



Personal details of Supervisory Board

Mr J.W.Th. (John) van de Steen (1954), chair since 25-5-2019

Dutch citizen. Appointed in 2019, currently serving first term. Additional functions: chair of Supervisory Board of BinckBank NV, chair of Supervisory Board of Princess Sportsgear & Traveller BV, member of Supervisory Board of RAI Holding BV (until 16 April 2021), member of Executive Board of Stadhold Insurances SA, member of Executive Board of Vereniging AEGON, Ambassador for Royal Concertgebouw Orchestra.

Prof Hans Leenaars RA (1952), vice chair since 6 June 2020

Dutch citizen. Appointed in 2015. Currently in second term. Position: professor emeritus in administrative information management at University of Amsterdam. Additional functions: chair of Supervisory Board of Chassé Theater NV, Chair of Cultuurfonds Chassé Theater, member of Executive Board of Stichting John van Geunsfonds, chair of Supervisory Board of Stichting Het Klooster Breda, chair of Executive Board of Stichting Via Nobel, Chair of Advisory Board of ILFA BV, confidential counsellor for NBA (Netherlands Institute of Chartered Accountants).

Jan Pieter de Pender (1954), secretary

Dutch citizen. Appointed in 2009, currently serving third and final term. Position: retired. Additional functions: various Board memberships in the voluntary sector.

Willemien Caderius van Veen RA (1959)

Dutch citizen. Appointed in 2014 and now in second. Position: interim manager. Additional functions: member of Supervisory Board of Woningcorporatie Waterweg Wonen, member of Supervisory Board and Audit Committee of Woningcorporatie Trivire, member of Supervisory Board of Bedrijfstakpensioenfondsen voor de Agrarische en Voedselvoorzieningshandel, chair of Review Committee of Pensioenfondsen Lloyds Register Rotterdam.

Georges de Méris RA FCA (1961)

Dutch citizen. Appointed in 2019, currently serving first term. Position: partner Corporate Finance, Forensics & Recovery Joanknecht. Additional functions: member of Supervisory Board of Omroep Brabant, chair of Elefunds, member of Executive Board of Theaterfestival Boulevard, member of Supervisory Board of Hy2Care BV, member of Supervisory Board of Caelus BV, member of Supervisory Board of Matisse BV, chair of Stichting Stop Diabetes Invest.

All members are part of the Supervisory Board of DELA Coöperatie UA, DELA Holding NV and DELA Natura- en levensverzekeringen NV.

The Supervisory Board has six members and there is one vacancy.

Jan Pieter de Pender (left), Hans Leenaars, Willemien Caderius van Veen, John van de Steen and Georges de Méris



Positions ended in year under review

Prof Corjo Jansen (1961), vice chair until 6 June 2020

Dutch citizen. Appointed in 2012. Position: professor in Legal History and Civil Rights, Radboud University Nijmegen.
Other positions: chair of Executive Board of Titus Brandsma Institute Nijmegen.

2 Executive Board Report

Our members

The interests of our members and customers are central to everything we do and this certainly applied to 2020, the year in which we faced the COVID-19 pandemic and had to work even harder than normal under very restrictive conditions. We were pleased to see that the Net Promotor Score (NPS) used to measure client satisfaction actually improved in the year under review. The scores increased again in the Netherlands and Belgium, as they did in 2019. On balance DELA has an average NPS of 66.

The number of insured persons also further increased in 2020, with a total net growth of over 100,000 across all products and all countries. In Germany, where we started in 2018, we secured more than 30,000 policies.

DELA took care of around 51,600 funerals and 35,600 cremations in the Netherlands and Belgium combined. The number of funerals increased, presumably due to the COVID pandemic although DELA does not register cause of death. The number of funerals arranged by DELA in the free market reached a market share of 5.1 percent.

On balance, it was an extremely busy year due to the restrictive measures, especially in the funeral business where there was extra pressure due to the higher number of deaths. In all situations we tried to work with the same level of care, love and attention. The continuity of our services and customer satisfaction were not affected, something that initially concerned us in March when we saw almost a four-fold increase in deaths in some regions of the Netherlands and Belgium.



> Read the interview: [Working in times of COVID-19](#) (in Dutch)

Customer satisfaction

Despite the restrictive measures in 2020 we saw a further improvement in customer satisfaction across almost all business units in the Netherlands and Belgium.

The overall Net Promotor Score (NPS) in the Netherlands increased to 61 (2019: 60) and in Belgium to 70 (2019: 66). Weighed by respondents, DELA scored an average of 66 (2019: 62), a progression of which we can be proud. While there was a small fall in the funeral company score in the Netherlands to 73 (2019: 76), this remains a very good result.

The funeral centres in Belgium scored the highest with an exceptional mark of 80. This high and stable score (even during the second COVID peak) is the result of a humane, respectful and experienced approach. Aftercare is stable at a high level of 79, despite the fact that meetings with bereaved relatives to arrange funerals had to take place by phone or online as home visits were not permitted.

Customer satisfaction

Net Promotor Score, 12-month average. Total DELA Group, weighted by respondents

	2020	2019	2018	2017	2016
Netherlands					
Insurance	53	50	43	42	41
Funeral care	73	76	71	70	68
Customer service	50	45	35	32	26
Total (weighted by respondents)	61	60	53	52	52
Belgium					
Insurance	57	52	39	30	
Funeral care	80	78	74	71	
Customer service	60	54	32	26	
Total (weighted by respondents)	70	66	52	43	
Total Group	66	62	53	49	

Net Promotor Score

Customers can rate a company, product or service by giving it a score. Scores from 0 to 6 are considered negative. A 9 or 10 is seen as positive, while 7 and 8 are considered passive-neutral and not counted. The NPS is determined by subtracting the percentage of negative scores from the percentage of positive scores.



> Read the interview: [High client satisfaction levels continue to rise](#) (in Dutch)

Markets

The Netherlands: Yarden takeover

The funeral sector is expected to grow in our core market of the Netherlands due to demographic developments. In view of DELA's current market share, it is difficult to continue our growth. DELA's market share will increase due to the proposed takeover of Yarden. Once the regulators agree to the takeover, the integration of the organisations will be a leading theme for DELA Netherlands in the coming years.

Belgium: ongoing growth

Belgium is DELA's second core market. In the long term, the market for funeral insurance will double in size. Maintaining growth over the years is the main challenge here, as is realising synergies between insurance and care provision. Belgium is actively selling endowment insurance policies. The funeral business does not yet have national coverage.

Our insurance company takes care of the financial security of funerals, while our funeral services assist the bereaved with funerals, crematoriums, repatriation and bereavement services.

In 2020, DELA made a plan to increase the growth of its funeral company. This includes additional acquisitions, providing extra services, reducing costs and improving the local cooperation in zones where DELA is active.

Germany: room for development

The DELA office opened in Düsseldorf in 2018 and now offers life insurance and funeral insurance. The German market is substantial and still growing. One of DELA's starting points is that all (non-Dutch) growth is to the benefit of the total cooperative.

Number of insured persons

Growth contributes to continuity

The size of our total portfolio, measured by the number of insured, is a major priority for DELA. Despite the shrinking market for individual life insurances, we again achieved significant growth in 2019 across all three product groups: funeral insurance, life insurance and savings plans, and in all countries in which we operate. The increase of new policyholders

occurred in all countries and contributes to the continuity of the cooperative.

Net growth

Consolidated, the net growth was over 109,000 (2019: approx. 75,400). The strategy to create international coverage in order to control growth at the DELA Group level was again effective in 2020.

Insured persons

Number of insured per product at the end of the year and increase during the year under review

	2020	Net growth	2019
Uitvaartplan, Netherlands (funeral insurance)	2,964,079	+42,640	2,921,439
Leefdoorplan, Netherlands (life insurance)	293,375	+2,478	290,897
Spaarplan, Netherlands (savings insurance)	47,463	+4,720	42,743
Netherlands	3,304,917	+49,838	3,255,079
Uitvaartzorgplan, Belgium (funeral insurance)	577,335	+28,554	548,781
Inactive portfolios, Belgium*	300,753	-6,924	307,677
Belgium	878,088	+21,630	856,458
Risikoleben, Germany (life insurance)	54,328	+27,954	26,374
Sterbegeld, Germany (funeral insurance)	12,867	+9,745	3,122
Germany	67,195	+37,699	29,496
Total	4,250,200	+109,167	4,141,033

* Adjusted from previous publications due to correction.

Funeral insurance

There was strong growth for DELA's funeral insurance plan (Uitvaartplan) in the Netherlands. A net increase of 42,600 (2019: 23,500) represented almost a doubling on the year before. This success does not just apply to the inflow; DELA also achieved good results in retaining customers.

Since 1 January 2020 the DELA funeral care plan (Uitvaartzorgplan) in Belgium has been offering extra services to bereaved relatives such as psychological support, repatriation and early return for family members. The influx of policyholders in Belgium in 2020, at 28,600, was slightly less than expected and lower than in 2019 (approx. 29,600). The influx of brokers and agents mainly lagged behind in the year under review. As a result of the pandemic, brokers were forced to close their doors for a significant period, and home visits by (sub)agents were also impossible.

DELA introduced a funeral insurance policy in Germany in 2019. It covers funeral costs and includes a profit-distribution scheme that gives policyholders the same benefits as Dutch members of the cooperative. Successful elements such as value retention and indexation are some of the other product characteristics. We welcomed over 9,700 insured in 2020 compared to around 3,100 in the introduction year.

Life insurance

Net growth in life insurance policies was around 2,500 in the Netherlands (2019: approx. 8,700). In the year under review this score was affected by the challenging housing market for first-time buyers. Another reason is the ending of the compulsory life insurance for all NHG mortgages (mortgage with National Mortgage Guarantee). This was implemented

on 1 January 2020 for existing NHG mortgages as well. Life insurance policies are mainly sold via intermediary channels. DELA is seeing an increase in competition in the Netherlands. DELA's market share fell in 2020 at 6.1 percent (2019: 7.6 percent).

In Germany, where DELA launched its life insurance in 2018, the conditions are very different and in 2020 we welcomed some 28,000 policyholders (22,300 in 2019). DELA is not yet widely known in Germany, but the Dutch have a good reputation for being reliable and friendly. The idea of a cooperative is also attractive to Germans. In 2020 DELA achieved a market share of 7.5 percent with its life insurance policies (calculated based on insured capital).

Clean slate policy for former cancer patients

The options for former cancer patients to get life and funeral insurance policies were extended at DELA Netherlands on 2 December 2020. Patients who were declared cancer-free for ten or more years no longer need mention their illness when applying for life or funeral insurance. For former patients who were under 21 when they suffered from cancer this period is five years. DELA Cooperative is pleased that the insurability of former cancer patients is improving. We have been working toward this for many years and were closely involved in the initiatives by the Dutch Association of Insurers which led to these improvements. Initially only involving life insurance, at DELA's request the scheme was extended to funeral insurance. We will continue to promote the insurability of people in the future.

Savings plans

DELA also offers savings plans on the Dutch market, a good way for consumers to put money aside for the long term at a fixed interest rate of 2 DELA also offers savings plans on the Dutch market, a good way for consumers to put money aside for the long term at a fixed interest rate of 2). This product offers a worthwhile alternative to banks now that they offer such low interest rates. Savers deposit a periodic or one-off amount and receive a guaranteed return at the end of a term of at least 10 years. The net growth totalled around 4,700 policyholders (2019: approx. 4,500).

Marketing

DELA has an active marketing approach which seeks an ideal balance between commercial goals (appropriate to our objective of becoming as large as possible so we can utilise our scale benefits) and restraint (suited to our brand and products).

At the start of the COVID-19 pandemic, DELA cancelled most of our campaigns. Many third-party campaigns included the theme of solidarity, which has been an essential theme within ours for many years.

A new policy application for web and mobile phone was introduced in Belgium in early 2020 and it now only takes ten minutes to apply for insurance. If a number of questions indicate the applicant is healthy, all documents are generated automatically and sent to the customer without obligation. If the applicant provides a digital signature via text message, itsme or eID, the insurance is immediately implemented and the customer receives their policy straight away.

The new digital platform DELAconnect was introduced to brokers, sales organisations and sub-agents in Belgium back in 2019. Over 5,800 users at some 2,500 brokerages, around 900 people at six sales organisations and 91 consultants from DELA Enterprises actively use the platform, which allows intermediators to make premium calculations, tenders and policy proposals for the DELA funeral insurance scheme. The next step will be to allow brokers to use DELAconnect to manage their own insurance portfolio.

In September 2020 DELA Germany introduced a new broker's portal that allows brokers and insurance agents to find key information such as request status, files, cancellation risks, notifications, committee data and various download options. Managers in the DELA portal such as head brokers or agents can transfer access rights to their employees and share selected information with them.

Funerals and cremations

DELA owes its success to a combination of insurance and care. Our employees offer concrete help, and support our members and their relatives with advice and assistance.

Funerals

The share of free market funerals in the Dutch market was 5.1 percent in 2020 (2019: 5.3).

We had hoped to increase this share but were unsuccessful as DELA stopped its brand campaign and found it inappropriate to issue commercial publications promoting the brand at during a pandemic. In 2020, DELA established a new policy for serving the market for private funerals with specialised funeral providers (free market specialists). These specialists started in November and are focusing on specific regions in the Netherlands.

The mortality rate for the Netherlands in 2020 was 10 percent higher than expected with nearly 169,000 deaths (2019: 152,000). DELA arranged some 38,100 funerals (2019: approx. 33,600). DELA's market share was 23 percent (2019: 22).

The funeral company in Belgium is mainly focused on the free market so growth should happen autonomously and via acquisitions. In addition, DELA Belgium aims to strengthen cross-pollination with policyholders, offering to also arrange funerals when insurance policies pay out.

Saying goodbye and sharing memories

Funerals and cremations. Numbers

By country	2020	Difference	2019
Funerals			
Netherlands	38,144	+4,499	33,645
Belgium	13,446	+2,310	11,136
Total	51,590	+6,809	44,781
Cremations			
Nederland	26,296	+2,159	24,137
België	9,306	+919	8,387
Totaal	35,602	+3,078	32,524

Cremations

In the Netherlands there were some 26,300 cremations, an increase of nine percent compared to 2019. In Belgium, the number of cremations was around 9,300, an increase of 11 percent. In total, there were approximately 35,600 cremations.

Takeovers

In 2020 DELA took over two funeral businesses in Belgium, Uitvaartzorg Ketelaars in Kapellen and Uitvaartzorg Jaeken in Peer.

Locations, new construction and renovations

Our funeral centres and crematoriums have in general a homely, warm and colourful interior. Although saying goodbye in a pleasant ambiance with friendly, involved employees doesn't lessen the grief, it does help generate nice memories of a sad time and contribute to a dignified farewell.

DELA operates 54 funeral centres and 22 crematoriums in the Netherlands. The latter involves 21 self-owned crematoriums, and one that is a joint-venture (50% interest): the new La Grande Suisse in Maastricht.

Commemoration during the COVID pandemic

Bereaved who have lost someone close to them in these times should have the opportunity to commemorate their loss later. Commemoration and remembrance are important aspects of the grieving process. A survey DELA held among members in May 2020 showed that only a few people feel that such moments invoke unnecessary emotions and make things more difficult for the bereaved.

La Grande Suisse

When entering La Grande Suisse visitors first see a large corten steel Physalis lantern with a golden seed at its centre. This was made by local artist Désirée Tonnaer who was inspired by the physalis plant in which the full-grown lantern must perish to allow new life to emerge. It is a wondrous cycle in which the lantern protects the seed. All the art at La Grande Suisse illustrate themes such as reflection, consolation and sharing memories.



In 2020 DELA teamed up with Monuta to open La Grande Suisse in Maastricht. The crematorium is in an intimate and attractive location outside the city on an estate dating back to the first half of the 18th century. Funeral services can be held in La Grande Salle, which has a fixed theatre setup for 140 people. The smaller auditorium, La Petite Salle, has a capacity

of 40 seats. The spaces are equipped with the very latest support equipment for video, sound, recording and livestreams. Another room called Le Salon has a different setup and has a homely character which is ideal for intimate goodbyes. Le Salon can also be combined with the catering facilities provided by La Grande Suisse. La Grande Suisse is owned by Monuta and DELA cooperative in equal partnership.

DELA is developing a crematorium in accordance with the latest sustainable insights at Hoendiep in Groningen. The crematorium will use an electric furnace instead of gas, with the entire building being constructed following a circular approach: all building materials will be reusable elsewhere in the future. The building will have a solid wooden structure and wooden roof construction.

DELA Belgium has 59 funeral centres in 117 locations, two crematoriums (plus a 30% participation in a third) and a repatriation centre, Mortuary Brussels Airport in Zaventem. The crematoriums are located in Bruges, Mons and Charleroi (joint participation).

Various renovations took place in 2020, including the addition of an extra reception room and garage for Uitvaartzorg Remans. We also completed renovations at Uitvaartzorg Timmermans and Centre Funéraire Charles Renard, and built an extra auditorium for the Crematorium of Mons and the Centre Funéraire Bottin, with accessible gardens.

Electric cremation furnace

Cremation furnaces in the Netherlands have traditionally been connected to the gas grid and consume an average of 60 m³ of gas per cremation. Switching to electric furnaces reduces CO₂ emissions by around 113 kilograms per cremation. DELA is the first company in the Netherlands to use an electric furnace. Technical developments have made electricity more efficient and feasible to use for cremations.

DELA installed an electric furnace in Geleen in 2019, and this was used for the 1,000th time in 2020. The amount of CO₂ saved is the equivalent of 5,000 trees per cremation. In 2020, DELA placed another electric furnace in La Grande Suisse in Maastricht. A third one will be placed in the Hoendiep crematorium in Groningen which is currently under construction.



> Watch video: <https://youtu.be/w4HC8Qm8da8>

Brussels Airport mortuary

DELA has its own repatriation centre near Zaventem Airport, called Mortuary Brussels Airport, where our employees help descendants repatriate to and from other countries. Thanks to our extensive network, DELA can ensure smooth repatriation with respect for religion, customs and rituals of the deceased and their families. DELA guarantees a personal, humane approach. The location has its own viewing room and auditorium for farewell ceremonies. In 2020, the centre realised 713 repatriations (2019: 756).

Aftercare

The hardest time for bereaved relatives often starts after the funeral. In addition to processing grief, they have to arrange numerous practical, financial, legal and administrative tasks. A helping hand is always welcome at this time and that's where DELA comes in. Although we cannot lessen the grief, we can arrange matters properly and help people to get on with their lives. Offering practical help and tips based on individual situations, our aftercare service consultants offer support with issues such as:

- What do I need to do to properly arrange my inheritance?
- Can descendants refuse an inheritance when there are debts?
- Until when will the pension of the deceased be paid?
- Which subscriptions should be cancelled?
- Who can I talk to about processing my grief?

If required and desired, we can bring in specialists such as notaries, grief counsellors and tax consultants, and inform descendants of the related costs. Support by the care desk is free of charge for insured persons. In the Netherlands, the service is a standard part of all funerals that DELA arranges. Aftercare is also a standard part of the DELA funeral care insurance in Belgium and a standard part of all funerals arranged by DELA.

Member interests

In the Netherlands, policyholders and co-insured individuals are members of the cooperative and therefore represent the collective 'owners' of DELA. The cooperative therefore has a total of around 3.14 million members.

By and for members

Work on the legal structure for our policyholders in Belgium is still underway with the intention being for them to join the cooperative as well. Once the number of insured in Germany reaches a certain number – for now we are considering a cut-off point of 100,000 – we would like them to become members too. They already benefit from a form of profit distribution (depending on the product) in the same way as the Dutch and Belgian insured.

The general meeting represents our members and is the highest organ of our cooperative. It has the final say in the policy and appoints internal supervisors and Board members. The way in which our cooperative is managed and our members' interests safeguarded is described in the Governance section in the 'Governance & risk management' chapter.

Cooperative members

Number

	2020	2019	2018	2017	2016
Members	3,143,893	3,095,165	3,060,582	3,023,997	2,948,069

General meeting in 2020

There were two general meetings in 2020, held in January and June.

The following items were discussed on 18 January:

- The proposed takeover of Yarden, including the requests submitted to external supervisors DNB and ACM and the project plan for integration;
- The proposed expansion of the general meeting with four divisions, under condition of the Yarden takeover. As the takeover did not yet go ahead this expansion did not yet come into effect;
- The business plan and budget for 2020;
- The adjustment of the premium measure;
- The capital policy;
- The remuneration of the Supervisory Board. The separation of the Audit & Risk Committee into an Audit Committee and Risk Committee entails a redistribution of funds. There will be no changes to the total remuneration.

The general meeting on 6 June was followed via livestream by members and attendees, with members having issued a proxy in advance. Due to the maximum group size of 40 persons, attendance in DOMUSDELA was limited and the social distancing rule applied. The following items were discussed during the meeting:

- Update on the COVID pandemic and its impact on DELA;
- Update on the process and events revolving around the proposed takeover of Yarden;
- The election of a member of the confidential committee. In accordance with Article 10 of the Rules of Procedure, four members were appointed. The members are appointed for a maximum period of four years and one resigns in accordance with the pre-set rotation schedule each year so that a new member joins each year. There were two candidates. After a vote, Mr G.C.A.M. van Bree was re-elected as a member;
- The 2019 annual report, including comparing the financial aspects to the budget and Supervisory Board report. The general meeting confirmed the financial statement and result appropriation, and discharged the members of the Executive Board for the realised policy and the Supervisory Board for its supervision;
- The remuneration report, which determined that the remuneration was accurate;
- The development of the average funeral costs;
- The premium adjustment of the DELA UitvaartPlan, including the determination thereof;
- The profit distribution of the DELA CoöperatiespaarPlan, including the determination thereof;
- The departure of Mr Jansen as Supervisory Board member.

Member consultation

To properly represent member interests, we conduct research and make choices with our members on matters such as products and operations. Consulting the members is an important aspect of this work with a cooperative panel organised and run by and for our members since 2010. This panel was converted into an online platform in 2015, allowing a larger group of members to contribute ideas. At the end of 2020, more than 2,300 members (2019: 2,100) were connected. In 2020, we asked the cooperative panel how they would like to commemorate people who die during the COVID-19 pandemic. We also asked for improvements on the letter about the new funeral insurance policy and how they felt about the digital services as part of the funeral insurance.

All results can be found via <https://www.dela.nl/over-dela/over-cooperatie-dela/lid-van-cooperatie-dela/cooperatiepanel/terugkoppeling-van-onderzoeksresultaten>.

#2020

Expansion of DELA Uitvaartzorgplan coverage

January - DELA Belgium

From 1 January the DELA Uitvaartzorgplan funeral insurance offers extra support. Bereaved can call on services such as psychological care, repatriation and the early return of family members.



COVID-19: the first death

February - DELA Netherlands

As far as is known, the first death caused by COVID-19 in the Netherlands and the first time DELA Cooperative is confronted with COVID.

DELA is chosen as one of the 20 best companies in Belgium

February - DELA Belgium

DELA chosen as one of the top 20 companies in Belgium by television network Kanaal Z, with the network making an impressive report on the organisation.



COVID-19: arranging funerals at Easter

April - DELA Netherlands

Funerals are held at Easter for the first time in the history of DELA Cooperative, with nearly 80 ceremonies on Easter Monday. During this period DELA arranges more than twice the normal number of funerals and crematorium opening hours are extended to ensure they can take place at the preferred locations whenever possible.

German DELA life insurance wins German Brand Award

June - DELA Germany

The DELA-Lebensversicherung life insurance policy is named winner of the German Brand Award 2020 for the second time. This annual award recognises companies for their successful brand management in Germany. It is presented by the German Design Council, one of the world's leading competence centres for communication and knowledge exchange in the field of design, brands and innovation.



German DELA 'active life' insurance named best life insurance by Euro Magazin

October - DELA Germany

Ascore Analyse and Euro Magazin assessed life insurance policies from 18 companies and the DELA aktiv Leben Risikolebensversicherung insurance comes out as winner. The test was based on 25 criteria and includes issues such as health questions, emergency aid and costs. DELA has by far the highest score in the test.



DELA Cooperative announces it will not be taking over Yarden

September - DELA Netherlands

DELA Cooperative stops its plan to take over Yarden Uitvaartorganisatie. The idea behind the takeover was that a strong collective could help a weaker collective create a single even stronger collective. A crucial aspect of this concept was that Yarden be able to recover financially by itself. When this turns out not to be the case DELA decides to wait no longer on uncertain developments and cancel its takeover plans.

DELA Belgium wins twice in DECAVI insurance awards

October - DELA Belgium

For the fourth consecutive year, DELA is awarded the DECAVI prize for best funeral insurance in Belgium during a virtual award ceremony. In addition, the jury awarded DELA the prize for best digital initiative for its unique online policy application which can be completed entirely digitally (including medical acceptance) and signed via eID, itsme or text message code.

Opening of crematorium La Grande Suisse in Maastricht

November - DELA Netherlands

La Grande Suisse, the new crematorium and funeral centre in Maastricht, opens for business in November.

An official opening ceremony for visitors is sadly not possible due to COVID restrictions but people can take an online tour of the monumental building. La Grande Suisse is owned by Monuta and DELA Cooperative.



Yarden wins court appeal and can implement 'en bloc' clause

December - DELA Netherlands / takeover Yarden

Yarden appealed against the decision of its policyholders in November and a month later the Court decided in Yarden's favour. This decision confirms that Yarden can implement the so-called 'en-bloc' clause.

Consultations with Yarden resumed

2021 - DELA Netherlands / takeover Yarden

Yarden contacted DELA to resume consultations about the takeover.

Consumer Association refrains from further legal action against Yarden

2021 - DELA Netherlands / takeover Yarden

Continuing the procedure would jeopardise the future of Yarden and therefore the rights of all policyholders. It would be irresponsible to continue the proceedings as this would leave all Yarden clients empty-handed, something the Consumer Association is obviously keen to avoid. DELA now feels confident that Yarden will continue its recovery so the takeover has become an option once again.

Our finances

The name DELA stands for ‘Draagt Elkanders Lasten’, which means ‘Carry Each Other’s Burdens’. The cooperative has been there for its members, generation after generation, with an emphasis on providing respectful funerals which have a fixed cost and remain affordable. DELA’s sound financial situation and management are key preconditions for a sustainable financial foundation.

The solvency – the indicator determining DELA’s financial health – was at 270 percent at the end of 2020. This is a strong result, albeit slightly lower than in 2019. The reduction is mainly due to the lower interest rate at the end of 2020.

The operating result was € 39 million, an increase of € 8 million on 2019. This can mainly be attributed to the better result for the funeral company due to increased coverage of fixed costs, which is in turn a result of the higher number of funerals.

The investment result showed significant fluctuations. The outbreak of the COVID pandemic caused a major drop in share prices across the global financial markets. Recovery began by the end of 2020 and, on balance, the year’s losses were made up and we ended with a return of 1.44 percent.

The increase of the average funeral costs in the nature package in the Netherlands was limited to 2.0 percent.

The profit distribution paid in 2020 is € 43 million, nearly the same as the previous year. The profit distribution is expected to be lower in 2021 as the coverage dropped further in 2020. The long-lasting low interest rates have a considerable effect on the insurer’s coverage, which is in turn related to the profit distribution percentage. This is our dilemma: although the financial position of the cooperative is excellent overall, offering a guarantee that we can aim for a strong profit distribution in the future too, the current low interest means we cannot provide members with the intended profit distribution in the short term.

While our activities have obviously been affected by the pandemic, DELA’s continuity is secure.

Premium income

After deduction of the reinsurance premium, DELA received € 516.8 million in premium income (2019: € 480.2 million), an 8 percent growth on the year (2019: 7 percent). Income in the Netherlands and Belgium increased by 6 percent, and trebled in Germany.

Premium income

€ x 1,000. After deduction of reinsurance premium

	2020	Difference	2019
Netherlands	377,563	+22,772	354,791
Belgium	128,763	+6,851	121,912
Germany	10,466	+6,990	3,476
Total	516,792	+36,613	480,179

Partly due to COVID, the focus on funerals and funeral insurance increased. In the Netherlands we faced less competition due to the financial problems at Yarden. After DELA's introduction in Germany in 2018, the company has seen substantial growth since 2019. On balance, the premium income increased by approximately € 37 million.

Investment income

DELA has a robust business model. The diversified investment of insurance premiums makes a structural contribution to our cooperative and its members in the long term. The nature of the insurance policies – in most cases paid out in the event of death – leads to long-term obligations. As this extended horizon requires a relatively offensive investment strategy, investment results can fluctuate.

There were major fluctuations over 2020 as the outbreak of COVID-19 caused stock prices on the financial markets to fall. The recovery started at the end of 2020. On balance, DELA made up its losses and ended with a result of 1.4 percent – a profit of € 74.7 million (2019: 664.2 million). The fluctuations work to our benefit in some years, such as in 2019 when the investment income was exceptionally high with a return of 12.3 percent. Despite the pandemic in 2020 and the resulting recession in large parts of the world, the high closing prices from the investments in 2019 were eventually maintained in 2020. In the circumstances this is very good news.

The volatility of the value of our investments is a direct consequence of our strategic investment choices. These are aimed at achieving the solid long-term returns on which the premium is based as well as to offset any inflation in funeral costs. By accepting a calculated risk in our investment strategy, we expect to achieve better overall results over the years. A consequence of this policy is that there are sometimes significant fluctuations in the value of our investment portfolio. This is why the investment result cannot be compared over the years without taking into account issues such as variations in financial markets.

In 2020, DELA continued to shift its asset mix of investments toward so-called real assets, which include real estate, infrastructure and agriculture & forestry. Due to the low correlation with financial assets such as shares and bonds, these are a solid addition to any properly diversified investment portfolio.

DELA also decided to scale down its tail risk hedge in 2020. The hedge protects the invested capital and is activated when the stock portfolio drops by more than 20 percent in value. Conversely, the yield is reduced when the hedge is unnecessary due to the costs of maintaining the hedge. In fact, it serves as a type of insurance and we have decided that DELA, as an insurance company, can bear this risk itself in the long term.

Income from investments

€ x 1,000

	2020	Difference	2019
Investment results	74,659	-589,526	664,185

DELA's insurance policies mainly pay out upon death and are of a long-term nature. This means we can afford to invest a large part in stocks and real assets which, in principle, should lead to higher results in the long term.

Operational result

The operational result rose by 26 percent to € 38.6 million (2019: 30.5 million).

Operational result

€ x 1,000. According to the operational result account.

	2020	Difference	2019
Insurer	50,030		52,299
Funeral company	1,474		-7,867
Cooperative	-12,937		-13,894
Operational result	38,567	26%	30,538

Starting in book year 2020, the costs of the cooperative's activities are presented individually in the operating result accounts rather than under the insurer's personnel costs and other operating costs. The comparative figures of 2019 have been adapted to reflect this change.

The insurer's result was € 50.0 million, which is € 2.3 million, or 4 percent less than in 2019.

The result of the funeral business increased by approximately € 9.3 million to some € 1.5 million in the plus due to the rise in the fixed cost coverage caused by the higher number of funerals. The goal for the funeral company to achieve positive results was therefore realised unexpectedly quickly, despite a reduction of approx. € 5.0 million in catering turnover due to the lockdown and the additional expense of buying PPE. The funeral company aims to increase its market share among non-members (in the free market) with the goal of achieving cost reductions via increases in scale.

Digitisation as a basis for personal service

Digitisation affects the entire organisation within DELA. The line organisation and IT work closely together to build a strong foundation for the personal service provision around which everything revolves. This considerable shift in digitisation requires DELA to invest in systems and processes as well as in our people. To increase our room for manoeuvre it is important to reduce our basic costs, set priorities and make clear choices. This will also make space for extra investments in digitisation in the coming years, including robotisation and artificial intelligence.

IT change calendar

Main applications

Naam	Beschrijving
Dolphin	This programme laid the foundation for the transition to a future-proof insurance landscape. It is DELA's ambition to be the most customer-oriented insurer, with digital being the basis and a personal approach the attraction. Dolphin was unsuccessful in 2020 and, based on a second opinion, was restructured and reduced in complexity. The programme was successfully restarted after these improvements were implemented.
Panda	Panda's goal is to ensure continuity, make the imbursement & disbursement and debtor/creditor processes more efficient, and improve the availability of the latest financial information. The idea is that, after a successful implementation, Panda will replace existing financial systems and eventually lead to cost savings.
Elephant	The Elephant programme applies a single funeral process in which everyone has the opportunity to confirm their wishes, arrange (part of) their funeral themselves and be remembered by loved ones in a way that suits the member/policyholder. Digitisation, platformisation, new partnerships and changing customer demands have a significant impact on the playing field.
Booking	This development of the booking tool for crematoriums was started several years ago and is aimed at giving customers greater control and insight into the status of the booking.



> Read the interview: [Increasing our digital mastery](#) (in Dutch)

Average funeral costs

DELA closely monitors average funeral costs in the Netherlands on an annual basis. Our policy is focused on our members, paying out insured claims and compensating for the inflation of funeral costs as far as possible. The average funeral cost was € 4,383 (2019: 4,298) a rise of € 85 or 2.0 percent (2019: € 110 or 2.6 percent).

Average funeral costs

in €. For a pre-arranged set package in the Netherlands, per adult

	2020	Difference	2019
Average funeral costs	4,383	2.0%	4,298

Coverage

The coverage represents the market value of the investments in percentages of the market value of the guaranteed liabilities and depends on factors such as interest, mortality and cost developments. The average coverage in a year (partly) determines the profit distribution scheme for the following year.

In January 2020, the general meeting changed the coverage as part of the profit distribution retroactively from 1 January 2019. We now apply a single coverage for all profitable products in the Netherlands, Belgium and Germany. In addition, investment costs, insofar as they are higher than those of a passive investment as defined by us, are no longer included in the coverage.

The coverage was 151 percent at the start of the year under review and 116 percent by the end. The overview below explains this reduction, with the main factor being the reduced interest. In 2020, the 20-year interest was reduced from 0.61 percent in January to 0.00 in December, which had a dampening effect on the coverage of 31 percentage points. The investment results also led to a reduction over the year but the stock market recovery neutralised the investment impact. An update of the insurance assumptions resulted in a 9 percentage point drop, especially as a result of the adjustment of the mortality table of the Koninklijk Actuarieel Genootschap. Other developments gave a 5 percentage point increase.

Coverage

Percentage. Dampening and enhancing effect in percentage points

	Start of the year	Dampening effect	Enhancing effect	End of the year
Start of the year	151%			
Decreased interest		-31%		
Adjusted insurance-technical assumptions		-9%		
		-40%		
Investment result			0%	
Other factors			5%	
			5%	
End of the year				116%

The average coverage over 2020 was 122 percent (2019: 156 percent), a figure which forms the basis for the profit distribution in the following year.

Profit distribution

DELA aims to ensure members a stable pay-out for funerals. Funeral costs rise over time due to inflation. Premiums are also increasing due both to inflation as well as back-service costs. When funeral costs increase during the term of the funeral insurance, the amount paid in over the underlying years is based on an insurance value that was too low. This difference must be made up for in the future, a correction called back-service. In principle, therefore, an increase in funeral costs leads to a higher percentage increase in the premium.

We limit premium increases for our members as much as possible by means of profit distribution. The amount being shared depends on inflation: the higher the inflation, the higher the back-service and the greater profit we aim to share in principle. Because DELA must always remain financially solid for its members, there are certain limitations to the extent to which profit distribution can be used. One of these limitations is the average coverage over the past 12 months. If the average coverage is 210 percent or higher, the profit will be distributed. A coverage of between 120 percent and 210 percent leads to a partial distribution of profit. Under 120 percent no profit is distributed. If the 20-year interest drops below 1 percent and the coverage is lower than 120 percent, a premium measure (additional premium increase) will be applied.

What is best for the members is determined annually based on scenarios: in the long term the goal is to ensure the cooperative remains financially solid and in the short term the aim is to limit an increase in premiums. Member interests always come first – the issue is whether to address these in the short or long term.

A profit distribution of € 43 million was proposed in 2020, virtually the same level as in 2019 (€ 42 million).

The profit distribution in 2021 will be lower. The average coverage over 2020 of 122% is just above the standard of 120% so there is no need for a premium measure. The profit distribution over 2021 will be determined in the general meeting (see also [Our future](#)).

Distribution of profit

€ x 1,000

	2020	2019	2018
Appropriated	42,994	42,323	42,321

The choice between a larger or smaller premium increase is a choice between member interests in the short and long term.

Solvency ratio

DELA determines its solvency in accordance with the Solvency II capital regime, hence the name Solvency-II ratio. This involves a European formula in which the risks included in the balance of the insurer are taken into account in determining the solvency. The Solvency-II regulation demands sufficient solvency as a precondition for profit distribution. DELA aims for an optimal balance between its investment policy, profit distribution and solvency ratio.

The solvency ratio dropped from 296 percent to 270 percent at the end of the year.

The adjustment of the premium measure (as indicated in this chapter under Profit distribution) created an increase in the solvency ratio of 68 percentage points. Due to the development of the economic parameters, and especially the interest reduction, there was a drop of 53 percentage points, while an improvement in the economic model reduced the ratio by 23 percentage points. The phasing out of the tail risk hedge resulted in an 18 percentage point drop. Other developments had, on balance, a neutral effect on the solvency ratio.

The solvency ratio takes into account the market value of our investments and obligations to policyholders: in insurance terms, the technical provisions. Our obligations should be discounted using the actual interest. Our investments had an average result of 4.5% over the past decade. For the coming years, we expect an average result of 3.9%. This should not be calculated into our obligations, however; the current interest will remain the basis. At the time Solvency-II was introduced in 2016 the interest was approximately 1.5%; by the end of 2020 it was at a historic low of 0.00 percent. DELA is therefore experiencing a major dampening effect of the interest on the solvency ratio.

Solvency ratio

Percentage. In accordance with Solvency II. Dampening and enhancing effect in percentage points

	Start of the year	Dampening effect	Enhancing effect	End of the year
Start of year	296%			
Change in economic parameters (mainly interest)		-53%		
Change to economic model		-23%		
Scale-down of tail risk hedge		-18%		
		<u>-94%</u>		
Change to premium measure			68%	
Ultimo				270%

In conclusion: financial position

The results indicated in this segment underline the fact that DELA has a unique and very robust business model. The choice between a higher or lower premium increase is always made in the interest of our members and customers, and is a consequence of realising the policy determined by member representatives in the general meeting. The choice of premium increase is one between long- and short-term member interests. DELA members share the burdens so they can receive extra benefits that more than make up for these burdens in the long term. And therein lies the strength of our cooperative.



> Read the interview: [Financially stable in 2020, despite COVID](#) (in Dutch)

#2020

Assekurata confirms DELA's customer satisfaction and financial power

January - DELA Germany

Recent research by analysis and consultancy firm Assekurata Solutions shows that 90 percent of all customers would recommend DELA life insurance to others. As in 2019, DELA performs better than the benchmark for life insurance, proving that DELA customers are very satisfied. DELA again received an A-rating, with stable prospects for credit rating and financial power.

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COVID: DELA meeting with shop owners about due rent

May - DELA Netherlands

The COVID crisis has led to a serious decline in revenue for many shop owners. To compensate these businesses DELA embraces the support scheme for the retail sector and postpones part of the rent.

COVID: no catering for funerals

March - DELA Netherlands

In mid-March it is announced that all hospitality venues in the Netherlands will remain closed indefinitely. This means catering is no longer available at funerals before and after the service, including coffee or tea. The losses for DELA amount to € 150,000 a week.

Our people

The COVID-19 pandemic made 2020 an extremely busy and intense year for our people. We were faced with numerous restrictive measures for our functioning and wellbeing, both at work and in private. To safeguard the quality of our services, DELA had to scale up in various regions and many employees had to work in the evenings, weekends and holidays. The peak is not yet over. Colleagues have been and continue to be confronted with quarantine measures and other co-workers getting ill, placing significant pressure on the organisation's capacity. In other words, we have more work to do with fewer people and that puts extra pressure on our remaining staff.

At the time of writing in April 2021 we are allowed to welcome 100 people to a funeral, while the catering facilities at crematoriums and funeral centres have reopened. We recognise that it is difficult for people to maintain social distancing in a consistent way, especially when the aftermath of a funeral is like a reunion of sorts. This is both understandable – people have had far fewer opportunities to see each other throughout the past year – but also undesirable. While our colleagues do what they can, they also have to keep their distance to minimise their own health risks and those of other bereaved relatives. This sometimes generates tension in situations that are already emotionally charged for the bereaved.

We are leaving a difficult period behind us, but together we will get through. The solidarity among staff has been amazing. While our members are the heart of the cooperative, the fact that our people are the driving force has been very much underlined in 2020. More than 2,000 employees working in three countries help us realise our mission every day in a committed, honest and business-like manner.

We see this approach reflected in the results of the annual Great Place to Work (GpW) survey. DELA came first in the large company category in the Netherlands, as was the case in 2018 and 2019. DELA Belgium rose to fourth place in the large company category there.

Everyone has a role to play at DELA and all colleagues are supported from day one. Employee involvement is part and parcel of our culture because DELA is who we are together.

Key workers

People working in the Dutch funeral business are now considered key workers. This may seem obvious but wasn't the case at the start of the pandemic. The clarity only came in the spring of 2020, after meetings of the steering group with the National Operational Coordination Centre (LOCC). Thankfully this soon led to all people working in funeral services, funeral care and on the care desk to be considered as key workers. This also allowed them to (continue to) make use of day care services for their children.

This latter point does not unfortunately apply in Belgium. On the plus side, the Government Gazette of October 2020 did include funeral companies and insurers on the key worker list, which meant that the facilities could stay open.

Results of Great Place to Work survey

To gauge our people's opinions and see where we stand in relation to similarly sized companies, DELA participates in the Great Place to Work (GPTW) survey every year. GPTW focuses on trust, pride and camaraderie as key elements of being a good employer. The score for our operations in both the Netherlands and Belgium was mostly at the same level in 2020 as the previous year. We again had a trust index of 88 points in the Netherlands and in Belgium the score was 87 points. There has been a significant improvement over recent years, and in the year under review, the high levels were preserved. No GPTW survey has been taken in Germany to date.

Employee satisfaction

GPTW score (Great Place to Work)

	2020	2019	2018	2017	2016
Netherlands (category >250 employees)	88	88	89	84	81
Belgium (category >500 employees)	87	87	87	83	79

Best employer

DELA Netherlands was again awarded first prize and can call itself the best employer in the Netherlands in 2020. The fact that this result has been attained three years in a row is exceptional and reflects how much staff value DELA as an employer. It is a performance that has been achieved together. We firmly believe that happy people at work translates into better services. This conviction is by no means new but it has again been reconfirmed.

DELA Belgium also did very well and was awarded fourth place (2019: sixth) among Best Workplaces in 2020. We are very proud of this recognition, which is a huge sign of appreciation and confirms that our colleagues feel heard. We work hard to achieve this together every day.

The ranking of Best Workplaces consists of two components: the annual employee survey (two thirds) and feedback from the culture audit (one third).



> Read the interview: [Best place to work three years in a row!](#) (in Dutch)

Health

One of DELA's goals is to help every employee stay physically and mentally healthy and capable of quality work, now and in the future. This attention to health is bearing fruit in terms of reducing absence due to illness and has allowed us to maintain our good health results in an extremely challenging year. Various programmes, mainly focused on preventing the negative effects of the COVID situation, are being implemented and developed to prevent absence due to illness and promote health.

Absenteeism is relatively high among staff in the funeral sector, not least because of the challenging nature of the work. Our employees are confronted with a lot of grief every day and this can be emotionally draining. In addition, working hours are irregular and a certain degree of flexibility is required, risking physical fatigue. With this in mind we developed an attendance and reintegration policy, a tool to help prevent employee absenteeism as much as possible. It is also a guideline for our managers, whom we encourage to keep in touch with employees that stay at home.

DELA has applied the 'take control' model to absence through illness since 2019 in the conviction that, while everyone can become ill, being absent is a choice that should always be made in consultation. The essence of a behavioural approach to the issue is that managers and employees discuss absenteeism and what option is most suitable. This approach appeals to employees' own responsibility, increasing their enjoyment in their work.

In 2020 we held a Health & Safety survey among managers of DELA Netherlands about the 'take control' model. Of the approximately 75% who responded, almost all indicated that the role of case manager belongs to the managerial position. While a significant majority said they had sufficient tools and skills to deal with absenteeism, the figures were lower when it came to prevention. While the conclusions of the survey are that the model is considered positive, there is a need for more support from Health & Safety or the company doctor in cases of long-term or complex absence. DELA aims to manage absenteeism in a more data-driven way in the future, provide more opportunities to learn, increase the focus on prevention and improve the software tool used.

Absence due to illness

%. Absence up to 2 years. Belgium: absence up to 1 year.

	2020	Difference	2019
Netherlands	5.2%	-0,9%	6.1%
Belgium	4.3%	-0,2%	4.5%
Germany	3.8%	0,5%	3.3%

Over 2020, we see a clear fall in absenteeism within the funeral business and the client contact centre, leading to improvements in the figures in both the Netherlands and Belgium. In the Netherlands, the result is 5.2 percent (2019: 6.1), while in Belgium it was 4.3 percent (2019: 4.5). There was a rise in absenteeism in Germany among a relatively small team of 23 employees to 3.8 percent (2019: 3.3) which is still a better result than in the other two countries. Although DELA does not publish total figures for absenteeism due to the difference in how this is defined in each country, we can conclude that there was an improvement, despite the COVID pandemic.

COVID: impact on funeral staff

Remembrance in times of COVID, with only a few people able to attend funerals and no physical comfort or contact allowed – the situation was difficult. DELA Belgium explored the impact of this on funeral employees together with the Mental Health and Wellbeing group of Vrije Universiteit Brussel. The research showed that employees felt a heavy load during the crisis and identified a clear risk of burnout, despite the fact that employees still got a great deal of fulfilment from their work.

Uncertain times bring tension and employees have to be constantly attentive and alert. Some colleagues have been affected by what they've seen and experienced. Recognising the importance of talking about this, managers facilitated opportunities within their teams. Various other tools were used to address the issue, including a 24/7 helpline, team sessions to share experiences (online and occasionally on site), individual coaching, working on mental and physical resilience in small groups, dealing with aggression, happiness workshops and mindfulness, to name just a few. Focused on the role of both managers and employees, all the tools led to positive experiences. We also shared frontline stories from colleagues and tips for working at home via DELA Vitaal. The latter mainly involved exercise. In the same way that we believe satisfied employees are the foundation for customer satisfaction, we are convinced that the growth of our staff is the main driver behind the growth of our organisation. These challenging times also had a mildly positive effect in offering new experiences, a fresh dimension in terms of cooperation and an opportunity to grow in a new field.

Now that many of the staff work from home, a good workplace and physical comfort is of the essence. This is often easier in the office where the required tools are readily available. DELA Netherlands provided an e-learning programme to make employees aware and share information. Despite the unparalleled amount of work people faced, nearly 100 colleagues found time to access the e-learning programme.

Job categories

DELA Netherlands is working to simplify its job categorisation with two goals in mind. Job profiles have not always been properly aligned in the elaborate categorisation system so the project is creating a more controllable and manageable way that supports the influx and flow-through of staff. DELA also wants the categorisation system to conform with the market. The new system works with job families and the more department-specific tasks and responsibilities are no longer described. If the job level is lower, employees will maintain the perspective of their current position under the new system with no negative consequences on the working conditions for the current job titles.

Preventing occupational accidents

Thirteen accidents were reported to Health & Safety in the Netherlands in 2020 (2019: 16), divided into two categories: occupational and third-party. Occupational accidents occur at the work place, while third-party cases are caused by others (often in traffic). Throughout 2020, there were 11 occupational accidents (2019: 14) and 2 third-party cases (2019: 2). The most prevalent in 2020 was the stabbing incident (4x). In the previous year it was slipping, for which measures were taken such as instructing staff to immediately mop up any spills. There were no more incidents in this category in 2020.

In Belgium, an occupational accident is deemed to involve an event that leads to at least one day of absence. An incident indicates that something has occurred from which no absenteeism results. The accidents and incidents are monitored closely. In 2020 there were 6 occupational accidents (2019: 9) and 9 incidents (2019: 11). Six incidents were related to a fall. In addition, there were three car accidents and three stabbing incidents.

Diversity

DELA finds it crucial that our employees reflect the full diversity of the society in which we operate. There is a relatively high proportion of women working at DELA – some 64% of all DELA Group employees are female. In leadership positions, the 30% minimum rule for women and men is respected everywhere except the Executive Board, as there were hardly any changes in 2020. The diversity goals will be taken into account when future changes are made. We also consider it self-evident that DELA as an employer promotes other types of diversity, including hiring employees who have trouble finding suitable work.

The policy we apply is to exclude no one. Everyone is welcome at DELA, regardless of their rank or status. Most job openings are posted via the websites www.werkenbij.dela.nl and www.delajobs.be, with partners sometimes being employed for the acquisition of specialist functions. In all cases, our core values take priority: whether you fit in with the company is more important than whether you are able to do something well – because we can teach you how to do something but not who to be. DELA Netherlands had almost as many applicants in 2020 as in 2019, namely some 2,600. DELA Belgium received interest from around 1,850 candidates compared to 1,180 in 2019.

Employees and diversity

Number of employees

	2020			2019		
	Male	Female	Total	Male	Female	Total
Netherlands						
Executive Board*	3	-	3	3	-	3
Senior management	3	2	5	3	1	4
Upper management	22	15	37	18	16	34
Middle management	27	39	66	29	40	69
Other employees	483	1,034	1,516	457	1,006	1,463
Total	538	1,089	1,627	510	1,063	1,573
Belgium						
Senior management	1	1	2	5	2	7
Upper management	5	4	9	7	5	12
Middle management	10	19	29	3	14	17
Other employees	177	224	401	172	218	390
Total	193	248	441	187	239	426
Germany**						
Middle management	1	-	1	-	-	-
Other employees	10	12	22	8	11	19
Total	11	12	23	8	11	19
DELA Group						
Executive Board	3	-	3	3	-	3
Senior management	4	3	7	8	3	11
Upper management	27	19	46	28	22	50
Middle management	38	58	96	32	54	86
Other employees	670	1,270	1,939	637	1,235	1,872
Total	742	1,349	2,091	705	1,313	2,018

* serves as DELA Group. Also part of the Executive Board Netherlands.

** Executive Board Germany is not included in the employee database.

Balanced Labour Market Act

At the start of 2020 the Netherlands implemented the Balanced Labour Market Act (Wab) which contains a number of measures aimed at reducing the difference between permanent and flexible employment. The bill makes it more attractive for employers to offer employees permanent contracts, while flexible employment will continue to be available where necessary. The concept behind this act suits DELA. We like to connect people and give employees our trust from the moment they start working with us – a permanent contract is in line with this notion. At the same time, our work also demands a degree of flexibility – for example in IT, where we currently have several major projects ongoing. The funeral company also requires flexible employees during peak periods.

DELA Netherlands allows its employees to do (employee) volunteer work for 8 hours per year. This means that they can perform volunteer work during their working hours in proportion to the contract hours for a fulltime job.

Works council

DELA Netherlands and DELA Belgium each have their own works council and their reports on 2020 can be found below.

Works council members Netherlands

End of year

Name	Function
Norman van der Loop	Chair
Judith van Gerwen	Vice chair
Peter Engelen	Member of daily management
René Jansen	Member of daily management
Roger Mutsaers	Member of daily management
Sanna Arnold	Works council member
Paul Beaumont	Works council member
Roger Dautzenberg	Works council member
Mohamed El-Idrissi	Works council member
Etienne Habets	Works council member
Fred Koekkoek	Works council member
Chantal van Kruijsdijk	Works council member
Vincent van Leeuwen	Works council member
Danny Noten	Works council member
Maarten Schepen	Works council member
Melanie Willems	Official secretary

DELA Netherlands

In 2020, the works council provided advice on the following subjects:

- To implement, without changes, the proposal that regional managers no longer answer to the Funeral Care director, expanding the Management Team with one member and returning to four clusters.
- To implement, without changes, the proposal for DELA to stop giving direct advice as a cooperative.
- To implement, without changes, the proposal to establish a test team with longer opening hours that fully focuses on digital customer contact via social media (webcare) and on complaints about DELA via online sources.
- To implement, without changes, the proposal to add all DELA business analysts and the 'Business Analysis' line to the 'Richten' department of IT.
- To implement, without changes, the proposal to terminate the cooperation with Myosotis and take care of funerals in this region (Amsterdam, Almere, Het Gooi) ourselves as of 1 June 2021.
- To implement, without changes, the proposal to organise in a product-oriented way from the functionally established Tribe IT team, after assuring that the preferred tole of the employee will be taken into account as much as possible and giving them time to get used to the situation.

The works council gave approval for:

- The proposal to allow Customer Care Centre employees to answer emails and chats to this department on Saturdays and Sundays on a voluntary basis. The works council recommended integrating an extra planning check to prevent these employees from performing activities for DELA more than 10 days in a row. It also pointed out the risk of social pressure within teams to work at weekends. Management indicated they would do whatever necessary to prevent this social pressure.
- The proposal to appoint Sanne Vervoort as a prevention employee at DELA;
- The proposal to align DELA's wage scales to the policy scales seen in the general market.
- The proposal to optimise the DELA job categorisation system by implementing job families.

The works council also submitted an initiative proposal regarding the lease scheme. The initiative to align the maximum CO2 emissions for each lease category to 110 grams per kilometre was adopted by the Board. The works council submitted the initiative in the belief that the job level should not decide how much staff can limit their environmental impact (the lease categories are based on job levels). The alignment of CO2 emissions to 110 grams per kilometre in every lease category also allows DELA to obtain the GreenLeave standard and gives DELA staff in the lowest lease category more options when selecting an (electric) car.

DELA Belgium

In 2020, the works council gave approval for:

- Exemption of publication of a sub-consolidation over 2019 at the level of the Belgian DELA Holding group and Belgian companies (as reporting takes place at the DELA Group level).
- The proposal for communication about group insurance related to the premium composition.
- The composition of the polling station team.
- Time-saving insurance in the framework of the collective labour agreement, including option to transfer maximum of 10 days paid leave in 2020 and 10 days in 2021 to time saving.

Other topics discussed by the works council include the latest COVID developments, key figures, quarterly results, and personnel developments (including the number of staff who joined/left, suspensions, absenteeism and outsourcing).

Works council members Belgium

End of year

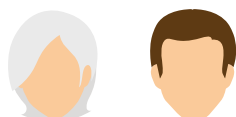
Name	Function
Sandra Schellekens	On behalf of employer
Ludo Verstraete	On behalf of employer
Bruno Moors	Replacement member, on behalf of employer
Kristof de Buck	On behalf of ACV
Ronny Bulcke	On behalf of ACV
Judith Cornelissens	On behalf of ACV
Patrick Neys	On behalf of ACV
Martine Verhoeven	On behalf of ACV
Malina Bucataru	On behalf of ACLVB
Shana De Laet	On behalf of ACLVB

Employees in the Netherlands

Average age

2020
47.4
year

2019
48.0
year



Average term of employment

2020
9.2
year

2019
9.3
year



Number of employees

2020
1,627
1,154 FTEs

2019
1,573
1,113 FTEs

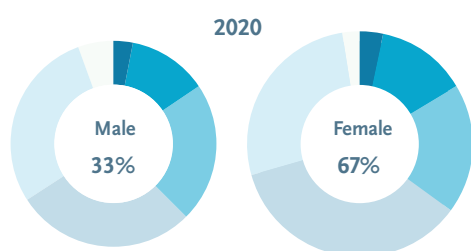


Employees and absenteeism by sector



Sector	2020			2019		
	Number	FTEs	Absence	Number	FTEs	Absence
Cooperation and Insurance	66	60	3.5%	68	62	0.7%
Holding staff services	235	215	4.0%	237	211	3.0%
Customer centre	151	121	4.9%	124	95	9.0%
Funeral services	736	428	6.4%	685	412	7.7%
Funeral care	430	323	5.4%	442	318	6.2%
Real estate	9	7	1.7%	17	15	4.3%
Total	1,627	1,154	5.2%	1,573	1,113	6.1%

Age build-up



	2020		2019	
	Male	Female	Male	Female
< 25	29	49	16	37
25 < 35	65	144	64	140
35 < 45	118	206	112	198
45 < 55	145	370	144	376
55 < 65	159	300	147	286
≥ 65	22	20	27	26
Total	538	1,089	510	1,063
	33%	67%	32%	68%

Employees in Belgium

Average age

2020
44.6
year

2019
44.6
year



Average term of employment

2020
8.6
year

2019
8.6
year



Number of employees

2020
441
408 FTEs

2019
426
392 FTEs



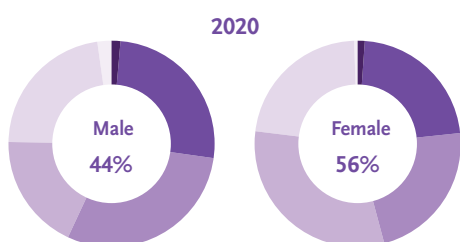
Employees and absenteeism by sector



Sector	2020			2019		
	Number	FTEs	Absence**	Number	FTEs	Absence**
Insurance	106	100	2.5%	108	100	3.0%
Holding staff services	68	65	5.1%	66	63	3.6%
Funerals	267	243	4.8%	252	229	5.6%
Total	441	408	4.3%	426	392	4.5%

*Sick leave, short (less than 30 days) and medium (between one month and a year)

Age build-up



	2020		2019	
	Male	Female	Male	Female
< 25	5	7	3	3
25 < 35	44	52	48	53
35 < 45	61	58	56	54
45 < 55	38	75	34	74
55 < 65	41	55	42	54
≥ 65	4	1	4	1
Total	193	248	187	239
	44%	56%	44%	56%

Employees in Germany

Average age

2020
42.0
year

2019
38.7
year



Average term of employment

2020
1.3
year

2019
2.0
year



Number of employees

2020
23
23 FTEs

2019
19
19 FTEs

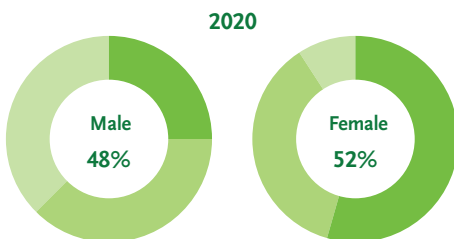


Employees and absenteeism by sector



Sector	2020			2019		
	Number	FTEs	Absence	Number	FTEs	Absence
Insurance	23	23	3.8%	19	19	3.3%
Total	23	23	3.8%	19	19	3.3%

Age build-up



	2020		2019	
	Male	Female	Male	Female
< 25	-	-	-	-
25 < 35	1	5	2	6
35 < 45	5	4	3	4
45 < 55	4	1	3	1
55 < 65	1	2	-	-
≥ 65	-	-	-	-
Total	11	12	8	11
	48%	52%	42%	58%

#2020

COVID: arrangements with the bereaved only online or by phone

March - DELA Netherlands and Belgium

The pandemic means home visits are no longer allowed and arrangements can no longer be made at people's homes or in funeral centres. Discussions move online via

Microsoft Teams or by phone. DELA does its utmost to maintain its high level of services and ensure expectations are met but there's no way to avoid having to work in different ways than normal. We're also faced with limits on the number of visitors per funeral, catering facilities (including coffee tables) are unavailable and, in Wallonia, services may only take place outside.



COVID: impact on funeral staff

October - DELA Belgium

Remembrance in times of COVID, with only a few people able to attend funerals and no physical comfort or contact allowed – the situation was difficult. DELA Belgium explored the impact of this on funeral employees together with the Mental Health and Wellbeing group of Vrije Universiteit Brussel. The research showed that employees felt a heavy load during the crisis and identified a clear risk of burnout, despite the fact that employees still got a great deal of fulfilment from their work.

Our environment

As a cooperative we are there to support and help each other. Our services connect the generations and the cooperative itself constantly welcomes new generations. This is why we strive to work towards a better world for current and future generations alike.

This is why DELA Netherlands extended its CSR policy in 2020. The initial two goals (reduce CO2 footprint and use less paper) became four, namely: organising sustainable funerals, zero CO2 emissions, increasing use of sustainable materials and promoting inclusivity. Good progress was made in various fields to achieve these goals in the year under review.

We have also further tightened our criteria for sustainable investment. Following international and national guidelines, we work with an exclusion list, use our votes at shareholders' meetings to encourage companies to make sustainable decisions, and invest a little more in green bonds.

DELA also aims to play a wider role in society and has two charities for that purpose in the Netherlands and Belgium under the name DELA Fund.

All the above is based on our convictions, sense of solidarity and collective strength. At the same time, we naturally hope that society appreciates these efforts and that our actions contribute to DELA's good name. We are proud of our robust and strong reputation and our activities are partly aimed at further maintaining and strengthening this. Despite the fact that our operations were intensified due to the COVID pandemic, we succeeded in further enhancing our reputation during 2020.

CSR policy

A new CSR policy was developed for DELA Netherlands in 2020. Below is an overview of its four goals and the achieved results:

Specialist in sustainable funerals

DELA Cooperative aims to be the knowledge specialist and market leader in the field of sustainable funerals by 2030. In the year under review, we developed DELA Duurzame Uitvaart; a package of three accessible choices with a relatively high impact, including:

1. A casket with GreenLeave certification;
2. Removing the need for a hearse by having the funeral take place at a single location or using one that meets specific sustainability requirements;
3. Digital death notices or announcements printed on sustainable paper.

Reduce CO2 emissions to zero by 2030

DELA had previously commissioned the development of an electric cremation furnace, the first of which was located in Geleen (NL). Another was placed and taken into use in Maastricht in 2020 and the new crematorium in Groningen will also have one, as will the renovated crematorium in Bilthoven. Although the gas normally consumed has been made sustainable and is no longer included in our CO2 footprint, we aim to switch to energy that is sustainable from the source wherever possible.

We are also trying to reduce our CO2 footprint in our investment portfolio. We realised a 50% reduction in emissions by rearranging the portfolio for North America and Asia-Pacific, for example.

We use sustainably produced materials. Waste is given an eco-friendly destination wherever possible

Materials are finite so we strive to be smart about our use of raw materials and minimise overall material use. Three aspects are monitored for each product and/or service:

1. the amount of natural resources required to make it;
2. the social conditions under which it is made, processed and transported;
3. the CO2 emissions produced in making it.

Little by little, we are ensuring that our materials cause less damage, and we may even have a positive impact. Various successes in this regard include replacing our basic casket made from plywood with one made from sustainable wood in 2019. De Spar massief – as the casket is known – was used over 18,200 times in 2020. DELA also offers various other sustainable alternatives such as a charger board or a cast made of willow or Dutch wood. In 2020, we also found a social workshop that was willing to make casket crosses from waste wood. Another goal is to develop new uniforms that meet strict sustainability requirements – we are currently taking this into account while selecting a supplier. We are also meeting with partners who can increase the sustainability of our catering range.

DELA strives for a society in which everyone matters and can participate

We find it important that people from various backgrounds, levels and ages feel welcome in our organisation and have the opportunity to contribute their own talents. We ask that our suppliers and partners apply the same approach. In addition, DELA as an organisation is a part of society and organises social activities via the DELA Fund and the different regions.



> Read the interview: [Consumer protection in the funeral sector](#) (in Dutch)

Sustainable purchasing

DELA's purchasing department in the Netherlands has started a range of projects to contribute to the cooperative's sustainability objectives. Issues related to people, planet and profit have been explicitly stated in the new procurement policy. DELA imposes sustainability requirements on our suppliers and the products and services they provide. We are also working with suppliers in a range of areas to realise new sustainable products.

Solar & wind power and green gas

Our Dutch crematoria, funeral homes and head office are powered by Dutch solar and wind energy, which we currently consider the best option for green electricity. We have also installed solar panels on several of our buildings. Gas consumption is compensated for at the highest possible level: the WNF Gold Standard. All these measures represent a big step towards a climate-neutral DELA.

New model for CO2 calculation

In 2020, DELA implemented a new model for calculating its CO2 footprint which is in line with the Greenhouse Gas (GHG) protocol. The new calculation method takes a top-down approach and therefore gives a more comprehensive, integrated and realistic insight.

The model was used to calculate DELA Netherlands results for 2020 and 2019. The emissions by category are shown in the table below, which shows that funeral transport is our largest contributor with 90 percent involving transporting visitors to and from funerals. The emissions of the funeral transport (approximately 10.1 kilotonnes in CO2 emissions) was significantly reduced compared to 2019 (23.3 kilotonnes). This reduction is expected to be temporary as it is directly related to restrictions resulting from the COVID pandemic.

The second largest source of CO2 emissions involves our products and services, such as the funeral care products, caskets, headstones and catering. The achieved reduction to 7.5 kilotonnes in CO2 emissions in 2020 (2019: 10.2 kilotonnes) is also related to the COVID pandemic.

The cremation furnace, crematoriums and funeral centres do not generate CO2 emissions as DELA consumes green electricity and gas.

In accordance with the protocol, investments are also part of DELA's CO2 footprint. This category is being monitored but has not been included in the table below as they are less within DELA's sphere of influence. Nonetheless, the aspect is included in DELA's corporate social investment policy. A first indication of the CO2 footprint of our investments is 626 kilotonnes in 2020. In 2021 we will refine the model to give a more accurate determination.

CO2 emissions by category

In tonnes. Results of DELA Netherlands. Excluding investments.

	2020	Difference	2019
Cremation furnace	-	-	-
Crematoriums	-	-	-
Offices	92	-57%	215
Other	152	245%	44
Products and services	7,534	-26%	10,222
Funeral centres	-	-	-
Funeral transport	10,103	-57%	23,286
Business travel	1,185	-31%	1,726
Total	19,066	-46%	35,493

CO2 emissions by scope

In tonnes. Results of DELA Netherlands. Excluding investments.

	2020	Difference	2019
Scope 1	338	+14	324
Scope 2	-	-	-
Scope 3	18,728	-16,441	35,169
Total	19,066	-16,427	35,493

Although DELA arranged more funerals in the Netherlands in 2020 (38,144 in 2020 vs. 33,645 in 2019) the total footprint of our Dutch activities was less. In addition to the CO2 saving measures we took such as the further electrification of our fleet, the reduction was mainly caused by the COVID-related restrictions. The CO2 emissions per funeral declined from 0.5 tonnes (2019: 1.05). Emissions related to investments were not included when determining the CO2 emissions per funeral.

Sustainable investment

An important component of our business model is the diversified long-term investment of insurance premiums. This goal was redefined in 2020 to: "DELA increases the sustainability of its investment portfolio in line with the European climate agreement. DELA reduces negative impacts and enhances the positive impact of its investment portfolio on the world." With this in mind we are placing a considerable focus on corporate social responsibility (CSR). Our CSR policy contains all the guidelines and frameworks with which DELA aims to comply as a responsible investor and is available on our website.

The underlying ambition is robust and will be rolled out over the entire portfolio in order to realise our goals. DELA has set itself the goal of being among VBDO's top 10 sustainable insurers benchmark. The benchmark was not performed in 2020; in 2019 DELA came sixth.

What efforts does DELA make in the field of sustainable investments?

- Integrating climate scenarios in the periodical ALM studies to gain insight into their impact on the long-term development of DELA's balance;
- Aim for 50% lower CO2 intensity and 10% higher ESG scores in passive share portfolios;
- Aim for energy efficiency in real estate and infrastructure funds via GRESB;
- Impact investing in green bonds and similar (growth to 20%) and sustainable energy;
- Active stewardship, divided into two elements:
 - Engagement: stimulating behavioural improvements with regard to the environment, social aspects and governance in companies in which it holds shares (see [verder]).
 - Voting: actively using our right to vote at shareholder meetings of all the companies in our share portfolio.
- Exclude:
 - Companies and countries that violate international laws, sanctions and guidelines related to sustainability;
 - Companies involved in the development, production or maintenance of all types of controversial weapons;
 - Companies that achieve a substantial part of their turnover from one or more of the following sectors: tar sands, coal, shale energy, oil & gas extraction on the North Pole, tobacco, fur & special leather, predatory loans, whale meat, assault weapons for private buyers and recreational cannabis.
- ESG integration: integrating Environmental, Social and Governance information in the investment process of our external capital and fund managers;
- Since 2015 DELA has been associated with the United Nations Principles for Responsible Investment (UN PRI). We publish the public transparency report and assessment report on our [website](#) (in Dutch only);
- DELA confirms the International Responsible Investment (IMVO) covenant in the insurance sector from the Dutch Association of Insurers, and the OESO guidelines;
- In realising our investment policy we also take into account the UN Global Compact Principles, the UN Guiding Principles and various UN Sustainable development Goals (SDGs);
- We confirm the guidelines of the Task Force on Climate-related Financial Disclosures.

Engagement

The degree of involvement and influence DELA has in the companies in which we invest is described as our engagement. DELA has its own voting policy. We cast our vote at as many shareholder meetings of the companies in our investment portfolio as possible. An active voting policy is part of the dialogue we conduct with the companies concerned. We also talk to other major investors in companies where we wish to see improvements in the areas of good corporate governance, social issues or the environment.

DELA addressed a total of 309 companies in its equity portfolio on engagement topics in 2020 (2019: 408) and this had an effect on 191 occasions (2019: 212). A dialogue was sought with 123 companies within the corporate bond portfolio, which led to 64 positive changes.

Charities

DELA was established based on a deep-rooted social engagement which is still part of the company today. This is why the DELA charity funds in the Netherlands and Belgium support social initiatives: by doing something good for other people together, we aim to make life more meaningful.

DELA has been connecting generations and helping people share memories, experiences and values for almost 85 years.

With the DELA Fund and the new Connecting Generations theme introduced in the Netherlands in 2019, we aim to actively bring generations together, learn from each other and make use of each other's knowledge. As a cooperative, we wish to contribute to an inclusive society in which everyone matters and can participate. The fund will organise and support any initiatives between different generations that might not otherwise arise spontaneously in everyday life. This will be defined as any activities where at least two generations are brought together. These unique encounters will contribute to the feeling of interconnectedness and help people share with each other.

Above the Clouds

Boven de Wolken (Above the Clouds) is a volunteer organisation in which professional photographers capture subtle images of deceased children free of charge to create lasting memories for their parents. These photos can play an important role in the processing of grief. The DELA Belgium charity fund felt that everyone in Belgium should have the right to this unique initiative and expanded it to Wallonia under the name 'Au-delà des nuages'. The organisation made portraits of 639 children in Flanders and 184 in Wallonia in 2020.



> Read the interview: [Widespread social appreciation for DOMUSDELA](#) (in Dutch)

Reputation

DELA carries out structural reputation research in order to understand how we are perceived by society. The results show how the cooperative has built up a good reputation in recent decades and that DELA has widespread name recognition. Our reputation is determined by all the things we show, say and do together. It is our daily behaviour that inspires confidence. A good reputation is of vital importance to us as DELA's raison d'être both as an insurer and funeral service provider revolves around trust.

We periodically measure changes in our reputation. In the Netherlands we use the RepTrak methodology, a survey developed by the Erasmus University in Rotterdam and the Reputation Institute and used all over the world. Our reputation in the Netherlands remained stable in 2020, with the general public score rising to 74 (2019: 72). The reputation among members increased to 82 (2019: 80). The fact that we managed to further enhance our reputation from an already very high score is something of which we can be very proud. Among non-members, our reputation rose to an annual average score of 69 (2019: 67). Part of the ambitious goal until 2020 was to achieve a monthly score of 70 among non-members: as this was realised several times in 2020, our goal was attained.

DELA's reputation also increased in Belgium, where it is measured as the prompted awareness generated by the question "Do you consider DELA to be the foremost funeral specialist?". The score rose from 67 in 2019 to 70.

Reputation

Reptrak-score. Total score: members account for 40%, non-members for 60%*

	2020	Difference	2019
Netherlands (RepTrak score)			
Members	82	+2	80
Non-members	69	+3	67
Total	74	+3	72
Belgium (Brand Fame Tracker: 'the funeral specialist')			
	70	+3	67

* Adjusted from previous publication. Previously: 50%-50%



> Read the interview: [Good reputation further enhanced](#) (in Dutch)

#2020

Dialogue about privacy after death

January - DELA Netherlands

Once we die, the privacy act no longer applies. How does a funeral company handle privacy after death? DELA Netherlands organised a stakeholder dialogue to discuss the issue. Participants include employees from the care and funeral sector, legal professionals and other experts. In January, DELA publishes the related report on the Day of Privacy. The dialogue demonstrates the importance of DELA stimulating its members to register their wishes and inform them as well as possible about the consequences of these wishes.



1000th cremation with electric furnace in Geleen

April - DELA Netherlands

The electric furnace which DELA took into use in 2019 – the first in the Netherlands – performs its 1000th cremation. While gas was the most efficient fuel for cremation furnaces before, technological developments have made electricity more efficient and the consumption for cremations feasible. Since being taken into use, the bereaved often explicitly ask for their loved ones to be cremated this way. When the sustainability concept is in line with the views of the deceased, the electric furnace makes their final farewell even more personal.

DELA new main sponsor of Roparun

June - DELA Netherlands

DELA announces that it will be the new main sponsor of the Roparun, the longest non-stop relay race in the world. Participants collect funds for palliative care and DELA will help the Roparun further expand this popular sponsor event in the Netherlands over the next three years. The first race to be sponsored by DELA will take place in the autumn of 2021.





Crematorium Brugge supports Stichting MUG-Heli

June - DELA Belgium

For the third consecutive year, Crematorium Brugge donates the returns from precious metals to the MUG-Heli Foundation. In line with its social engagement and in partnership with the City of Bruges, DELA supports the initiative and helps save an average of 40 extra lives per year. After cremation, precious metals are often found in the remains. These metals are purchased by a specialised company that processes them into new prosthetics and similar items. The public-private partnership between DELA and the City of Bruges decides which regional charity will receive the resulting funds on an annual basis.

DOMUSDELA awarded Henri van Abbe badge of honour

September - DELA Netherlands

DOMUSDELA in Eindhoven received the Henri van Abbe badge of honour 2020. The bronze badge is awarded every two years to a project which has contributed to the protection and preservation of items of cultural, architectural, historical or aesthetic importance for the future. According to the Van Abbe Foundation, DOMUSDELA is a fine addition to Eindhoven with the redevelopment of the entire complex showing considerable respect for the meaning and location of the building in the city.



Construction of sustainable crematorium in Groningen underway

October - DELA Netherlands

Construction of the new crematorium in Het Hoendiep in Groningen starts in early October. While the fitting of an electric furnace had already been announced, DELA underlines that the entire building will be developed in a sustainable way. These include a circular building in solid wood, with a wooden roof construction, the likes of which has never been seen in the Netherlands.

DOMUSDELA receives public award for 'Building of the Year'

October - DELA Netherlands

DOMUSDELA wins the public award at the Building of the Year Awards organised by the Royal Institute of Dutch Architects (BNA), receiving no less than 2,200 votes.



DELA invests in start-up The Right Meal

December - DELA Netherlands

Start-up The Right Meal gives advice to sick people online and by phone on which food best suits their personal situation. Eating well contributes to an improved resistance and faster recovery from illness. The Right Meal provides suitable recipes and advice on easy & healthy meals and its support has been embraced by patients and their families. DELA is closely involved in the development of digital care and supports the project financially.

Our future

Covid19 is still omnipresent, even though the mass vaccination process seems to be bringing the end of the pandemic in sight. The virus did not keep us from setting a new course in 2020, as planned. Translating this course into a strategy that extends at least to 2025 is our task for 2021. Solidarity and continuity are still the key terms under which we will formulate six main goals in the following fields: our members, our connection, our reputation, our people, our organisation and our finances. We will also be looking at the tools and means we use and our corporate culture. We are proud of our accomplishments as a company and our ability to give employees confidence and security. We aim to build on these aspects while also enriching our culture with an even greater degree of flexibility. Quickly and effectively addressing the expectations of our members and society and continuing our development therein is our ambition. With the Yarden takeover on the horizon, we expect to also be extremely busy with the merger integration from the second half of 2021.

Autonomous growth

We believe we can continue the current speed of growth in members and policyholders in the Netherlands, Belgium and Germany. Expanding our market shares in the funeral companies in the Netherlands and Belgium based on our own strength is still somewhat of a puzzle. We will profile ourselves even more as the national player with a local face, offering depth and quality to ensure that every funeral is special.

Takeover of Yarden

The growth of our operational activities in the Netherlands could be boosted further by the Yarden takeover. Although we initially announced that this would take place in 2020, we now expect it to take shape in 2021. The significant legal risks that compelled us to pause developments in 2020 have now been mitigated, allowing us to continue the takeover with a passion. We genuinely believe that the merger will be a good thing for all stakeholders, DELA and Yarden members alike. Together, the two collectives will stand stronger.

Costs and digital transition

For now, we have to assume that interest rates will remain very low. This increases the importance of managing costs in general and those of funeral care in particular. The takeover should help rein in funeral cost inflation over the coming two years and, in doing so, offer our members the first fruits of the merger of the two organisations. In the long term, the cost savings will rely on managing personnel costs and IT-driven service provision. We are putting a strong focus on the digital transition. In 2020 we took major steps to simplify our processes and organise them in a more efficient way. In 2021 we aim to force a breakthrough in the insurance chain to realise a new start for an entirely new platform for all the group's insurance activities.

Meaningful to members and clients

While the continuing low interest rates are a significant burden for life insurers, our unique cooperative business model ensures us a robust solvency and we have complete confidence in the future. That said, the low interest leaves less room for profit distribution to our members. By managing inflation in funeral costs on the one hand and strengthening all cooperative services on the other, we aim to still play an important role for our members and clients and show society that solidarity works.

Word of gratitude

The Board thanks all stakeholders for their involvement. Together, with our colleagues in the funeral services on the frontline, we did a lot of good work and fulfilled our social responsibilities well. These efforts earned us considerable appreciation and many messages of support for which we are very grateful.

Eindhoven, 7 May 2021

DELA Cooperative

The Executive Board

Edzo Doeve, MAIA

Jack van der Putten, MMO

Jon van Dijk, RA

In accordance with part 9, book 2 of the Dutch Civil Code, the information presented in the section 'In brief', 'Governance & risk management', 'Annexes' and 'Definition & abbreviations' is considered part of the section 'Executive Board report'. For reasons of presentation, this information is not repeated in this section.

3 Statement by the Supervisory Board

Presentation of annual report

Dear DELA members and other stakeholders, dear reader

The Supervisory Board hereby presents the annual report, which includes statements from the Executive Board and Supervisory Board as well as the financial statement.

The statement from the Executive Board was drawn up by the Board and discussed with the Supervisory Board. The financial statement was audited by the external accountant and approved in the audit statement. The Supervisory Board confirms the financial statement.

2020

In the year under review the Supervisory Board was mainly focused on the impact of the pandemic and on the planned takeover of Yarden. There were also meetings about progress in the change calendar and the internal control process.

Our tasks and responsibilities

The tasks and responsibilities of the Supervisory Board comprise supervising the Executive Board and the general course of affairs in the cooperative and its associated companies. In addition, the Supervisory Board provides the Executive Board with advice, weighing all the relevant interests, including those of its members and employees. In addition to its supervisory and advisory role, the Supervisory Board functions as the employer of the Executive Board members. All members also act as the Supervisory Board of DELA Holding NV and of DELA Natura- en levensverzekeringen NV.

Supervisory and advisory role

The Supervisory Board was kept regularly informed during 2020, about the realisation of the cooperative goals, strategy and risks related to the company activities, the setup and functioning of internal risk management and control systems, the financial reporting process, compliance with legislation and regulations, the turnover and cost developments, investments, the IT projects and change agenda, and the risk policy. The Supervisory Board assessed whether the capital allocation, investment policy and liquidity position were in line with the risk appetite at a strategic level. The Supervisory Board found that the risk appetite with regard to profit distribution had been exceeded and discussed the matter with the Executive Board which indicated that it would review the Risk Appetite Statements.

Supervisory Board as employer

The Supervisory Board evaluates the functioning of the Executive Board members at least once a year, as was the case in 2020.

It also supervises the policy of the Executive Board with regard to the selection criteria and appointment procedure for senior management. In 2020, the Supervisory Board in its employer role discussed the Executive Board's evaluation of the management of the independent company segments and the direct reports under the Executive Board.

The variable remuneration for the Executive Board is determined based on financial and non-financial result-oriented agreements derived from DELA's long-term strategy, risk appetite, multi-year goals and annual plan. Based on the performance of the Executive Board in 2020, the remuneration and appointment committee proposed that the Supervisory Board award a variable remuneration.

Composition of the Supervisory Board

Changes to the Supervisory Board

One member stepped down in 2020 when Corjo Jansen said goodbye in June at the general meeting and was thanked by all present for his contribution to the cooperative. As Corjo was no longer able to serve as a Supervisory Board member due to his academic activities, he decided not to put himself up for reappointment. His role as vice chair was filled by Hans Leenaars as of 6 June and the Supervisory Board still has one vacancy.

The composition of the Supervisory Board is otherwise unchanged and detailed in the segment 'In brief' under 'Personal details of Supervisory Board'.

Functioning and evaluation of the Supervisory Board

The Supervisory Board agrees with the principle that the composition of its members should be such that they are able to be critical and act independently from each other, the Executive Board and any specific interests. DELA's Supervisory Board aims for a well-balanced and diverse composition.

The Supervisory Board discusses its own functioning at least once a year and once every three years with independent external support. The latter was the case in 2018 while in 2020 only an internal evaluation took place. The reference framework of the evaluation is based on the Dutch Code of Conduct for Insurers as well as prevailing insights into good governance. The Supervisory Board feels that it is functioning effectively and, with its current composition, can guarantee a sufficient level of knowledge, experience and competence. Moreover, the general notion is that its composition is complementary and pluriform. When filling the current vacancy in the Supervisory Board the members will try to establish a more balanced male/female ratio. The Supervisory Board uses a profile to ensure a proper composition and every year reassesses whether the profile is still in line with the current and future tasks and interests of the Supervisory Board.

Supervisory Board meetings

During the reporting year, the Supervisory Board supervised and presented advice to the Executive Board on a continuous basis.

In 2020, it held six regular meetings and two extra meetings devoted to the proposed takeover of Yarden. The attendance was 100% for all members.

As usual, there were two regular general meetings. The 'Executive Board report' segment describes the topics discussed in the general meetings in the 'By and for members' section.

There was regular contact between the Supervisory Board chair and Executive Board chair throughout the year. The Supervisory Board met twice with the confidential committee. All five members have individually attended one or more meetings of the Dutch works council.

The Supervisory Board supervised the general policy of DELA and its associated companies in the Netherlands, Belgium and Germany. The developments in the field of risk management and IT and the activities and results of capital management were recurring topics. As is the case every year, the Own Risk and Solvency Assessment (ORSA) and capital policy were on the agenda in December. The Supervisory Board discussed the business model in relation to the profit distribution code, including the consequences of a negative interest rate and the functioning of the premium measure method. The governance charter and the profiles of the Supervisory Board members were adapted, and the Executive Board regulations updated and approved. The regulations of the Supervisory Board and committees were also evaluated and confirmed.

Audit committee

The audit committee supports the Supervisory Board in supervising the activities of the Executive Board in areas such as financial reporting, internal risk management and IT.

Among other items, it discussed the 2019 report from the external accountant, the 2019 financial statement, the cost price model (BGFO3), the external audit plan for 2019 and access management of the IT applications. The audit committee approved the audit plan for 2020, including the prioritisation of the top 20 internal audit topics. It held meetings with the internal and external accountants regarding the Solvency II / QRT audit, and welcomed presentations by the tax manager and innovation manager.

The composition of the audit committee is as follows:

- Willemien Caderius van Veen, chair;
- Hans Leenaars;
- Georges de Méris.

There were no changes to this composition in 2020. The audit committee met four times, with a 100% attendance from each member.

Risk committee

The risk committee was separated from the audit committee in 2019 in order that it could focus on supervising the risk policy and management, including risks related to the remuneration policy, in a more specialised way. And this was indeed the case in 2020. Subjects discussed by the committee included developments related to the pandemic, periodical reports from those responsible for the actuarial function, compliance risk, financial risk and operational risk, strengthening internal control, risks related to the possible takeover of Yarden, risk aspects of the variable remuneration, volatile developments on the financial markets and, in the same framework, the risk coverage of the investment portfolio (including via the tail risk hedge), the core capital and technical provisions (including the related shifts therein) and the Dolphin project. An evaluation was made of the second line risk management and the actuarial function. The risk management policy says that the statements in which DELA determines which risks it is willing to take (risk-appetite statements) should be annually evaluated. This evaluation also took place. One session focused on the process of corporate social investments, including the exclusion policy, integration of the ESG analysis in the investment process and impact investing. In 2020 DELA adopted a policy in which the organisation aims for a 50% reduction in the CO2 intensity of the share portfolio; a decision that was embraced by the full Supervisory Board. DELA has been monitoring and modelling the emissions of companies in which it has shares for some time. This criterium was solidly embedded in the portfolio strategy during 2020.

The composition of the risk committee is as follows:

- Hans Leenaars, chair
- Willemien Caderius van Veen
- Jan Pieter de Pender.

There were no changes to this composition in 2020. The committee met four times, with a 100% attendance from each member.

Remuneration and appointment committee

The remuneration and appointment committee supports the Supervisory Board in preparing decisions about issues such as the composition and (re)appointment to the Supervisory Board and Executive Board. It carries out the same task related to the remuneration of the Executive Board, and the remuneration policy of the company. The committee monitors

the evaluation of top management and the key positions by the Board.

Among the items discussed in 2020 were the remuneration policy, including related deviations in Belgium and Germany, wage categories, risk analyses, variable remuneration (looking both back and forwards into the future), the assessment and remuneration of the Board and executive team, the additional functions of the Board, the remuneration and additional functions of the Supervisory Board, items in the regulations focused on the remuneration policy, the future perspective for the Board composition (succession planning), the diversity plan, training and pensions.

The composition of the remuneration and appointment committee is as follows:

- John van der Steen, chair;
- Corjo Jansen (until 6 June 2020);
- Georges de Méris.

The remuneration and appointment committee met three times in 2020, with a 100% attendance from each member.

Ongoing education

The members of the Supervisory Board held two internal education sessions in 2020, aimed at updating and increasing the members' expertise where necessary. The first session was held in June and had as theme the cost allocation, internally known as project 3D. The second session took place in November, and focused on DELA's business model in the context of the extremely low interest rate. Items discussed included internal aspects, such as the mechanism of the coverage level and profit distribution, and external aspects, including price elasticity and the competitive position. Both sessions were seen as valuable and resulted in new insights. The sessions were plenary and all members of the Supervisory Board took part.

Proposal to the general meeting

In accordance with the statutes of DELA Coöperatie UA, the Supervisory Board has processed the annual report and financial statement of DELA Coöperatie UA and approved the supplemented data. The Supervisory Board discussed the documents with the Executive Board, the internal accountant and the external accountant (Deloitte), and was informed about Deloitte's approved audit statement for the 2020 DELA Coöperatie UA financial statement. The Supervisory Board proposes that the general meeting confirm the 2020 financial statement of DELA Coöperatie UA and grant the members of the Executive Board discharge for the applied policy in the reporting year. We also propose the general meeting grants the members of the Supervisory Board discharge for their supervision.

In conclusion

The Supervisory Board would like to thank Corjo Jansen for his eight-year contribution as a member to the development of the cooperative, including as vice chair.

In addition, the Supervisory Board thanks all members and other customers for their confidence in DELA. A special word of gratitude goes to DELA employees for their hard work and dedication during the COVID pandemic. In a year of trials and tribulations, they represented the values of DELA in an exceptional way despite the restrictions and constant changes. The Supervisory Board understands just how much of a challenge this has been at times and the many examples of solidarity shown by the organisation make us both proud and grateful.

Eindhoven, 7 May 2021

Supervisory Board

J.W.T. van der Steen, chair

Prof. J.J.A. Leenaars RA, vice-chair

J.P. de Pender, secretary

W.A.P. J. Caderius van Veen

RA G.H.C. de Méris RA FCA

4 Governance & risk management

Governance

Good corporate governance involves due diligence, proper supervision and transparent accountability. At DELA we organise our activities based on a vision which revolves around the long-term interests of members and customers. The associated risks are carefully monitored. DELA's strength lies in its cooperative structure, entrepreneurship and flexibility. This strength is partly based on the principles of a learning organisation and the mission, core values, assets and quality of honest business operations. DELA's goals include an excellent service provision with sustainable, accessible products and services, being a good employer and fulfilling a (visible) social role. This chapter highlights the main aspects of our governance.

Governance charter

DELA's corporate governance is founded on the culture of our organisation on the one hand, and legislation, regulations and best practices on the other. This ensures that DELA complies with regulations and guidelines from the European legislator such as Solvency II, national legislation including the Dutch Financial Supervision Act and any underlying regulations, policy regulations from the regulators and the Insurer's Code. Our corporate governance is detailed in a governance charter which is evaluated on an annual basis.

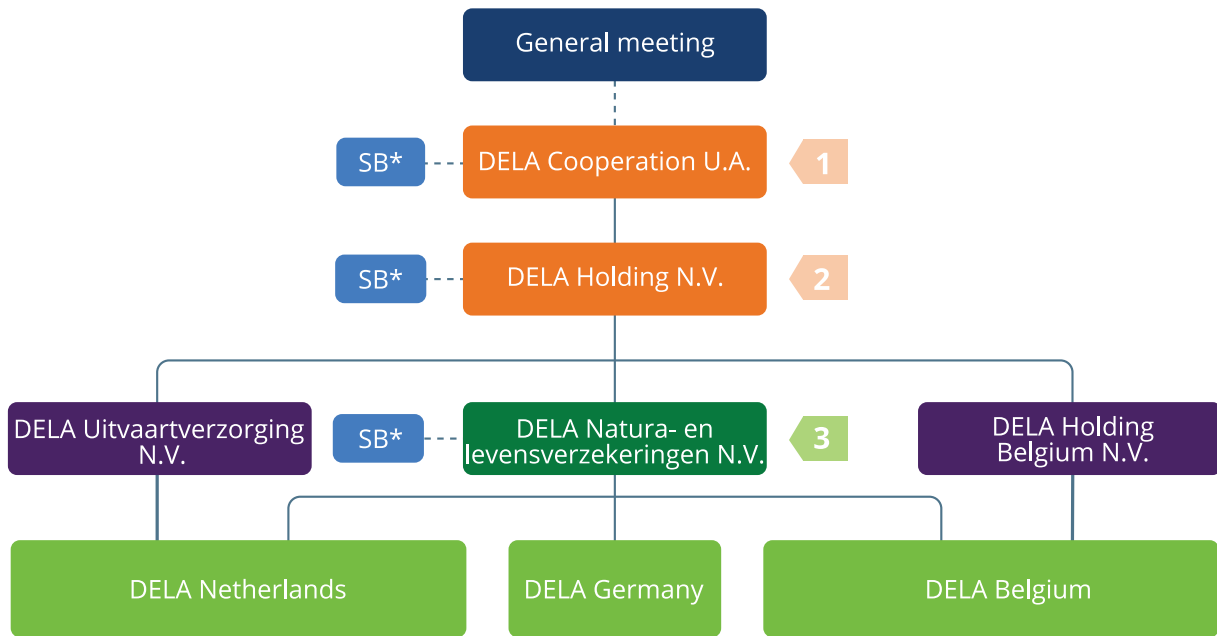
Legal structure

DELA Coöperatie UA (hereafter: 'the DELA cooperative') is a cooperative for members established in 1937 with the following purpose:

- support members in word and deed so they can look to their future with as few worries as possible;
- guarantee members and co-insured a dignified and affordable funeral;
- promote the reputation of the life insurance market and the funeral sector.

Explanation

- 1: abbreviated as "DELA" (statutory) or "DELA Group" (consolidated). Board members: see [personal information](#)
- 2: abbreviated as "DELA Holding" (statutory) or "DELA Holding Group" (consolidated). Same Board members as DELA Coöperatie UA, see [personal information](#)
- 3: abbreviated as "DELA Natura" (statutory) or "DELA Natura Group" (consolidated)
- Supervisory Board: in personal union for these three entities, see personal information [personal information](#)



DELA is a cooperative with excluded liability for its members. The cooperative is formed by all insured persons who become a member of the cooperative when entering into an insurance policy with the cooperative.

DELA Coöperatie UA accommodates DELA Holding NV. The Board members of the cooperative are also the Board members of DELA Holding NV

The holding includes three principal companies: DELA Natura- en levensverzekeringen NV (hereafter: DELA Natura), DELA Uitvaartverzorging NV and DELA Holding Belgium NV.

DELA Natura accommodates the Dutch, Belgian and German insurance activities. The German activities are performed as a branch of Dutch insurance activities. This means, that like the Dutch insurance, the Belgian and German insurance fall under the Dutch licence granted by De Nederlandsche Bank.

DELA Uitvaartverzorging NV accommodates the funeral activities for the Netherlands. The Belgian funeral activities are accommodated by the principal company DELA Holding Belgium NV.

The principal companies include subsidiaries and participations.

DELA Holding NV always governs the principal companies. Each principal company governs its subsidiaries. In addition, each company may have a director. The authority of each director is defined per company in its statutes, and the authorisation regulations for the relevant company segment and in the Chamber of Commerce registrations.

The registration number of DELA cooperative at the Chamber of Commerce is 17012026.

Members

Only natural persons can become a member of the cooperative. To become a member, they must have entered into a relevant (insurance) agreement with one or more of the subsidiaries as determined by the general meeting.

The cooperative is divided into departments. The numbers, names and boundaries of the departments are described in the Rules of Procedure. Each member of the cooperative is part of a department.

DELA cooperative honorary members

Naam

Mr F.H.J. Boons
 Mr J.A.G. Dirks
 Mr W.M. van den Goorbergh
 Mr S.C.J.J. Kortmann
 Mr J. Kremers
 Mr A.J.M. Lauvenberg
 Mr C.C.M. Libregts
 Mr A.W.M. van de Zande

General meeting

The general meeting of DELA Group acts as the 'highest level shareholder' and is formed by individuals chosen from the members of the cooperative. The general meeting consists of one member and one replacement member from each department. Both the members and the replacements attend the general meeting, which in principle takes place twice a year. Below is a list of the members at the general meeting on 16 April 2021.

The meeting discusses issues important to the DELA cooperative, such as:

- The budget for the coming year;
- The annual report of the soon to be concluded book year;
- Determining the financial statement and discharging the Executive and Supervisory Board;
- Approving changes to DELA insurance products related to all policyholders such as the annual premium increase;
- The appointment of (Supervisory) Board members.

The general meeting is also asked to consider developments important to the cooperative as well as issues such as the DELA charity funds, complaint procedures and funeral methods.

To become a member of the general meeting it is preferred that the candidate has been a member of the DELA cooperative for over five years.

The 'Executive Board report' in the 'For our members' section includes a description of the topics discussed in the general meetings in 2020.

Members of council

Department	Member	Replacement member
Achterhoek	Mr W. ten Hooven	Mr E. Ruesink
Almelo, Enschede and surr.	Mr J. Mulstege	Mr J.J.M. Brouwer
Amsterdam, Amstelveen, Flevoland	Mr A. Prins	Mr B. Ramautarsing
Arnhem, Southeast	Ms M. van Zwam-Jagers	Mr W. Ankersmit
Breda	Mr A.J.M. Strik	Mr C. De Witte
Drenthe, Northwest Overijssel	Ms A.L. Weijenberg	Ms P.W.M. Zomer
Eindhoven	Mr R.P.C. Libregts*	Ms K. Wagt
Friesland, Groningen	Mr J.G.J.M. Wennink	vacancy
Region around Breda	Mr L.A.M. Everts	Mr A. Matheeuwsen
Region around Eindhoven	Ms A.C. van Gils-Dirks*	Mr J.W.C.M. van de Rijt
Region around Rotterdam	Mr J.A.M. Heppe	Ms C.C.A.E. van der Loo
Region around 's-Hertogenbosch, Maaskant	Mr J.E.M. Slenter*	Ms H. Litmaath
Region around Tilburg	Mr M.A.E. van den Boer	Ms M.A. Schaafsma
Helmond e.o., Kempenland	Ms J. Beerens	Ms D. de Hoon-Sanders
Land van Maas en Waal, Bommelerwaard	Mr R. Asschert	Mr C. Bekkers
Langstraat, Land van Altena	Mr N. Teunissen	Ms I. Brokken-Janssen
Maastricht, South Limburg	Mr R.J.P. van der Burgt	Mr I. Habets
Midden Meierij	Mr J.T.H.M. Schepers	Mr H.J.J. van Gogh
North Holland North	Mr R. de Graaf	Mr M.H. ten Have
North Holland West	Ms M.M. Scheen	Mr C. Hoogland
North Limburg and Land van Cuijk	Mr R. Oehmen	Ms L.E. De Kinkelder
East Central Limburg	Mr J. Zeelen	Mr J.F.P. Leurs
Oostelijke Mijnstreek	Mr E.E.T.M. Kalnenek	Mr J.M.W. Scholtis
Rijnstreek	Ms Ir. R.M.A.B. Ubachs	Mr T.W.H. de Bruijn
Roosendaal, Bergen op Zoom and surr.	Mr C.A. van Loon	Mr drs. R.P.A. van Meer RA
Rotterdam	Mr A.A. van 't Hof	Ms S.D.M. Duijsings-Mahangi
The Hague, Leiden and surr.	Mr J.M.M. Hoogstraaten	Ms A. Goes
's-Hertogenbosch	Mr C.L. Groeneweg	Mevr. A.M.J.G. Van Lier
Tilburg	Ms E. Hensen-Timmermans	Ms E.H.M. Verheijen
Utrecht North and East	Mr G.C.A.M. van Bree*	Mr M.P. Meeder
Utrecht, Utrecht West, Het Gooi	Ms I. Dijst	Ms S. Pieters
Veluwe	Ms J.M. Spruijt	Mr R.G.J.M. Spierings
West Central Limburg, Westelijke Mijnstreek	Mr D.L.A.M. Bindels	Ms W.C.H.M. Bindels
Southeast Brabant and Brabantse Peel	Mr F.J.J. Paumen	Mr L.A. Janssen
Zeeland	Mr R.A.J. van de Bank	Ms I. Wojtal
South Holland South	Mr C.M.J. Mierop	Mr A. Scheurwater

* Also member of the confidential committee

Confidential committee

In addition to the general member council, there is a confidential committee with four members selected from and by the general meeting.

Task

The confidential committee is tasked with promoting cooperation between the general meeting and the Executive Board and Supervisory Board within the framework of the general meeting's authorities. In view of this task, the confidential committee is invited by the Supervisory Board to meet with them prior to each general meeting. In addition, the

committee has at least one meeting a year with the Executive Board.

Term

Every member of the confidential committee is selected for a period of no more than four years. One member steps down each year in accordance with a schedule drawn up by the committee. A member who steps down can be immediately re-elected. The maximum term on the confidential committee is 12 years.

Supervisory Board

Composition

The Supervisory Board consists of at least five and at most seven natural persons as determined by this Board. If possible, there are two members who are also (replacement) members of the general meeting. The composition of the Supervisory Board is such that the combination of experience, expertise and independence of its members meets the Supervisory Board profile and allows it to perform its various duties. The Supervisory Board members are appointed by the general meeting based on the suggestion of the Supervisory Board

Tasks

The tasks and duties of the Supervisory Board include overseeing, monitoring and providing advice to the Executive Board on the realisation of the goals of the cooperative, the strategy and risks related to its activities, the setup and functioning of internal risk management and control systems, the financial reporting process, compliance with legislation and regulations, and the risk policy.

In addition, the Supervisory Board ensures compliance with and enforcement of the corporate governance structure, approving the financial statement, budget and capital investments, selecting and appointing the external accountant and auditor, approving the risk tolerance, nominating members of the Executive Board for appointment and resignation, and determining the remuneration policy. The Supervisory Board selects and nominates its members to the general meeting for appointment. It also evaluates the remuneration policy and the functioning of the Executive Board. The chair is the point of contact for alleged irregularities regarding the functioning of Executive Board members.

In fulfilling its duties, Supervisory Board members focus on the interests of the cooperative and its associated companies. In doing so, they carefully consider the interests of the various stakeholders of the cooperative, including members and employees. The Supervisory Board itself is responsible for the quality of its own functioning.

Regulations

The Supervisory Board has internal regulations that provide rules for its decision-making process. The regulations are drawn up by the Supervisory Board and then confirmed by the general meeting. They serve as a supplement to the regulations and guidelines that apply to the Supervisory Board based on Dutch legislation and the cooperative's statutes.

Appointment and term

Each Supervisory Board member is appointed for a period of up to four years, in the understanding that a member will step down at the latest after the first general meeting held after four years have passed since their latest appointment. A member who is stepping down can be reappointed immediately, insofar as the maximum term of 12 years has not or will not be exceeded.

Committees

The Supervisory Board has an audit committee, risk committee and a remuneration and appointment committee.

Participations

The members of the Supervisory Board of the DELA cooperative are also appointed as Supervisory Board member for DELA Holding NV and DELA Natura- en levensverzekeringen NV (hereafter: 'DELA Natura Group'). The establishment of a Supervisory Board was compulsory for DELA Natura Group based on the Dutch Financial Supervision Act.

Executive Board

The cooperative has an Executive Board, which consists of a number of natural persons to be determined by the Supervisory Board. With the exception of limitations indicated in the statutes, the Executive Board manages the cooperative and its capital. The Executive Board can determine which special tasks go to which of its members. The task distribution must be approved by the Supervisory Board.

Investments

DELA Group's investment activities are run from the Netherlands. DELA has an investment advisory committee which has an advisory and evaluating role to the Executive Board on investments. In addition, it is asked for advice regarding policy proposals, policy changes and the implementation of policy in this field. If the committee's advice is ignored by the Executive Board, the Executive Board must report this to the Supervisory Board. The investment advisory committee meets with the Supervisory Board, Executive Board, Chief Investment Officer and director of the DELA Vastgoedmanagement BV at least once a year. It has an explicit advisory role and evaluates whether proposals are consistent, comprehensive and sound with regard to return and risk. The Executive and Supervisory Board maintain their own responsibilities. The investment advisory committee is composed of at least three external members who are appointed by the Supervisory Board as proposed by the Executive Board.

DELA Natura- en levensverzekeringen NV

One of the participations of the Group involves DELA Natura- en levensverzekeringen NV (hereafter: 'DELA Natura Group') which accommodates the insurance activities, including any related personnel. The Supervisory Board of DELA Natura Group has the same members as the Supervisory Board of the DELA cooperative (in personal union).

DELA Natura Group is supervised by The Netherlands Authority for Financial Markets (AFM) and De Nederlandsche Bank (DNB) and is registered under licence number 12000437. The Chamber of Commerce registration number of DELA Natura is 17078393.

Independent business segments

The group includes independent business segments, of which there were two at the time of writing this annual report: DELA Netherlands and DELA Belgium. DELA Vastgoed was dissolved in 2021 in view of the scaling down of the Dutch real estate portfolio.

Each independent business segment has its own management team. They report to the Executive Board, one member of which is primarily responsible for a segment. The management team has regulations that include the responsibilities and authorisations of the team. An independent business segment management team is tasked with implementing the strategy, managing and providing management information for the consolidation of the group, dealing with formal/legal issues, and sound decision-making as defined in the statutes of the segment and the regulations. This management model ensures professional and well-balanced operations with proper checks and balances.

Policy: for group or business segments

Policy that applies to the entire group falls under the responsibilities of the Executive Board and is considered group policy. Policy that relates to an independent business segment falls under the responsibilities of the management team of that segment. The management teams of the independent business segments determine their own policy within these frameworks. Group policy issues (besides secondary or tertiary policy items) include:

- Brand policy;
- IT policy;
- Remuneration policy;
- Security policy (information security and BCM);
- Privacy policy;
- Capital management policy;
- Investment policy;
- Data management policy;
- ORSA policy;
- Asset & Liability Management policy;
- Internal control policy.

Activities in Belgium

DELA Belgium comprises insurance activities accommodated by the Dutch company DELA Natura Group, and funeral activities that are part of Belgian companies (the principal company is DELA Holding Belgium NV). Insurance activities are realised within the entity DELA Enterprises NV – a branch of the Dutch entity DELA Natura Group. This means that the insurance activities are carried out under the licence issued by DNB and that prudential supervision activities are overseen by DNB. With regard to the supervision of conduct, DELA Belgium is accountable to the Belgian Financial Services and Markets Authority (hereafter: 'FSMA').

Activities in Germany

Marketing and sales activities in Germany take place via a branch in Düsseldorf (article 2:115 Dutch Financial Supervision Act). All other activities take place at the head office of DELA Natura Group in Eindhoven (DELA Netherlands). Conduct supervision is performed by the BaFin (Bundesanstalt für Finanzdienstleistungsaufsicht) in Germany.

Integrity

DELA finds it important to have a constant professional and well-balanced operational management with appropriate checks and balances within the right culture. The culture of DELA is characterised by the values of engagement, integrity and entrepreneurship.

Joint responsibility

The Executive Board of DELA is responsible for realising sufficient guarantees related to operational integrity. All employees are responsible for implementing operational integrity.

Code of conduct

An important part of DELA's integrity policy is to ensure that every DELA employee acts with integrity. This means that employees are honest, open, clear and meticulous. To further define the term integrity for employees, we have published a code of conduct that indicates the rules employees should follow to enhance their integrity for various focal areas. The code of conduct and underlying regulations are based on internal and external legislation and regulations. They were drawn up

for DELA Netherlands and also apply to the now dissolved DELA Vastgoed independent business segment. DELA Belgium has an integrity code with underlying regulations which are focused specifically on the Belgian situation and market, including legislation and regulations, while also being in line with the code and regulations described below.

The code of conduct includes the following focal areas:

- Details of integrity-sensitive functions;
- Conflicts of interest and corruption;
- Inappropriate behaviour;
- Reporting suspected malpractice;
- Unlawful competition;
- Private investment transactions.

Risk management

Risk management directly contributes to the long-term goals of DELA such as continuity, growth, a healthy financial position and a good service provision to policyholders at acceptable costs. It provides an insight into the sensitivities and correlations of strategic, financial, operational and compliance risks to ensure that DELA can effectively address developments, and take timely action to realise its goals and secure the continuity of the organisation.

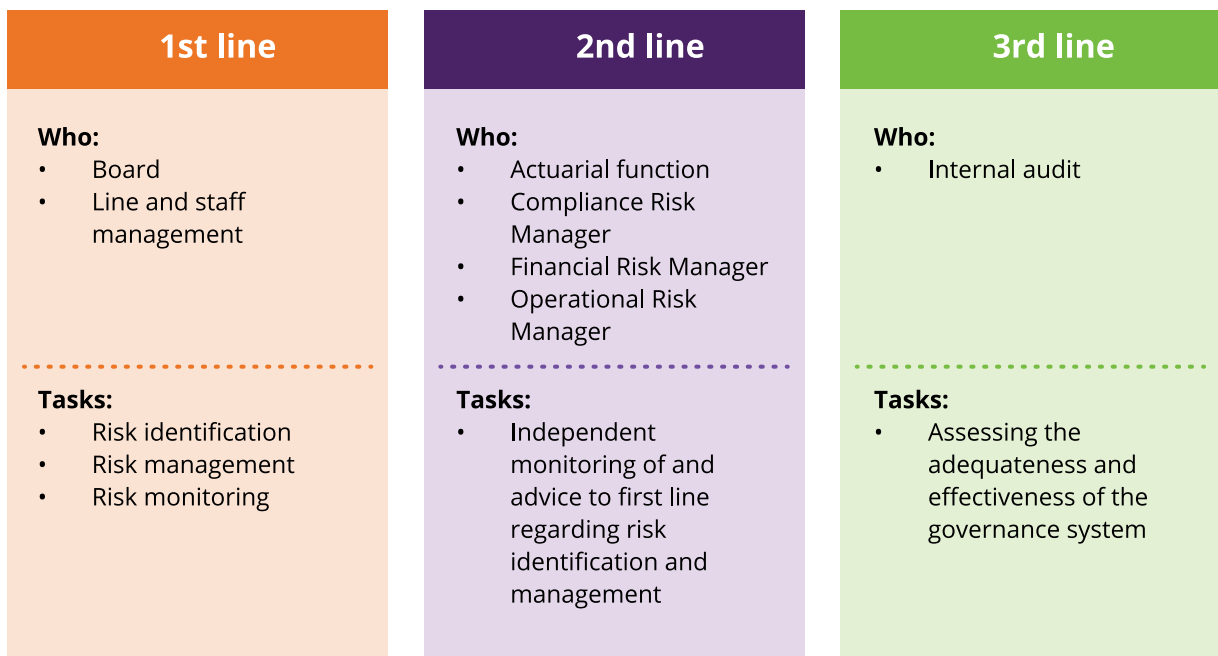
System

For the setup of the management and control of risks, DELA applies the ‘three lines of defence’ model:

- The first line is primarily responsible for realising the formulated goals of the company and the demonstrable realisation of internal control measures and effective risk management. Responsibilities of the first line include the operations, results, definition of risk appetite, management and compliance with internal control measures;
- The second line provides advice, coordinates, safeguards and evaluates – independently from the first line – whether or not the first line is actually taking responsibility and operating within the risk tolerance of DELA;
- The third line ensures additional security of the quality of internal control via audits.

The independence of the second and third lines is an important starting point to ensure this model functions properly, which is why it is safeguarded within DELA. The overview below shows a schematic representation of the ‘Three lines of defence’ model.

Three lines of defence model



Process

DELA has a process for risk management that ensures an insight into the risks in all circumstances and that opportunities, risks and applicable control measures are always carefully weighed. The risk management process is continuous as summarised below.



Identifying risks

Risk identification at DELA is primarily the responsibility of the first line. The second line periodically analyses the risks identified by the first line and supplements them where necessary, with a special focus on upcoming risks. This analysis is then discussed in meetings between the first, second and third line.

Determining risk appetite and risk limits

The Executive Board evaluates DELA's risk profile every year based on predetermined operational goals and the capacity of the organisation. In addition, the Board determines the risks DELA is prepared to take – based on its risk profile – to achieve its strategic goals, in line with its risk appetite. In addition to the intended goals, it is essential that the continuity of the organisation is secured. At DELA, risk appetite consists of qualitative statements and quantitative statements translated into risk limits and risk tolerances to enable continuous monitoring and control.

Managing risks

To ensure the risks remain within the desired bandwidths, DELA applies suitable risk mitigation solutions. In most situations this involves a suitable mix of:

- Terminating or outsourcing activities;
- Reducing risks by applying preventative measures;
- Transferring risks via (re)insurance and/or the application of contract management;
- Accepting risks that can be carried by the organisation itself.

If risks are outside of the predetermined risk limits – and therefore larger than desired – management will take additional risk mitigation measures. The deliberate breach of risk limits is only allowed with approval from the Board, and only when of a temporary nature. With regard to the profit distribution, the set limit in risk appetite has been exceeded. DELA will review the Risk Appetite Statements in 2021.

The most important qualitative statements from the risk appetite are:

- DELA aims to compensate for the inflation costs of its policyholders by giving them as much profit distribution as possible;

- DELA takes market risks, taking into account the characteristics of its long-term insurance obligations and aimed at sharing profits and strengthening the core capital;
- DELA is cost-efficient;
- DELA accepts no form of internal or external fraud;
- DELA accepts no risks that could threaten DELA's reputation.

Risk matrix

DELA applies the following risk categories:

- Strategic risks;
- Profit distribution and solvency risks;
- Underwriting risks;
- Market risks;
- Other financial risks;
- Operational risks;
- Integrity risks;
- Reputation risks;
- Other risks.

Monitoring and reporting

Monitoring and evaluating risks and the risk management system are important preconditions for the kind of a learning organisation that DELA aims to be.

In assessing a risk an evaluation is made of whether the risk stays outside the risk appetite level. The starting point is that risks exceeding the appetite are reduced to a lower risk level based on a good mix of risk mitigation solutions.

To ensure constant risk monitoring, management determines KRIs (key risk indicators) for each risk within the risk profile, monitors the development of these indicators at least once per quarter, and evaluates the extent to which risk limits and tolerances are exceeded. Extra management actions are defined when breaches occur. In addition, the second and third line periodically report to the Board.

Management periodically participates in a Risico Control Self Assessment (RCSA) process. This process results in a Control Statement (ICS) in which the internal audit service assesses the setup and effective functioning of the risk management system.

Own Risk and Solvency Assessment

Management uses the Own Risk and Solvency Assessment (ORSA) at least once a year or when developments occur that may significantly affect DELA's risk profile. This helps determine whether the risk profile is still fitting in light of the company goals, risk appetite and available capital buffers. Various scenarios and stress scenarios are taken into account in this process.

The content of the scenarios and stress scenarios is determined by the Board before the ORSA starts, after obtaining advice from the second line.

Solvency II requires a demonstrably balanced weighing up of risk management, capital management and the corporate strategy. The ORSA is the process structure for this assessment and the degree of compliance is shown in the ORSA report.

The main conclusions from the ORSA report in 2020 for DELA are that the business model will come under pressure in a scenario of a continuing low interest rate combined with low inflation. The Board has acted on this by adapting the premium measure, which ensures that the solvency position will remain robust in these scenarios.

Capital management

DELA's capital policy is aimed at maintaining a solid solvency position, in which DELA is constantly looking for a good balance between the amount of capital (assets) it maintains and the risks it faces. In this framework, DELA has defined a solvency benchmark: the solvency level which DELA always aims to exceed. The capital policy defines various actions should the solvency ratio drop below the benchmark. The table below shows the solvency benchmark for every licensed entity.

Solvency benchmark

% van SCR

Entity	Solvency benchmark
DELA Group (DELA Coöperatie U.A.)	150%
DELA Natura Group (DELA Natura- en levensverzekeringen n.v.)	150%

During 2020, the solvency ratio was constantly higher than the solvency benchmark.

Please refer to the financial statement for more details on the risks and management thereof. See 'Consolidated balance sheet', 'Notes on the consolidated balance sheet and income statement', '4. [Risk](#)'.

5 Condensed financial statement

Summary

This condensed version of the financial statement involves a summary of the statutory financial statement that was realised as follows: the consolidated balance on 31 December 2020 and the operational income statement over 2020 in this summary were directly taken from the statutory financial statement. The statutory financial statement is based on Title 9 Book 2 of the Dutch Civil Code (BW). The summary suffices with repeating the principles for the material financial statement items. The clarifications required based on Title 9 Book 2 BW have been simplified, taking into account the intended purpose of these abridged financial overviews. The summary also includes comparative figures. Consulting this summary cannot replace consultation of the statutory financial statements over book year 2020 as it contains various simplifications. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of these statutory financial statements.

Interested parties who would like more information can download a copy of the statutory financial statement via the website jaarverslag2020.dela.nl (in Dutch). All other chapters have been copied from the original annual report.

Consolidated balance sheet as on 31 December 2020

Consolidated balance sheet as on 31 December 2020

After appropriation of results, amounts x € 1,000

	31-12-2020	31-12-2019
ASSETS		
Intangible fixed assets	85,916	79,932
Investments		
Real estate	642,785	890,477
Participations	2,038	2,882
Other financial investments:		
- Shares and other variable income securities	2,307,180	2,353,375
- Bonds and other fixed-interest securities	1,764,186	1,802,648
- Derivatives	35,815	8,557
- Mortgage loans	226,598	258,873
- Other loans	289,200	236,890
- Real estate funds	828,988	579,509
- Infrastructure funds	435,522	282,277
- Investments in liquidities	47,497	53,999
- Other financial investments	12,515	12,097
	6,592,324	6,481,584
Receivables	184,509	169,092
Other assets		
Real estate in own use	68,808	69,176
Other intangible assets	26,932	31,187
Stock	2,501	2,250
	98,241	102,613
Accruals		
Rent and interest yet to be received	606	1,159
Accruals	15,140	15,314
	15,746	16,473
Liquidities	143,070	89,670
TOTAL ASSETS	7,119,806	6,939,364

	Ref.	31-12-2020	31-12-2019
LIABILITIES			
Group equity			
Equity	3	1,343,251	1,433,623
Minority interest		3,211	3,268
		1,346,462	1,436,891
Provisions			
Technical provisions	5	5,154,718	4,869,891
Long-term liabilities		163,298	156,008
Short-term liabilities and accrued liabilities		187,367	185,907
TOTAL LIABILITIES		7,119,806	6,939,364

Operational income statement

Segmented information

Amounts x € 1,000

	2020	2019
INSURER		
Revenue		
Premium revenue	516,792	480,179
Investment revenue	144,482	137,065
Other turnover	148	10
	661,422	617,254
Costs		
Underwriting costs	482,628	438,113
Personnel costs	55,614	60,637
Acquisition costs	53,412	47,225
Other operational costs	19,738	18,980
	611,392	564,955
Operational result insurer	50,030	52,299
FUNERAL COMPANY		
Revenu		
Revenue funeral company	267,633	244,865
Direct costs funeral company	-118,099	-109,379
	149,534	135,486
Costs		
Personnel costs	94,870	91,365
Other operational costs	53,282	52,453
Financial costs	-92	-465
	148,060	143,353
Operational result funeral company	1,474	-7,867
Operational result cooperative	-12,937	-13,894
Operational result total	38,567	30,537

Segmented information, continued

Amounts x € 1,000

	2020	2019
Operational result total	38,567	30,537
Other revenue en costs		
Other incidental revenu	786	201
Other incidental costs	-5,233	-16,551
Donation DELA charity fund	-527	-670
Goodwill depreciation and acquired insurance portfolios	-7,414	-20,936
	-12,388	-37,956
Available for profit distribution		
Revenue investments available for profit distribution and capital gain	-60,251	535,393
Profit distribution	-42,994	-42,323
	-103,245	493,070
Result before taxes	-77,066	485,651
Taxes	-13,229	-101,873
Minority interest	189	228
Result after taxes	-90,106	384,006

As of book year 2020, the operational result of the Cooperative's activities is presented individually in the operational income statement instead of under the insurer's personnel costs and other operational costs. The comparative figures have been adapted here compared to the financial statement 2019.

Notes on the consolidated balance sheet and operational income statement

1. General notes

The condensed financial statement 2020 of DELA Coöperatie UA in Eindhoven is based on the audited statutory financial statement 2020 of DELA Coöperatie UA. The summarised financial statement comprises the consolidated balance sheet as on 31 December 2020 and the operational income statement over 2020 including the main principles and notes. The operational income statement is included to provide a better insight into the individual company activities of the insurance and funeral divisions. For the income statement based on the Annual Accounts Formats Decree (Besluit modellen jaarrekening), we refer to the statutory financial statement dated 7 May 2021.

1.1 Activities

The activities of DELA Coöperatie UA ('DELA cooperative'), with its statutory office in Eindhoven, Oude Stadsgracht 1, CoC number 17012026, and its group companies ('DELA Group') involve insurance, investments and funeral services. The insurance products involve funeral insurance, life insurance and savings plans. The insurance activities take place in the Netherlands, Belgium and Germany. The funeral services take place in the Netherlands and Belgium. Investment activities for the DELA Group are managed centrally from the Netherlands.

1.2 Consolidation

The consolidation includes the financial data of the DELA cooperative, its group companies and other legal persons over which has decisive control and central management.

1.3 Impact of COVID-19

The DELA Group was also affected by the COVID-19 pandemic.

1.3.1 Operational management

The insurance company continued its services.

For the funeral company, the high mortality rate and peak periods during the first and second wave in particular placed significant pressure on the organisation. Throughout the year, however, the company showed its ability to cope with this pressure.

1.3.2 Impact on financial result

Insurer: the higher mortality rate in 2020 resulted in higher pay-outs. The investment results are likely to be affected by the global consequences of COVID-19 as well, although it is impossible to be precise as to the extent.

Funeral company: the effects of COVID-19 increased the turnover. The higher figures and increased working from home also had a positive effect on the equipment costs.

1.3.3 Impact on valuation

In terms of assets, the global effects of COVID-19 will impact the value of the investments. The extent of this impact will only become clearer later.

With regard to liabilities, the technical provision at the end of 2020 is somewhat lower than expected. The developments have not resulted in any new insecurities for this item.

1.3.4 Impact on continuity

The effects of the COVID-19 pandemic are not endangering the continuity of the DELA Group. The Solvency II ratio was at 270% at the end of 2020 where the minimal required solvency percentage has been set at 150%.

There has been a negative effect on the operational result in 2020 but the consequences are not expected to be long term, nor is there any risk to the organisation's liquidity position. At the end of 2020 the balance sheet included over €2.3 billion in liquid investments which can be directly deployed in case of an emergency.

A detailed analysis of the impact of COVID-19 on the DELA Group is included in the company's statutory financial statement.

2. Principles for balance sheet determination

2.1 General

The consolidated financial statement was drawn up in accordance with the statutory demands of Title 9 Book 2 of the Dutch Civil Code (BW) and the Dutch Guidelines for Annual Reporting (RJ). All amounts are provided in thousands unless indicated otherwise. There are no generally applicable criteria for summarised financial statements in the Netherlands. The criteria applied by the Board and the aggregation level of this financial statement are tailored to the desired goal of the summary.

The valuation and determination of the results are based on historical costs unless indicated otherwise. Revenue and costs are assigned to the year to which they relate. Profits are only included insofar as they were realised on the balance sheet date unless indicated otherwise. Obligations and any losses that originated before the end of the reporting year are taken into account insofar as they were known when the financial statement was drawn up.

2.2 Investments

Investments are valued at current value with the exception of the mortgage loans and the art collection. The mortgage loans are valued at amortised cost. The art collection is part of the other financial investments and valued at cost price. Both unrealised and realised profits and losses due to the sale and value change of investment are accounted for in the income statement. Transaction costs related to the purchase sale of investments are directly accounted for in the income statement.

2.3 Discretionary profit distribution

Profit distribution is calculated actuarially and has a provisional character. The processing of the discretionary profit distribution takes place via the technical provisions item. The addition of the amount the DELA Group has appropriated for discretionary profit distribution under the technical provisions is charged to the result.

2.4 Technical provisions

2.4.1 General

Determining the technical provisions is a process that by its very nature involves uncertainties. The actual payments depend on factors such as social, economic and demographic trends, inflation, investment returns, the behaviour of policyholders, and assumptions about mortality developments. Any application of different assumptions for these factors than the tariff principles currently used in the financial statement could have a material effect on the technical provisions and underwriting costs.

2.4.2 Funeral insurance

For payments based on insurance policies that are expected to be made in the future, an obligation is included as soon as the policy is implemented. The obligations for funeral insurance at own expense and risk consists of the (with tariff interest) discounted value of the expected future payments (including already appropriated profit distribution) to policyholders or other beneficiaries, minus future premiums.

The majority of the technical provisions for funeral insurance at own expense and risk as established in the Netherlands are calculated in accordance with the pure net method at an interest of 2.75% and based on the GBMV 1995-2000 mortality table as published by the Actuarieel Genootschap, using the principles related to mortality and interest.

The majority of technical provisions for funeral insurance at own expense and risk as established in Belgium are calculated in accordance with the pure net method at the usual interest from the moment of implementation and based on the HD MK-FK mortality table, using the principles related to mortality and interest. The expected payments are based on the principles of the rate as determined when the policy was signed.

The technical provision for funeral insurance as established in Germany is calculated in accordance with the pure net method at an interest of 2%. The mortality rate is based on mortality tables as produced by the Deutsche Aktuarvereinigung.

2.4.3 Life insurance

For the DELA LeefdoorPlan (life insurance plan), the technical provision is calculated in accordance with the pure net method at an interest of 3% and based on the tables as published by the Koninklijk Actuarieel Genootschap when the rate was introduced.

The technical provision for life insurance as established in Germany is calculated in accordance with the pure net method at an interest rate of 3%. The mortality rate is based on mortality tables as produced by the Deutsche Aktuarvereinigung.

2.4.4 Savings plan

For the DELA CoöperatiespaarPlan (savings plan), the technical provision is calculated in accordance with the built-up policy value based on the paid savings premiums, the already allocated profit shares and the interest rate linked to the rate.

2.4.5 Premiums

The premiums include surcharges for the coverage of the costs. When the premiums are received or become claimable, the surcharges are released and made available for the coverage of the actual costs, which includes ongoing costs and acquisition costs. Different principles are used for some of the smaller technical provisions.

2.4.6 Acquisition costs

The deferred acquisition costs are subtracted from the provision.

3. Assets and obligations not included in the balance sheet

3.1 Liability guarantee

DELA Cooperative has issued a liability guarantee for most of the subsidiaries in the consolidation as intended in Article 2:403 of the Dutch Civil Code. The relevant subsidiaries are included in paragraph 1.2.

3.2 Terrorism guarantee

On account of its participation in the Dutch Terrorism Risk Reinsurance Company (NHT), there is a contingent liability for damage caused by terrorist acts with a maximum value of €2.0 million. No such damage occurred under this agreement in the year under review.

(Multi-year) financial obligations

Amounts x €1,000

	Shorter than one year	Between one and five years	Longer than five years
Rental obligations	4,175	15,086	6,775
Lease obligations	3,782	9,007	4

3.3 Credit facilities

DELA Group has a credit facility at Northern Trust to a maximum of €35 million or 10% of the value of the securities in custody of the credit provider. The deposit comprises the securities in custody of Northern Trust. The interest rate due is the EONIA interest rate plus a premium of 1.25%.

DELA Group has a credit facility at Rabobank to a maximum of €4 million. The interest rate due is the EONIA interest rate plus a premium of 1.6%.

3.4 Investment obligation

DELA Group came to an agreement with various counterparties to invest €720 million and \$328 million (€269 million on the balance sheet date) in real estate funds. At the end of 2020, the remaining investment obligations were €78 million and \$221 million (€181 million on the balance sheet date).

In addition, DELA Group came to an agreement with various counterparties to invest €250 million and \$449 million (€368 million on the balance sheet date) in infrastructure funds. At the end of 2020 the remaining investment obligations were €64 million and \$167 million (€137 million on the balance sheet date).

3.5 Future contractual rental income

Based on the current rental agreements, DELA Group is entitled to future rental income.

Future contractual rental income

Amounts x €1,000

	Shorter than one year	Between one and five years	Longer than five years
Rental income	24,666	45,557	21,167

3.6 Tax entity

Tax entities have been established in the DELA Group for corporation tax (VPB) and turnover tax (OB) in the Netherlands and Belgium. Every company in the tax entity is severally liable for the taxes due. Please refer to DELA Group's statutory financial statement for the composition of these tax entities for both taxes.

4. Events after the balance sheet date

4.1 Yarden takeover

DELA Group signed an agreement to buy all shares in Yarden Holding NV in 2021. If the takeover is confirmed DELA will gain approximately one million policyholders and a nationwide network of funeral centres and crematoriums. The actual agreement was signed on 5 May 2021. Procedures for approval of the proposed transaction by the relevant regulators are ongoing and the result may prevent the takeover from being partly or fully completed. A degree of uncertainty also exist as to the extent Yarden will be taken over should the regulators implement restrictions. In addition, the agreement includes suspensive conditions that could prevent the takeover from moving forward. The necessary approval from the regulators and DELA's Supervisory Board will be required on the closing date and the latest date by which these suspensive conditions must be met is 30 August 2021. The takeover has only a limited impact on DELA's equity capital or solvency and will not result in premium increases for the policyholders.

5. Statement of changes in equity

Statement on changes in equity

Amounts * € 1,000

	2020	2019
Balance on 1 January	1,433,623	1,048,474
From appropriation result book year	-90,106	384,006
Other value mutations	-266	1,143
Balance on 31 December	1,343,251	1,433,623

Proposal for the appropriation of results 2020

It is proposed to subtract the negative result after taxes of € 90,106 from the other reserves.

In anticipation of the general meeting's decision, this result appropriation has already been processed in the financial statement.

Result appropriation 2019

The financial statement 2019 was determined in the general meeting of 6 June 2020 which determined the appropriation of the result in line with the proposal.

6. Solvency

DELA Group determines the solvency based on Solvency II. These are European calculation rules in which the determination of the solvency takes into account the risks included in the insurer's balance sheet. DELA Group applies the so-called standard model in its calculations. This is based on an interest term structure published by European supervisor EIOPA (including Ultimate Forward Rate Ultimate Forward Rate) as by the end of 2019. The minimum necessary solvency percentage has been determined at 150%.

Solvency

Amounts x € 1,000

	31-12-2020	31-12-2019
Required solvency	763,959	556,299
Available solvency	2,065,936	1,644,229
Solvency ratio	270%	296%

The solvency percentage fell in comparison to 2019, mainly due to the reduction in interest rates which reduced the coverage and, consequentially, increased the required capital.

7. Technical provisions

Technical provisions, specification

Amounts x € 1,000

	31-12-2020	31-12-2019
Gross technical provisions	5,260,601	4,958,442
Reinsurance share	-21,967	-20,160
Surplus interest sharing	140	4,535
Deferred acquisition costs	-84,056	-72,926
Total	5,154,718	4,869,891

Surplus interest sharing means that the policyholder shares in the investment results achieved by the insurer if and insofar as the returns are higher than the actuarial interest of the policy.

Technical provisions, progress

Amounts x € 1,000

	2020	2019
Book value on 1 January	4,869,891	4,584,184
Mutations to the benefit/at the cost of the income statement		
- From premiums	397,501	367,215
- Interest	145,924	137,163
- Profit distribution	43,228	42,323
- Payments	-147,491	-128,542
- Shared premium for death	-135,873	-124,653
- Withdrawal for costs	-8,107	-7,416
- Correction previous years	1,928	-
- Other mutations	-1,152	266
- Deferred acquisition costs	-11,131	-649
Book value on 31 December	5,154,718	4,869,891

The total technical provision can be considered long-term.

The share of reinsurers in the technical provision and the payments to which DELA Group is entitled based on its reinsurance contracts are deducted from the gross technical provisions.

The provisions for the life risks are in principle based on rate principles, taking into account market-specific assumptions and the cost level of the insurer.

8. Revenue

Revenue, specification

Amounts x € 1,000

	2020	2019
Premium revenu		
Premium revenue Netherlands	377,563	354,791
Premium revenue Belgium	128,763	121,912
Premium revenue Germany	10,466	3,476
	516,792	480,179
Turnover funeral company		
Turnover funeral company Netherlands	206,656	191,841
Turnover funeral company Belgium	60,977	53,024
Internal turnover	-153,426	-130,872
	114,207	113,993
Investment results	74,659	664,185
Other insurer turnover	148	10
Total	705,806	1,258,367

Of the total premium revenue in 2020 € 11.4 million consists of single premiums (2019: € 9.5 million).

Realised and unrealised results on investments, specification

Amounts x € 1,000

2020	Realised profit	Realised loss	Unrealised result	Management and interest costs	Total
Real estate (a)	42,471	-	-85,390	10,815	-53,734
Participations (b)	-	745	-	-	-745
Other financial investments (c):					
- Shares and other variable-income securities	318,617	163,587	-20,898	6,696	127,436
- Bonds and other fixed-interest securities	140,978	91,995	-52,545	3,752	-7,314
- Derivatives	126,848	169,926	9,270	801	-34,609
- Mortgage loans	9,090	-	-	650	8,440
- Other loans	13,019	6,410	-2,411	1,244	2,954
- Real estate funds	20,314	-	10,590	-344	31,248
- Infrastructure funds	18,474	386	-15,526	-680	3,242
- Other financial investments	825	247	155	2,992	-2,259
	648,165	432,551	-71,365	15,111	129,138
Total investment results (a) + (b) + (c)	690,636	433,296	-156,755	25,926	74,659
2019					
	Realised profit	Realised loss	Unrealised result	Management and interest costs	Total
Real estate (a)	55,424	-	-37,015	13,035	5,374
Participations (b)	-93	-	-	-	-93
Other financial investments (c):					
- Shares and other variable-income securities	204,959	78,493	420,300	5,284	541,482
- Bonds and other fixed-interest securities	135,832	63,177	136,551	4,809	204,397
- Derivatives	32,484	76,855	-110,540	561	-155,472
- Mortgage loans	9,495	-	-	784	8,711
- Other loans	9,298	1,632	3,994	877	10,783
- Real estate funds	12,184	22	26,303	609	37,856
- Infrastructure funds	4,978	1,190	8,654	809	11,633
- Other financial investments	1,095	80	618	2,119	-486
	410,325	221,449	485,880	15,852	658,904
Total investment results (a) + (b) + (c)	465,656	221,449	448,865	28,887	664,185

Unrealised results reflect the changes in the market value of the investments (including currency effects) in the year under review that are available on the balance sheet date. All other investment results are attributed to the realised investment results.

6 Other information

Other information

Statutory distribution of profits

Article 26 of the statutes states that the Executive Board draws up the annual statement of the previous book year, including the proposal for the appropriation of the result.

7 Audit statement

Independent auditor's report

To: the General Meeting and the Supervisory Board of DELA Coöperatie U.A.

Our opinion

The summary financial statements 2020 (hereinafter "the summary financial statements") of DELA Coöperatie U.A., Eindhoven, the Netherlands, are derived from the audited financial statements 2020 of DELA Coöperatie U.A.

In our opinion, the enclosed condensed financial statements are, in all material respects, consistent with the audited financial statements 2020 of DELA Coöperatie U.A. based on the accounting policies described in notes 1 and 2 of the condensed financial statements.

The summary financial statements comprise:

1. The consolidated balance sheet as at 31 December 2020;
2. The operational income statement of 2020;
3. The corresponding summary notes.

Summary financial statements

The summary financial statements do not contain all the disclosures required by Title 9, Book 2 of the Dutch Civil Code (DCC). Reading the summary financial statements and our opinion thereon, therefore, is not a substitute for reading the audited financial statements of DELA Coöperatie U.A. and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our auditor's report on those financial statements of 7 May 2021.

The audited financial statements and our auditor's report thereon

We expressed an unqualified audit opinion on the audited financial statements 2020 of DELA Coöperatie U.A. in our auditor's report of 7 May 2021.

That auditor's report also includes the communication of materiality, the scope of the group audit and the key audit matters.

Responsibility of Management and the Supervisory Board for the summary financial statements

Management is responsible for the preparation of the condensed financial statements on the basis as described in notes 1 and 2 of the condensed financial statements.

The Supervisory Board is responsible for overseeing the financial reporting process.

Our responsibilities

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which we conducted in accordance with Dutch law, including the Dutch Accounting Standard 810 'Opdrachten om te rapporteren betreffende samengevatte financiële overzichten' (Engagements to report on summary financial statements).

Amsterdam, 8 June 2021

Deloitte Accountants B.V.

E. van Splunter

8 Annexes

Annex 1: About this report

Reporting and auditing process

The selection of the reported indicators is based on the GRI guidelines, meetings with our stakeholders, the impact of DELA and the resulting materiality matrix. Data included in this report is based wherever possible on measurements and calculations (such as NPS). Other data is derived from central systems (including personnel data) or based on input from third parties. Whenever there are changes to the definitions, measuring methods or inherent limitations in the data, or when extrapolation or estimates are used, this will be indicated in the report.

Some of the included indicators (financial indicators, absence through illness) are part of the regular planning and control cycle. This means that the data is reported via monthly reports. Our financial department looks at changes in the data compared to previous reports and at the plausibility of the reported information, requesting supporting evidence where necessary. Other indicators (energy, CO2 emissions) are reported annually for the purpose of the annual report. The underlying data for these indicators is collected and checked by the CSR project leader.

The accountant must explicitly report on material deviations in the Statement from the Executive Board based on knowledge obtained from auditing the financial statement. The accountant was not tasked to grant assurance on non-financial information, although we do aim to start doing so in the future.

Framework and scope

The framework of the report was determined based on the materiality assessment of 2016, with which we report on material issues. The framework has not changed since the previous reporting period.

The report involves book year 2020, which runs from 1 January 2019 to 31 December 2020. In 2020, DELA implemented a new model for calculating its CO2 footprint which is in line with the Greenhouse Gas (GHG) protocol. The new calculation method takes a top-down approach and therefore gives a more comprehensive, integrated and realistic insight. In principle, we do not report on sub-contractors and/or suppliers, unless indicated otherwise.

Locations of non-financial information

Non-financial information in this annual report can be found in the following sections:

Non-financial information

Location in this annual report

Item	Segment
Customer satisfaction	Our members
Environmental issues	Our environment
Social issues	Our environment Our people
Personnel issues	Our people
Social investment policy	Our environment
Respect for human rights	Our environment
Combatting corruption and bribery	Our environment

Annex 2: Memberships and codes of conduct

DELA cooperative is a member of and operates in accordance with the agreed codes of conduct of the following organisations:

- Verbond van Verzekeraars -> Code of conduct for insurers
- BGNU -> Trade association for certified Dutch funeral companies
- IVBN -> Association of institutional investors in real estate
- DDMA -> Data Driven Marketing Association

The certifications/quality marks DELA has acquired are:

- Keurmerk Uitvaartzorg (certification for funeral services)
- Keurmerk klantgericht verzekeren (quality mark for customer-oriented insurance)
- Privacy waarborg (privacy guarantee)

Annex 3: GRI table

GRI table

GRI Standard / disclosure	Location
Organisation	
102-1 Name of the organisation	Executive Board report, Our environment
102-2 Main brands, products and services	In brief, Profile
102-3 Location of headquarters	Eindhoven
102-4 Locations van crematoriums and funeral homes	https://www.dela.nl/service-en-contact/contact-met-ons-opnemen/vestiging-zoeken (only in dutch)
102-5 Ownership structure and legal form	Condensed financial statement, Notes on the consolidated balance sheet and operational income statement
102-6 Markets served	In brief, Profile & Key figures
102-7 Scale of the reporting organisation	In brief, Key figures
102-8 Information on employees	Executive Board report, Our people
102-9 Description of the organisation's supply chain	In brief, Together we are strong
102-10 Significant changes to the organisation and the supply chain	Condensed financial statement, Notes on the consolidated balance sheet and operational income statement
102-11 Externally developed economic, environmental and social charters, principles applied by the organisation	Annex: Memberships and codes of conduct https://www.dela.nl/verzekeringen/keurmerken
102-12 Initiatives to compensate the environmental consequences of products and services and the scope of this compensation	Statement from the Executive Board, Our environment
102-13 Memberships of associations (including trade associations) and national and international interest groups	Annex: Memberships and codes of conduct https://www.dela.nl/verzekeringen/keurmerken (only in dutch)
Strategy	
102-14 Statement from the highest decision-maker of the organisation	In brief, Foreword. In brief, Vision and strategy.
Ethics and integrity	
102-16 Description of values, principles, standards and norms of behaviour, such as codes of conduct, as applied by the organisation	Executive Board report, Our people Annex: Memberships and codes of conduct
Governance	
102-18 Governance structure of the organisation	Governance & risk management, Corporate governance
Stakeholder engagement	
102-40 List of involved stakeholder groups	Annex: About this report
102-41 Percentage of employees subject to the collective labour agreement	Not reported
102-42 Principles for the inventory and selection of stakeholders	Not reported
102-43 Approach to stakeholder engagement	Annex: About this report
102-44 Key topics and issues based on stakeholder meetings	Annex: About this report
Reporting profile	

GRI Standard / disclosure	Location
102-45 Overview of all companies included in the consolidated financial statements and not included in this report	Annex: About this report
102-46 Process for defining the content and specific framework of the report and the applied principles	Annex: About this report Annex: GRI Table
102-47 Material topics determined during the process to define the contents of the report Annex: About this report	Annex: About this report
102-48 Consequences of possible restatement of information provided in previous reports and reasons for these restatements	Condensed financial statement, Notes on the consolidated balance sheet and operational income statement
102-49 Significant changes compared to the previous reporting periods regarding scope and framework	Condensed financial statement, Notes on the consolidated balance sheet and operational income statement
102-50 Reporting period	2020
102-51 Date of the most recent report	07-05-2021
102-52 Reporting cycle	Annual
102-53 Contact information for questions related to the report	Colophon
102-54 GR applicability level	Core
102-55 GRI Table	Annex: GRI Table
102-56 Policy related to assurance	Auditor's statement, Auditor's statement from the independent accountant

Annex 4: Definitions & abbreviations

Below is a list of clarifications of commonly used terms and abbreviations.

Absence due to illness

This percentage is calculated by dividing the number of sick days by the number of workable days per year. It involves the period during which DELA is financially at risk for each country for which the absence due to illness is indicated. For the Netherlands this is two years, for Belgium one year.

Asset mix

The asset mix is the distribution of capital over shares, real estate, fixed-income securities, infrastructure and liquidities. The asset mix is determined based on the ALM study and drawn up in the investment policy.

Average funeral costs

Every funeral costs money. These costs vary based on choices made by the descendants and the place where the services are rendered. The average funeral costs provide insight into what a funeral costs on average. At DELA, this means the average costs of a funeral based on the provision package of the DELA UitvaartPlan.

B.V.

Private company

BIO

Our strategy of employee engagement, integrity and entrepreneurial spirit

BREEAM

BREEAM stands for Building Research Establishment Environmental Assessment Method. It determines the sustainability performance of buildings by focusing on three aspects: the building, its management and its use. The three aspects are assessed in nine sustainability categories: management, health, energy, transport, water, materials, waste, land use & ecology and pollution. A score is achieved per aspect ranging from 5 stars for 'Outstanding', 4 for 'Excellent', 3 for 'Very Good', 2 for 'Good' and 1 for 'Pass'.

CAO

Collective labour agreement

CFRO

Chief financial and risk officer

Climate-neutral

Climate-neutral means that there are no net CO emissions and no contribution to climate change. A process, service or organisation is climate-neutral if it does not produce CO emissions or if the produced greenhouse gases are offset elsewhere.

CO2-footprint

A CO2 footprint is an inventory of the total amount of emitted greenhouse gases, expressed in CO2 equivalents. CO2 emissions are caused by the combustion of fuels. Too much CO2 in the atmosphere leads to climate change. A CO2 footprint indicates the extent to which an organisation impacts climate change and where CO2 emissions can be reduced.

A CO2 footprint is categorised in Scope 1, 2 and 3. Scope 1 involves direct CO2 emissions; scope 2 indirect CO2 emissions via the acquisition of electricity and gas; and scope 3 involves all other indirect CO2 emissions. Annex 1 (Corporate Social Responsibility) and Annex 3 (About this report) provide more information on our CO2 footprint.

CPI

Consumer price index

CSI

Corporate Social Investment

CSR

Corporate Social Responsibility

DCG

DELA Crematorium Group

DCP

DELA Coöperatie SpaarPlan (savings insurance)

DECAVI

DECAVI (B) provides services for the insurance sector (estate agents, insurers, actuaries). In addition to organising events in the sector and publishing market studies, DECAVI has been awarding insurance trophies since 2000.

DLP

DELA LeefDoorPlan (life insurance)

DNB

De Nederlandsche Bank (Dutch central Bank)

DUP

DELA UitvaartPlan (pre-arranged funeral insurance)

Energy scan

An energy scan provides insight into the energy-saving opportunities of a building and maps which energy-saving measures would be profitable for a building.

Entrepreneur's salary

The costs of a funeral entrepreneur to whom a funeral is outsourced.

FIT

FIT stands for financially solid, innovative and future-oriented. This internal DELA programme focuses on structural cost savings.

Fixed-value

Inflation-proof.

Fte

Fulltime equivalents (for example: 2 part-time employees who each work for 50% are equivalent to 1 FTE).

GPtW

Great Place to Work is an organisation that measures the opinions of employees. These measurements are then compared to establish a GPtW benchmark. The main components involved are trust in the company, confidence in the management, challenges, opportunities and the possibility of self-development from the employee's perspective.

GreenLeave

GreenLeave is a consortium of funeral companies in the Netherlands who aim to realise sustainability in funeral options and designs in a practical way. They achieve this based on five key principles, a portfolio of products and services for aspects of the funeral, and collaboration with suppliers. For more information, go to: www.greenleave.nu.

GRESB

The Global Real Estate Sustainability Benchmark (GRESB) is an independent scientific benchmark that assesses the sustainability policy of real estate funds and portfolios worldwide. Based on the GRESBscore, fund managers can assess their sustainability policy and make improvements. See <https://gresb.com>

IT

Information technology

KGW

Customer-oriented approach

Mln

Million

Net growth

The difference between the number of new policies and the number of terminated policies.

NPS

NPS stands for Net Promotor Score. Customers are asked in surveys the extent to which they would recommend a specific company, product or service to others. They can give a score between 0 and 10.

The group of responders who give a mark of 0 to 6 are called detractors. The group marking a 9 or 10 are qualified as promoters, and the remainder (7 and 8) are considered passive-neutral. The NPS is determined by subtracting the percentage of detractors from the percentage of promoters. For example, if research shows that 30% of the responders is a promotor and 20% is a detractor, the NPS is +10.

Operational result

The result acquired from the regular activities of DELA, with the exception of special income and expenses, profit sharing and taxes.

OR

Works council

ORSA

Under Solvency II, insurers are compelled to perform an ORSA (Own Risk and Solvency Assessment).

An ORSA is an annual assessment that must be performed by or on behalf of the insurer to determine whether all financial risks that may occur have been mapped and/or whether any mitigating measures to minimise possible risks have been taken so that the insurer can continue to fulfil its insurance obligations in the future.

Paper consumption

The number of sheets of paper we use annually for printing and copying on our central printers. The paper consumption of mobile printers used by our funeral carers and cooperative consultants is not included.

Premium income

Premium income is the total of premium paid to DELA by policyholders for purchased products.

Prognosis

Prediction by management

RCSA

Risk Control Self Assessments map any substantial risks that may endanger the realisation of the goals and continuity of the company. The goal is to take mitigating measures after the assessment has been performed.

RepTrak

RepTrak is a method for gauging an organisation's reputation. It measures the perceptions of the general public regarding the reputation of companies (the RepTrak® Pulse) and seven reputation drivers: products and services, innovation, working environment, governance, CSR, leadership and performance. For more information:

<https://netherlands.reputationinstitute.com/tag/retrak/>

Risk appetite

The risk appetite of a company indicates the nature and scope of the risks a company is willing to take in realising its operational goals.

SA

Société anonyme (public limited company)

SA

Société anonyme (naamloze vennootschap)

SCM (KCS in Dutch)

Short-cycle management

Solvency II

European regulations for solvency requirements for (re)insurers. Solvency II aims to promote an internal European market for insurance services and provide sufficient consumer protection. The starting point is an economic-risk-based approach, in which all assets and liabilities are valued at market value. In addition, the starting point is the link between the solvency requirements and the risk profile of insurers. Solvency II is the name for the statutory regulations that are imposed on insurers by the supervising body. These regulations involve:

- quantitative requirements for capital buffers and the valuation principles

- requirements for the setup of risk management and governance
- the performance of an ORSA (Own Risk Solvency Assessment).
- the establishment of a report (SFCR) and publication of this report in the framework of transparency.

Solvency ratio

A solvency ratio indicates to what extent a company is able to fulfil its financial obligations. Under Solvency II, this figure is calculated by dividing the available capital by the required capital, taking into account the actual risks.

Transparency benchmark

The transparency benchmark is an initiative of the Dutch Ministry of Economic Affairs and Climate. In collaboration with the Netherlands Institute of Chartered Accountants (NBA), annual reports are assessed on certain criteria. The Crystal award is presented to the organisation with the most inspiring example of transparent CSR reporting.

Colophon

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