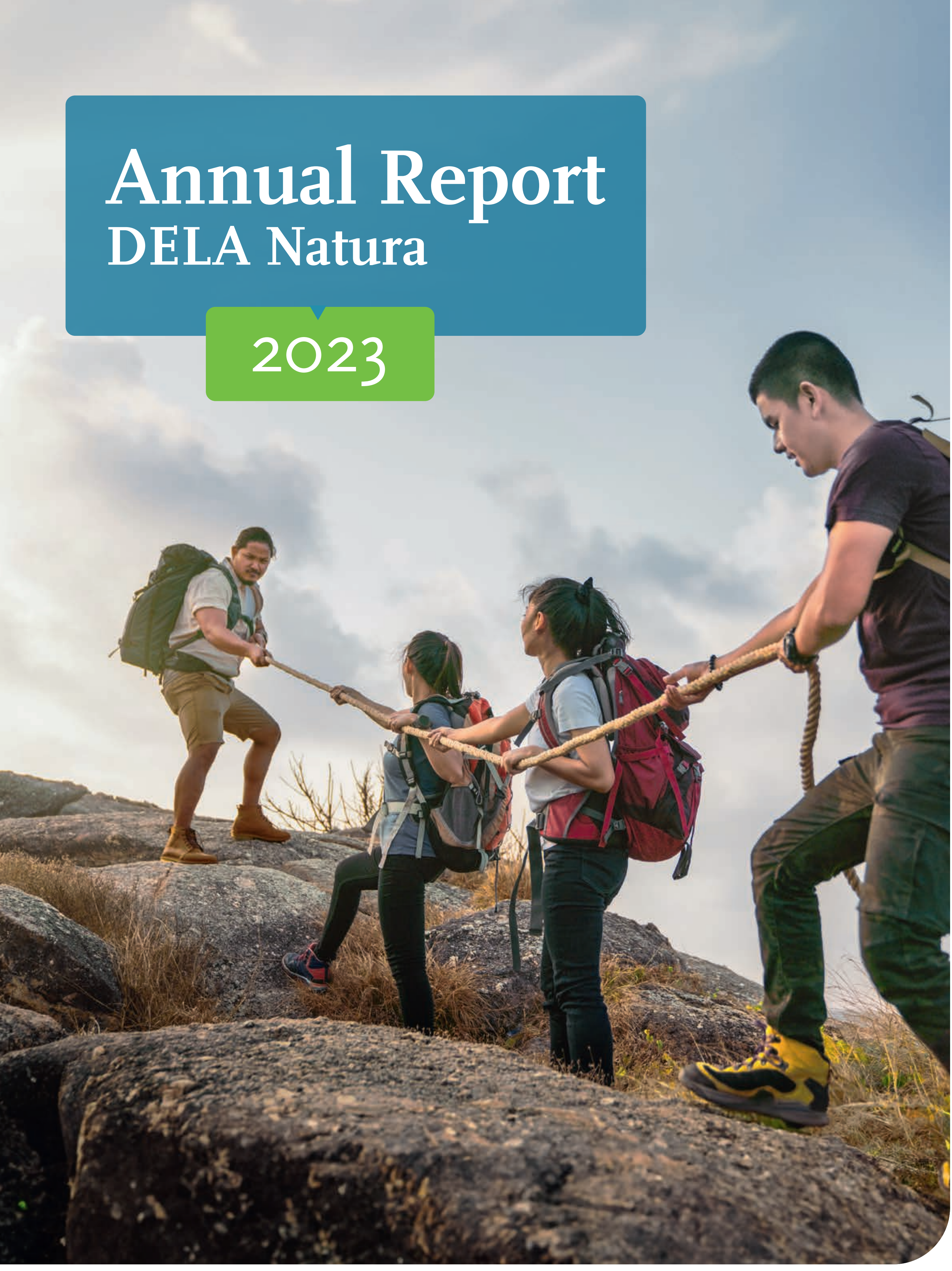
Annual Report
DELA Natura

2023



DELA
voor elkaar

DELA

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In brief

Foreword

It is our pleasure to present you with this Annual Report for 2023 in which we look back on the events and milestones of the previous year. It was a year in which DELA showed considerable resilience and determination to stay on our chosen path as an organisation. We are making excellent progress in realising our goal of strengthening solidarity in society by 2030.

Sustainable and controlled growth

We are also proud of the growth achieved in 2023. The insurance portfolio increased by over 50,000 policyholders, bringing our total to more than 5.5 million policyholders.

To further reinforce our growth ambitions in 2023, we started a programme called ‘controlled business’. This supports the quality of our service provision, risk management and reputation. The programme is based on acting with integrity and preserving high standards, supported by a culture of accountability and continuous improvement. Controlled business ultimately rests on the actions of our employees.

We also closely monitor our sustainability. Major aspects include the electrification of funeral furnaces and transport, working towards energy-neutral buildings, placing solar panels and purchasing green energy. We constantly assess our business activities to ensure our growth is in harmony with the social impact we hope to realise.

Growing stronger together

A number of new initiatives were started in 2023 to make our organisation even more resilient. Where possible we will increase the transparency and efficiency of our products and services to provide customers with a uniform experience. Dedicated teams were set up in the Netherlands to ensure us an even better understanding of the needs and wishes of members. We are also studying which questions related to passing on and remembrance are most common among policyholders. We see it as important to continuously empathise with the expectations that policyholders have of our daily activities.We are pleased that the general meeting agreed this year to an adjustment of the premium measure to ensure we are less vulnerable to negative interest rates. This makes a positive contribution to DELA remaining a financially healthy cooperative for members in the future.

Digitisation

Digitisation helps keep us on course as well as adding to the overall customer experience. A multi-year digital transition project in the Netherlands is streamlining our insurance systems and processes, for instance. In Belgium we continued to develop the digital communication with our distribution partners to better serve customers. In Germany we use the online services of renowned business partners to communicate with customers and provide them with an optimal service.

Financial result
Despite the turbulent financial markets – mainly caused by geopolitical unrest – our investment portfolio had a healthy return of 4.6 percent in 2023. At the same time, we managed to control costs. This benefits the premium for our funeral insurance, which is inflation-proof.

We also limit the premium increase via our profit share scheme. In 2023 we were able to grant members and policyholders a record profit share of over €249 million, and on 1 January 2024 we determined a premium increase of 7.57 percent for the DELA Uitvaartplan in the Netherlands. Without profit sharing, the premium increase would have been 12.18 percent. The eventual net result was negative due to the high profit share.

Recognised quality
We continue to work hard every day to provide high-quality services. This has resulted in a stable customer satisfaction at the group level. Belgian customers are increasingly satisfied. In Germany we also saw a rise in customer satisfaction levels. We support German brokers by proactively organising webinars and providing them with accurate product information.

DELA believes it is important to have a robust and sound reputation so our activities are partly aimed at maintaining and strengthening this. We saw a slight improvement in our reputation compared to the previous year.

Our commitment is also recognised externally and has won us awards. In Belgium we received two DECAVI awards this year, as best funeral insurance and for our social efforts. In addition to supporting members, policyholders, bereaved and guests, we also continue to invest in our own employees. In the Netherlands and Belgium, Effectory again named us as a World-class Workplace. We are proud to say that in the Netherlands we even came in first in the category for companies with over 1,000 employees.

Change of management
In the past year, it was announced that CEO and chairman of the Executive Board of DELA Group Edzo Doeve was retiring. Sandra Schellekens took over his position on 27 January 2024. Edzo's dedication and leadership helped shape the course of DELA for 20 years and we cannot thank him enough for his tireless efforts.

The knowledge, experience and energy of our employees makes us confident that we can lead our organisation to new successes. While resilience and determination will continue to be crucial to make progress, we are ready to explore new paths with our customers.

Eindhoven, 26 April 2024

Managing Board
S.M.G. (Sandra) Schellekens - Lyppens, on behalf of DELA Holding N.V.
J.A.M. (Jack) van der Putten, director
J.L.R. (Jon) van Dijk, director

Profile

DELA Natura- en Levensverzekeringen NV (hereinafter: DELA Natura) is an international insurer and is part of the DELA cooperative (hereinafter: DELA or DELA Group).

DELA was established as a cooperative more than 85 years ago based on a cast-iron conviction that many hands make light work. Since 1937, solidarity has been the foundation behind the goal to ensure everyone has the chance to have a respectful funeral. This ambition is evident from the company's name: DELA stands for 'Draagt elkanders lasten', to carry each other's burdens in English.

This cooperative character is still at the heart of the company: the profit we make is partly used to strengthen the organisation and partly to limit any premium increases. Offering broad (financial) support enables us to contribute to various key moments in people's lives.

'DELA Group was established as a cooperative more than 85 years ago based on a cast-iron conviction that many hands make light work.'

DELA supports its policyholders every day in word and deed. Knowing that everything is properly arranged gives a sense of peace and security. Focusing on the wishes and needs of policyholders enables us to better align our activities and services. This in turn stimulates innovation, growth and flexibility, making DELA more resilient and focused on changing demands and circumstances.

Solidarity is the basis for everything we do. As a part of DELA Group, DELA Natura plays a connecting role in society and is active in the Netherlands, Belgium and Germany.

Key figures

72 Pulsescore
Reputation
66 in 2022

53 NPS-score
Customer satisfaction
53 in 2022

623 Fte
Employees
612 in 2022

5.54 million
Policyholders
5.49 million in 2022

38 Effectory eNPS
Employee satisfaction
45 in 2022

€ 249.2 million
Profit sharing
€ 43.7 million in 2022

207% SII ratio
Solvency
221% in 2022

€ 713 million
Premium-income
€ 669 million in 2022

251 %
Average coverage
195% in 2022

DELA

Financial

	2023	2022	2021	2020	2019
Premium income					
x €1.000. After deduction of reinsurance premium					
Uitvaartplan, Netherlands (funeral insurance)	392,764	382,553	324,638	277,669	264,662
Leefdoorplan, Netherlands (life insurance)	29,683	30,052	30,309	30,200	29,542
Spaarplan, Netherlands (savings insurance)	58,303	75,004	79,571	69,694	60,587
Total Netherlands	480,749	487,609	434,518	377,563	354,791
Belgium	161,889	146,089	136,258	128,763	121,912
Germany	70,063	35,313	21,696	10,466	3,476
Total	712,701	669,011	592,472	516,792	480,179
Insured capital					
x €1 million					
Insured capital	78,605	72,970	68,678	57,841	49,915
Distribution of investment results					
x €1,000					
Net investment results	365,104	-779,028	644,989	85,961	669,903
Minus: for future insurance payments*	-189,851	-178,841	-160,094	-144,482	-137,065
Remaining for financial position cooperative**	175,253	-957,869	484,895	-58,521	532,838
Profit share					
x €1,000					
Profit share	249,224	43,654	5,940	42,994	42,323
Balance sheet					
x €1 million					
Total assets	9,362	8,797	9,490	6,891	6,727
Investment value	9,053	8,483	9,265	6,560	6,460
Technical provision	8,021	7,532	7,172	5,155	4,870
Equity capital	910	921	1,683	1,294	1,415
... as percentage of technical provision	11%	12%	23%	25%	29%
Coverage					
Average coverage***	251%	195%	129%	122%	156%
Solvency					
Solvency II ratio	207%	221%	244%	231%	212%

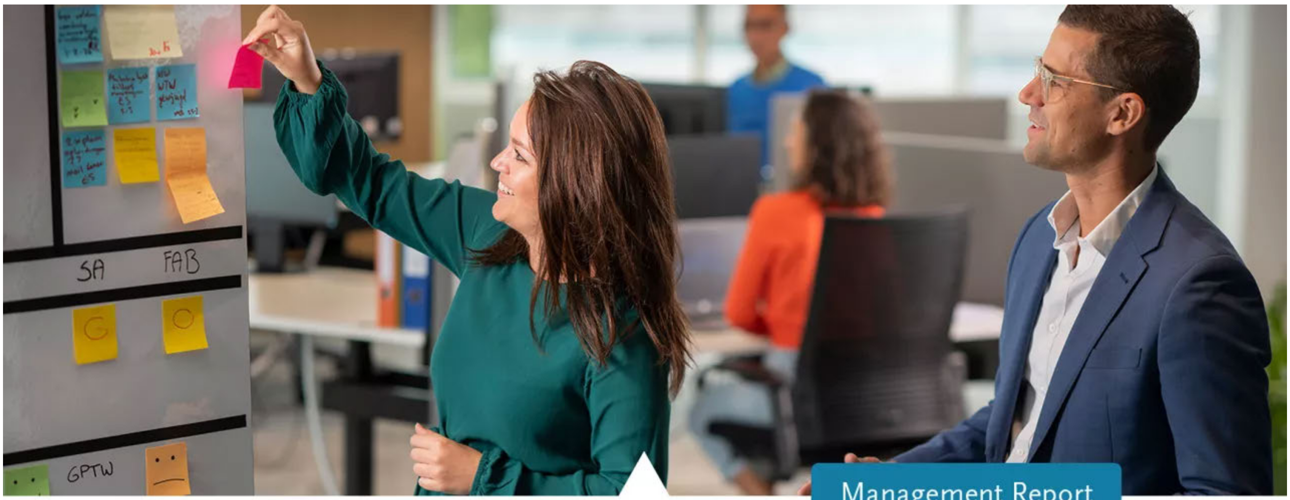
* Based on actuarial interest added to the technical provision.
** Income from investments, available for capital growth.
*** The average of 12 month-end positions. The average coverage ratio forms the basis for profit sharing in the subsequent year.

Non-financial

	2023	2022	2021	2020	2019
Customer satisfaction*					
NPS					
Netherlands	43	45	41	50	46
Belgium	59	60	61	57	53
Germany	53	51	49	-	-
Total*	53	53	53	54	49
Reputation**					
Netherlands, Stakeholderwatch pulse					
Members	78	77	0		
Non-members	66	60	0		
Total	72	66	0		
Insured persons					
Balance at the end of the year					
Netherlands	4,296,572	4,295,361	4,287,483	3,304,917	3,255,079
Belgium	950,288	928,029	908,822	878,088	856,458
Germany	294,373	266,072	103,786	67,195	29,496
Total	5,541,233	5,489,462	5,300,091	4,250,200	4,141,033
Employee satisfaction**					
Effectory eNPS					
Netherlands	36	44	51		
Belgium	53	53	54		
Germany	8	-	-		
Total*	38	45	52		
Employees**					
Fte, at the end of the year					
Netherlands	487	480	406	407	367
Belgium	92	94	95	100	100
Germany	45	38	28	23	19
Total	623	612	529	529	485

* NPS 2022 adjusted compared to previous publication due to the addition of NPS for ‘MijnDELA.
** Reputation and employee satisfaction at group level DELA Group (including funeral company).
*** Change compared to previous publications, now includes all employees who have an employment contract with DELA Natura instead of just the insurance sector employees.

Management Board report



Management Report

Our strategy

As the insurer within the DELA Group, DELA Natura focuses on the development and expansion of the cooperative's insurance activities. The origins of our company are rooted in using the power of solidarity to offer a dignified and affordable funeral for all, regardless of position or status. Established in 1937, DELA provides financial security and caring services as people say goodbye to their loved ones.

This is achieved by means of financial support. The profit we make is used for the premium. When things are less positive, we all pay slightly more premium. Solidarity is key to everything we do, enabling us to take advantage of the benefits together and provide mutual support. The name DELA reflects this, being short for Draagt Elkanders Lasten in Dutch – to carry each other's burdens.

Mission

Solidarity and continuity are two interrelated and intrinsically linked starting points and goals, which we have translated into the following mission for DELA Group: "We use the power of solidarity to connect society, secure the continuity of the cooperative and care for each other."

Ambition

DELA is an growing and thriving insurance company. We have remained loyal to the essence of where we started and this remains a prime aspect of our mission. At the same time, we are constantly evolving as we find new ways to broaden and give meaning to the principles of solidarity and continuity in the future.

DELA Group has the following goal: "In 2030 our cooperative will have strengthened the sense of solidarity within society." We will realise this in various ways, including by growing as an insurance company, attracting new customers and retaining existing ones by increasing interactions and enhancing our relationships, which in turn promotes the sense of solidarity. To realise our ambitions by 2030 we want to broaden our activities.

We are also looking to grow further in Belgium, using the strength of the group to shape a strong and recognisable personal service and a sustainable, healthy business. We aim to be seen as a warm, reliable, empathic and inclusive company. In concrete terms, this means more and better (online) communication.

DELA Germany aims to solidify the current relationship with and services for the brokerage segment. In addition, we have clear growth ambitions for the German market, aiming to communicate directly with (potential) policyholders to show that we are experts in the field of after-care for the bereaved ('Hinterbliebenenvorsorge'). We are also entering into various partnerships to give an additional impulse to the direct sales channel, for which we are currently setting up systems and teams.

We are making every effort to listen to our policyholders, communicating with them directly, understanding their needs and providing personal services and custom-made solutions. In the Netherlands this is achieved via direct distribution rather than using intermediary channels. This requires energy, commitment and input from all employees, along with good employership on our part.

Our national organisations maintain a focus on extensive cooperation among themselves. This includes partnering up with regard to the (IT) infrastructure, risk management, compliance with legislation & regulations and advanced HR and Finance programmes. We all benefit from the shared expertise and best practices, allowing us to better align products and services to local needs and preferences, while also utilising synergy opportunities.

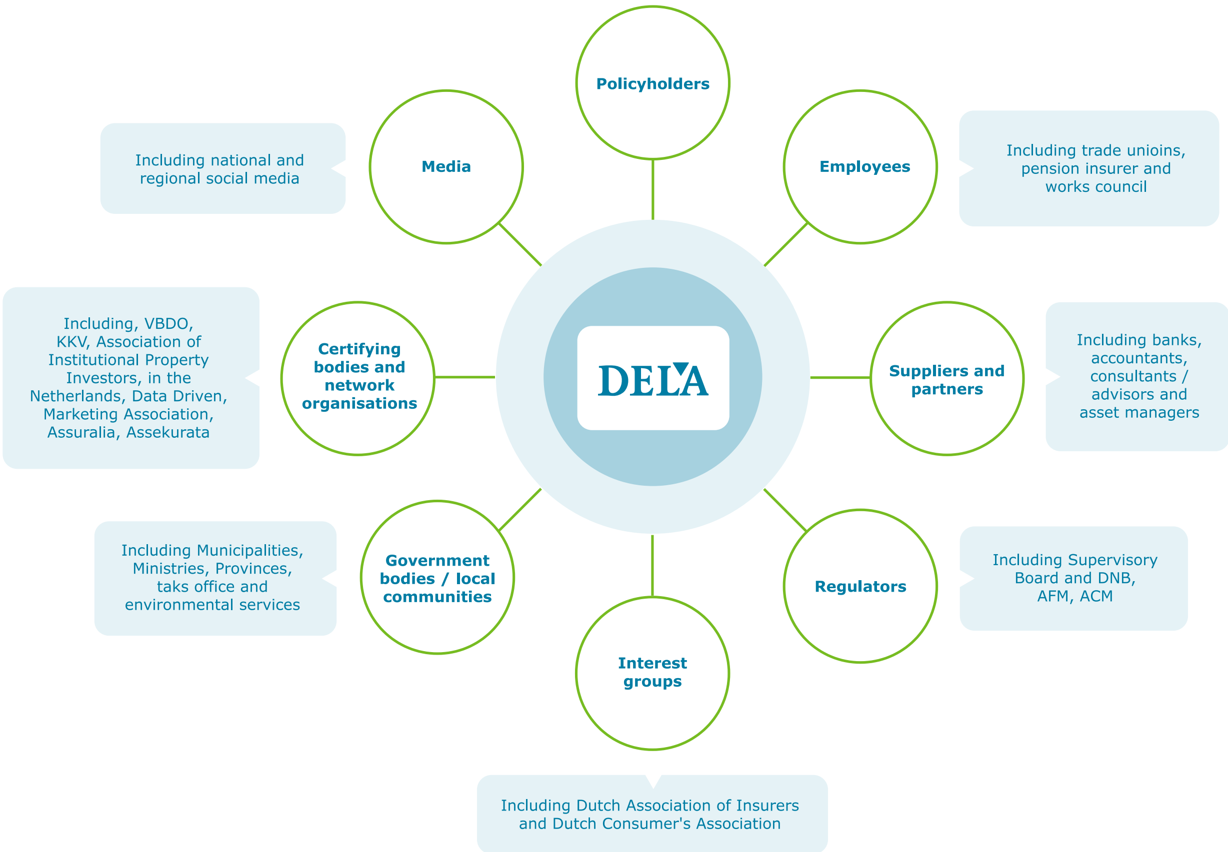
Corporate Social Responsibility

DELA was established based on the strength of the collective and the concept of caring for one another. We want to take our responsibility in passing on a clean and fair world to future generations. To realise our ambition and in line with our mission, we make socially responsible choices. This means reducing our own CO_2 emissions, using more eco-friendly materials and increasing the sustainability of our investments.

Our stakeholders

DELA Natura partners with a wide range of organisations and other parties on a daily basis. Together these groups are known as stakeholders. They all have a degree of influence on DELA Nautra and are in turn influenced by DELA's core activities. Of course, our members, policyholders, bereaved and employees are amongst our stakeholders as are our regulators, partners, suppliers, local communities and government bodies. DELA is also part of various certifying bodies, networking organisations and interest groups, and embraces their codes of conduct. We apply to the highest standards such as data marketing privacy associations.

Our main stakeholders are reflected in the image below:



We frequently organise meetings with stakeholders to ensure the success of our core activities. These stakeholder dialogues are an integral part of our daily work and vary from customer-service discussions and periodic evaluations with partners and suppliers, to more formal meetings with, for example, regulators and the general meeting. They serve as a sounding board as we strive to continuously improve our current service provision and develop new services that further promote solidarity.

Our relationship with customers goes beyond policies alone, revolving around long-term connections. We use direct communication methods as well as periodic surveys. This approach has resulted in valuable insights into issues such as sustainable investments.

Our collaborations with partners and suppliers are based on an open dialogue and mutual understanding. Through regular meetings and exchanging ideas we aim to create a win-win situation. We are committed to our sustainability goals, how we address climate change and are prepared to achieve positive change together. Increasing legislation and regulations are making relationships with partners and suppliers more formal, requiring clear rules for cooperation. In this process we expect our purchasing department to play a leading role through its procurement and outsourcing policy to optimally support our business.

An open and transparent dialogue is crucial to reinforce mutual trust and guarantee corporate social sustainability. It allows us to continue to develop, maintain our relevance and enhance our impact.

Our environment

We are positioned at the heart of society and therefore societal developments can influence our activities and, on occasions, have a considerable impact.

Financial turbulence

There was a great deal of turbulence on the financial markets in 2023. This was partly caused by geopolitical unrest related to the escalating conflict between Israel and Hamas and the ongoing war between Russia and Ukraine. Despite these economic challenges, our investment portfolio managed a return of 4.6 percent. The core inflation (excluding food and energy) was higher than 4 percent in 2023. We also saw a slight increase in the number of payment schemes. We limit the premium increase via our profit-sharing scheme. In 2023, we were able to offer a record profit share of more than €249 million. We implemented a premium increase of 7.57 percent for the DELA Uitvaartplan in the Netherlands as per 1 January 2024. Without profit-sharing, the premium increase would have amounted to 12.18 percent.

Sustainability

The intensifying scarcity of resources and oil, the damage to the environment and the consequences of factors such as climate change on society are increasingly visible. We are also becoming more aware of sustainability, and the amount of related legislation and regulations is growing. DELA has been addressing the issue since establishing its first CSR policy in 2015: good progress has been made with sustainable investments and reducing CO_2 emissions, although there is still more to do.

Challenges on the labour market

The labour market continues to be a challenge, with a shortage of personnel. As a good employer, we are maintaining the focus on our personnel policy, investing in employees and seeking flexible solutions. Following an employer reputation study, we further specified our campaigns and maintained a focus on fitness, good and flexible working conditions, absence due to illness, work training trajectories & development, and career opportunities.To enhance the labour potential, we have established leadership and talent programmes and started collaborations with social employment agencies and schools. We also set up a 'Werkspot' environment this year, an easily accessible way to bring people back to work more quickly after absence due to illness.

Digitisation
We see the trend for wide-ranging digitalisation continuing with insurers. In the insurance sector the focus is on ensuring user comfort for policyholders and employees, and the use of data for personalisation or direct sales. The Dutch multi-year programme ‘Digital Transition Insurance’ streamlines processes and makes them future-proof. The eventual migration to a robust system, linked to MijnDELA, will give members control over and access to their data. In Germany and Belgium we are using digital communication via partners and directly, while standardised digital connections support our strategic partnerships.

(New) legislation and regulations
Legislation and regulations, such as the CSRD (Corporate Sustainability Reporting Directive) and DORA (Digital Operations Resilience Act), promotes in which companies operate sustainable and robust. They are also making relationships with partners and suppliers increasingly formal. We started a new DELA-wide compliance and adjustment programme in 2023 called ‘Beheerst Ondernemen’ [controlled business] which helps us operate more proactively and work in a process-based way. This in turn will allow us to manage risks more efficiently and preserve our excellent reputation. It is supported by a culture of responsibility and continuous improvement. Risk management in fact rests on the behaviour of our employees.

Changing personal preferences
We are seeing a growing demand for managing funeral insurance policies online, including consultations and arranging funeral wishes. This option is increasingly used by our policyholders. We are also seeing a slow but steady rise in demand for sustainable funerals. Sustainability and addressing the consequences of climate change are always important pillars within our policy.

Materiality analysis

In 2022 DELA Group performed a materiality analysis of its impact on people and the environment and how DELA Group, in turn, is affected by its surroundings. This resulted in a list of 17 material themes.

In 2023 we moved forward in enriching these themes within the framework of the CSRD in accordance with a step-by-step plan provided by the NBA (The Royal Netherlands Institute of Chartered Accountants). The CSRD contributes to a clear focus and effective reporting of relevant sustainability issues, and allows DELA Group to present a sustainability strategy that is more in line with the expectations of its stakeholders and the CSRD requirements. It also enables DELA Group to make greater progress in the areas that matter most, which is in line with its goal to be a CSR business.

As a first step, the current stakeholders were analysed by an internal project group. This led to the conclusion that ‘nature’ needed to be added to the overview as a silent stakeholder and that our customers, employees and suppliers are the most important stakeholders herein.

We then looked at our value chain. Based on this, we determined which themes are potentially material. Of the themes on this shortlist, we mapped out the impact, risks and opportunities, and then calculated the average materiality score based on scale, range and probability. The threshold value to determine whether something is material was set at 3.0 on a scale of 5. Based on this value, the themes that score average or higher in their impact and/or financial materiality are considered material.

Eventually we reduced the number of materiality themes to seven. These were then redefined to underline their internal and external relevance even more clearly. The themes and the materiality analysis were established on December 2023.

Theme	Materiality impact		Financial materiality	
	Positive	Negative	Risk	Opportunity
Climate change	2,3	4,5	2,5	-
Sustainable material use	-	3,8	2,5	1,5
Good employment practice	4,3	3,5	2,0	2,0
Personal service provision for members and customers	4,3	3,3	2,5	3,0
New services for strengthening solidarity	3,0	-	2,0	2,5
Acting with integrity	2,7	3,0	1,5	-
Sustainable investments	2,7	3,8	3,0	2,5

Below you can find a brief clarification of the seven materiality themes.

Climate change

The theme climate change involves the contribution to a transition to a CO_2 neutral economy. While DELA Group still produces net CO_2 emissions, our goal is to comply with the Paris Climate Agreement and reduce emissions in our own operations and among suppliers. Main aspects include the electrification of cremation furnaces and transport, working toward energy-neural buildings, installing solar panels and purchasing green energy. We also focus on climate adaptation, honing in on flood risks at our funeral locations and other physical risks caused by extreme weather. In addition, DELA Group anticipates transition risks such as the limited availability of resources and limited capacity of the national electricity grid.

Sustainable material use

Although DELA Group does not produce any products itself, we do use resources in our service provision such as wood (for caskets and paper), flowers, coffee and tea (for catering), and wool and cotton (for company clothing). DELA Group also uses company assets such as our company cars, buildings and office environment. The right suppliers are selected to help realise the sustainability ambitions, working closely together to ensure an environmentally friendly composition, production and supply of goods and services. Active efforts are also made to reduce the amount of residual waste produced.

Good Employer Practices

Employees make the difference. Where our core values – Engaged, Honest and Proactive – are leading we also aim to be good employers for all staff when it comes to working conditions, equal treatment and opportunities, and guaranteed privacy. A contribution to the wellbeing of employees is made by ensuring a fair and transparent pay policy, a good work-life balance, and a healthy working environment in which people can develop and feel respected and accepted. At the same time, we recognise that we ask employees to have a high level of commitment and that this can disrupt the work-life balance and increase the pressure of work. This is something we monitor closely in addition to diversity, equality and inclusion. We also work on preventing health issues and absence caused by mentally or physically stressful work.

Personal services for members and customers

DELA Group offers broad support in the field of 'saying goodbye and remembering' which goes beyond financial support. Personal service provision is aimed at the emotional and personal needs of our policyholders and the bereaved. DELA Group also offers practical support and financial peace of mind. Our customers can rely on us to take care of their guaranteed right to privacy and protect their personal data. The development of new services in our domain further enhances the wellbeing of policyholders. It promotes long-term relationships and trust as well as solidarity. We see the provision of new services as an opportunity, while being aware that it comes with (acceptable) financial risks.

New services to strengthen solidarity
New services include participations and investments in companies that promote solidarity and a sense of unity in society via Voor Elkaar Holding. This was established to be a part of and make investments in companies that promote solidarity and cohesion in society, taking the scalability and financial health of these companies into account. Specific attention is paid to support for informal caregivers and providing financial guidance. These kinds of initiative are designed to improve people's well-being, which then strengthens the continuity of the cooperative model and helps us make a meaningful contribution to a closer society.

Acting with integrity
We recognise the risks associated with acting without integrity and the consequences doing so may have on our organisation. As a buyer, employer and service provider, we are determined to prevent misconduct. We realise this by having a company culture which states that acting with integrity is the responsibility of every employee, that interactions with internal and external stakeholders follow our code of conduct, that we only work with suppliers who also comply with these practices, that we protect whistleblowers and safeguard our systems for the detection of corruption and bribery.

Sustainable investments
As an investor, DELA has an impact on people and the environment by providing various parties with capital. This can be a positive impact – for example when it involves parties which enhance air/soil/water quality – or a negative impact – because parties produce net CO_2 emissions, pollute the environment or contribute to the loss of biodiversity. It is our goal to reduce any negative impact on people and the environment and increase our positive impact. Our strategy involves maintaining a dialogue with companies (engagement), actively using our right to vote, integrating environmental, social and governance aspects (ESG) in investment decisions, excluding specific practices and countries and impact investments.

Our significance

Broad financial and service provision allows us to support policyholders in word and deed. We take an engaged, honest and proactive approach to protecting the various interests at play. The value creation model we have adopted from the DELA Group shows how we use each of the six types of IIRC framework capital (financial, manufactured, intellectual, human, social & relationship and natural) to realise our goals. We also show the value we create with our core activities and the impact thereof. The various entities determine their own specific focal areas based on this model.

DELA

Input

Intellectual capital

DELA cooperative was founded in 1937 based on a belief in solidarity. We continue to follow this ethos today in order to ensure dignified and affordable funerals for all. We also offer peace of mind and support as we help people pass on memories, experiences and values.

- National coverage
- Reachable 24/7
- Protocols

Human capital

We offer the best possible personal care and attention, putting all our energy into finding the most fitting solution. Our core values are deeply rooted at the heart of our cooperative and underpin how we relate to each other and our members.

- 2,225 FTE
- Fitness budget €750 p.p
- Training budget €3.0 million

Social capital

The social capital is created by the cooperative. Together with our members we make choices about our products and business activities via a cooperative panel (approx. 2150 members) and elected members in the general meeting. Via the Voor Elkaar Holding we support new companies and initiatives involved in informal care and financial support. Together we are a strong collective that contributes to the general well-being.

- 5.5 million policyholders
- 3.3 million members
- Active member consultation
- 4 investments by VEH

Financial capital

We invest the premiums of our members in the long term. Together, members carry the burden of building buffers to benefit from risky investments and combatting inflation. The power of a large collective also allows us to reap procurement benefits.

- Invested capital €8.7 billion
- Premium income €713 million
- Gross turnover for funerals €384 million

Natural & produced capital

We use raw materials for our operations (offices, vehicles, etc.) and our products (caskets, printing, etc.) Our aim is to reduce their negative impact and convert into a positive one. We also stimulate increased cross-sector sustainability.

- 211 funeral centres
- 42 crematoriums
- Energy consumption of 51,550 MWh

Our value

Business activities

Insurance and funerals

Ambition

Using the power of solidarity to connect society and secure the continuity of the cooperative

Core values

- Engaged
- Inclusive
- Entrepreneurial

Goal

In 2030 our cooperative will have strengthened solidarity in society.

Trends

- Financial turbulence
- Globalisation
- Demographic developments
- Increased sustainablity
- Digitalisation
- Challenges on the labour market
- (new) legislation and regulations
- Changing preferences

Output + outcome

Supported policyholders and bereaved

DELA insures and arranges funerals, which is our core business. A good funeral insurance policy offers people peace of mind. And we do more: via our wide range of financial and practical services DELA supports members in word and deed in the Netherlands, Belgium and Germany.

- 53,707 funerals, 50,277 cremations
- Net policyholder increase of 51,7711
- Funeral market share of 19.2%

Valuable employer

Satisfied employees lead to satisfied members and vice versa. Working at DELA means working for a leading company. We provide flexible working conditions, offer space for innovative services, and support digitisation.

- Employee satisfaction (eNPS) 38
- Diversity: male 31% female 69%
- Absenteeism 6.9%

Valuable membership

DELA works with its members to realise their wishes related to funerals and saying goodbye. We do so by providing unique services in that field via solidarity-based financing and at low(er) prices.

- Customer satisfaction (NPS) 62
- Reputation score NL 72
- Reputation score BE 80%

Solidarity

Solidarity is always our starting point. DELA plays a connecting role in society, bringing young and old together. Our goal is to leave a better world for current and future generations.

- Solvency 208%
- Investment return 4.6%
- Profit sharing €249.2 million
- Average coverage ratio 251%
- Premium increase DUP 7.57%

Healthy living environment

We take responsibility for a livable environment. This should be visible to members and society as a whole. We are here for and actively support every individual.

- CO_2 emissions 35.3 kiloton
- 33% electric lease vehicles and 8 electric cremation furnaces
- 10th place VBDO benchmark

Our customers

As one of our primary stakeholders we offer policyholders financial security. Insurance is our core business. We are active in the Dutch, Belgian and German markets with insurance products.

Customer satisfaction and reputation

Providing high-quality services is vital to our operations. We measure customer satisfaction levels with our personal services at various times, and these measurements form the basis for guidance, learning and improvement in this area.

DELA Natura measures satisfaction levels using the Net Promotor Score (NPS), a common indicator that reveals the extent to which customers would recommend products and services to others. This showed that customer satisfaction is at a high level. The main positive feedback was the fast and adequate response and personal attention. Keeping up the knowledge levels of our employees and proactively keeping customers informed where possible remains important. In Germany, we were able to improve satisfaction among brokers by being more proactive and providing support services to this segment.

Customer satisfaction

Net Promotor Score, 12-month average, weighed by respondents.

	2023	2022
NPS		
Netherlands	43	45
Belgium	59	60
Germany	53	51
Total*	53	53

* NPS 2022 adjusted compared to previous publication due to the addition of NPS for 'MijnDELA

DELA Natura has a robust and strong reputation and our activities are partly focused on maintaining and strengthening this. The reputation is measured by the DELA Group and the results also apply for DELA Natura as we use the same brand name.

We have a good reputation, especially in the field of providing financial support. In Belgium, a strong content and PR plan contributed to the continued growth of our reputation.

Reputation score

	2023	difference	2022
Netherlands, Stakeholderwatch pulse			
Members	78	+1	77
Non-members	66	+6	60
Total	72	+6	66

Insurance

The size of our total portfolio, measured by the number of people insured, is a major spearhead for realising our ambitions. This year we saw solid growth with all three countries contributing.

The growth in Belgium exceeded our goal, partly due to an effective digital marketing strategy. The positive result was particularly caused by the continued development of the online request process with a focus on the family unit. We also worked on a new insurance proposition for the Belgian market that is expected to be implemented in 2025.

Number of policyholders per product at the end of the year and growth in reporting year

	2023	net growth	2022
Uitvaartplan (funeral insurance)	3,054,061	+27,757	3,026,304
Leefdoorplan (life insurance)	280,761	-5,097	285,858
Spaarplan (savings insurance)	53,157	-1,979	55,136
Yarden	908,593	-19,470	928,063
Total Netherlands	**4,296,572**	**+1,211**	**4,295,361**
			-
Uitvaartzorgplan (funeral insurance)	677,748	+34,062	643,686
Inactive portfolios (closed book)	272,540	-11,803	284,343
Total Belgium	**950,288**	**+22,259**	**928,029**
			-
Aktiv leben (life insurance)	103,366	+12,897	90,469
Sorgenfrei leben (funeral insurance)	65,549	+19,366	46,183
Inactive portfolios (closed book)	125,458	-3,962	129,420
Total Germany	**294,373**	**+28,301**	**266,072**
			-
Total	**5,541,233**	**+51,771**	**5,489,462**

The DELA Uitvaartplan in the Netherlands saw further growth. While the net growth was lower in 2023 than in previous years, we still exceeded our goal. The lower net growth is partially due to the high number of deaths. Extra marketing allowed us to realise further growth. In 2023, we determined a plan of approach for converting the Yarden package policies into a DELA Uitvaartplan policy. A pilot will start in 2024 to realize this plan.

While net growth in life insurance policies was negative in the Netherlands both the growth and losses were better than expected.

DELA Netherlands stops intermediary channel

In September we announced that we would be fully focusing on direct distribution, changing the cooperation with the intermediary channel. The goal of the strategic decision is to strengthen the relationship with policy holders and broaden our personal service provision. Opening new insurance policies via the intermediary channel is no longer possible, although we are continuing to provide services for the existing insurance policies entered into via intermediaries.

As a result of changes to the Dutch tax system (Box 3), the decision was taken to stop marketing activities related to our Spaarplan savings scheme. Its fixed interest rate of 2 percent has made it a less attractive savings product in fiscal terms.

In Germany we sell funeral insurance (Sorgenfrei Leben) and life insurance (Aktiv Leben). The funeral insurance covers funeral costs and does not involve a package policy. The portfolio has grown over recent years to almost 200,000 funeral policies, partly due to the acquisition of Monuta.

Although the German market for life insurance shrunk in 2023 and has yet to recover, we still have significant growth ambitions. Realising them will require a shift of focus to direct contact with customers, entering into various strategic partnerships to enable us to use new sales channels.

Our organisation

Employees are the driving force behind our organisation, vital to our service provision and societal significance. In the framework of good employer practice, we invest in people to ensure they are engaged, proud of their work and healthy, as well as having ample opportunities for personal development. At the end of 2023 DELA Natura had 715 employees (623 FTE). Committed, enterprising and acting with integrity, they work tirelessly to realise our mission in three countries. Our core values are deeply rooted at the heart of our organisation and underline our relationship with each other and with our stakeholders.

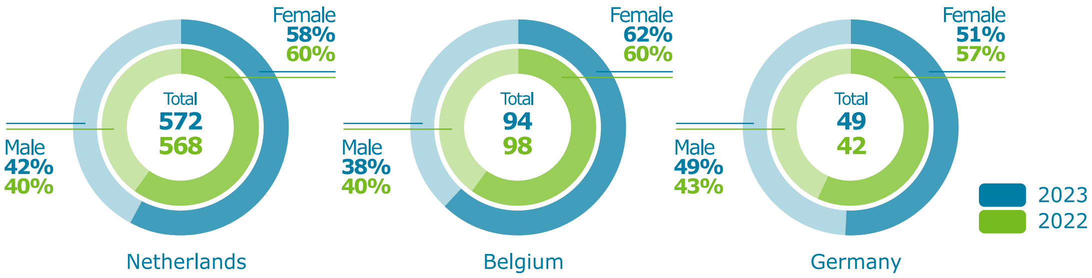
We use digitisation to bring people even closer together. One of our goals is to reduce our negative impact in terms of climate change by lowering our carbon footprint.

A number of adjustments were made in 2023 to enable us to do even more for our customers. Three innovation teams were set up In the Netherlands to offer new products and services. In Belgium we worked hard on having a more efficient and results-oriented collaboration between IT and the rest of the organisation. A number of departments have been reorganised in Germany, with the main goal being the integration of the German insurance portfolio (acquired in 2022) and its employees.

Our employees

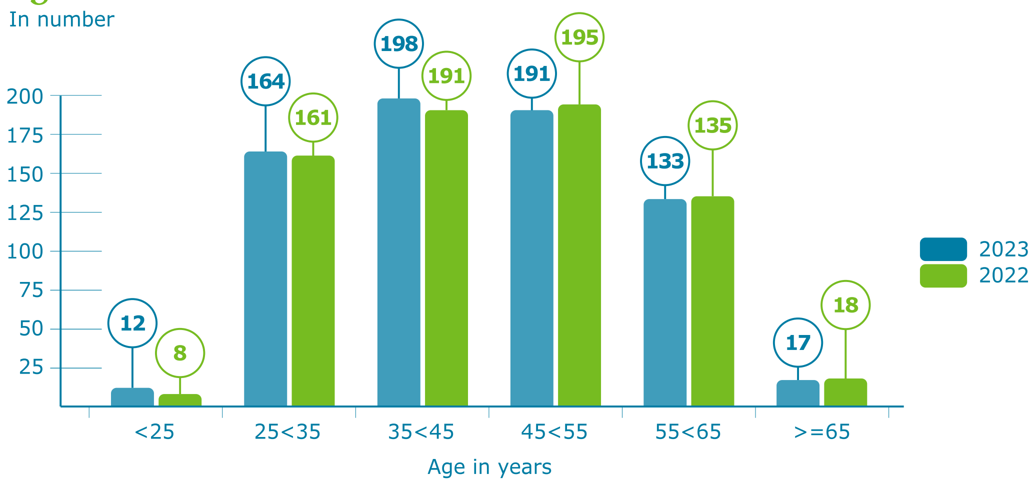
At DELA, we are committed to ensuring that our employee database reflects the full diversity of the society in which we operate, that everyone has equal opportunities and feels able to be themselves. When personnel changes occur, we always take increased diversity into account.

Number of employees



Age structure of staff

In number



Employees by country

Country	Number 2023	Number 2022	FTE 2023	FTE 2022
Netherlands	572	568	487	480
Belgium	94	98	92	94
Germany	49	42	45	38
Total	**715**	**708**	**623**	**612**

Employee satisfaction

DELA Group measures satisfaction levels among all our employees every year. In 2023, this survey was carried out via Effectory. The response rate in the Netherlands was 76 percent, which is virtually the same as last year, while no less than 84 percent of staff completed the survey in Belgium. The survey focused on various themes such as enthusiasm, employership, team leadership and social safety.

The solid foundation for good employership remained in 2023, as is shown by the fact that the eNPS scores were still above the benchmark. In the Netherlands this was +36.2 and in Belgium the score was the same as in 2022, namely +53. The survey was used in Germany for the first time and 84% of employees took part. In Germany, the methodology and scale differ from the measurements in the Netherlands and Belgium. The German employee satisfaction score of 8 is in line with the benchmark, which was 9 in 2023.

	2023	2022
Effectory eNPS		
Netherlands	36	44
Belgium	53	53
Germany	8	
Total	38	45

> The eNPS (employer Net Promoter Score) shows the extent to which employees recommend cooperative DELA to others as an employer. The score is determined by the percentage of promoters minus the percentage of detractors.

We have a strong company culture where employees see their work as meaningful and attach great importance to being customer-oriented. People enjoy working together, employees feel safe and the atmosphere at work is pleasant. Employees are proud of DELA and their jobs. We have detected a decline in employee satisfaction. Analysis shows that there are several areas of improvement. Firstly, we should optimise our communication about strategic changes to ensure employees are fully informed of the course of our organisation and feel more involved. We also aim to streamline our working processes to enhance efficiency and address the working pressure some employees experience. In addition, we understand the importance of a culture in which people are stimulated and facilitated to address each other about conduct, with respect for diversity and inclusion. Joint efforts in these areas will help strengthen our organisation and stimulate a positive and productive working environment where every employee feels at home.

An internal traineeship course has been launched to support a number of employees as they grow into managerial positions. There is a leadership programme in both the Netherlands and Belgium to promote a member- and result-oriented culture. Both countries also focus on talent development. Employees are stimulated to work on their own and team growth via personal development plans. DELA Germany will follow in 2024. The establishment of an Academy with training opportunities is aimed at boosting development especially in Belgium and in the Netherlands. In Germany our limited brand familiarity still plays a role in attracting new employees.

Diversity, equality and inclusion

We find it important that people feel welcome in our organisation as a customer, employee and supplier regardless of their background. We want to be there for and actively support everyone. In 2023 it was decided to address this theme under the auspices of the HR department, and a group-wide plan of approach was developed based on diversity, equality and inclusion for DELA as an employer. We are also starting a diversity assessment as a basis for follow-up actions.

DELA Natura has set the goal for all employees to remain physically and mentally healthy and capable of carrying out their work, both now and in the future. Absentee levels are high and the trend for an increase in long-term absence has continued. In addition, seasonal peaks due to flu-like illnesses pose another challenge in an already tight labour market.

Absence

Absenteeism over 2023 was 3.9 percent in the Netherlands (2022: 4.6 percent), 5.4 in Belgium (2022: 5.5 percent) and 6.7 percent in Germany (2022: 5.7 percent). These relatively high levels required extra efforts from our advisors (such as Health & Safety) and HR Business Partners. We successfully drew more attention to registering for a training course related to promoting and stimulating employees' self-management and health ('Eigen Regie en Duurzaam in Gesprek').

In the Netherlands efforts were also made related to the implementation of the Eligibility for Permanent Incapacity Benefit (Restrictions) Act (Wet Verbetering Poortwachter) in order to stimulate meetings between managers and employees.

Various initiatives have been started to further reduce absenteeism as quickly as possible, such as training sessions for ‘mental resilience’ and ‘safety at work’. The ‘vitality budget was regularly promoted and we will continue to focus on reintegrating employees who have been ill for a long time. It is sometimes difficult to find replacement tasks for employees who have been absent and cannot yet perform their own tasks. This especially applies if suitable tasks are unavailable, which causes further delays. Offering/taking up adapted activities ensures that employees retain the working rhythm that make further reintegration easier. We have created the programme Werkspot to link this supply and demand.

Staff turnover

The total turnover for the DELA Group over the past year was around 14 percent and this issue is a fixed agenda item for the various management teams. We have implemented a number of improvements to enhance the quality of the recruitment and selection process and recruit the right candidates for the job. Proper ‘onboarding’ and guidance of new staff on the work floor is another key aspect. In the Netherlands, the ‘labour market taskforce’ looked at how attractive our working conditions were. This led to the further development and approval of the mobility policy. We’re also aiming to increase the labour force potential in various ways, including by seeking out partnerships with sheltered employment organisations and schools, and we’ve introduced a new onboarding programme called ‘Warm Welcome Days’. This includes an online preboarding, a physical first introduction day at the head office and a return morning or afternoon at their DELA location. Practical tasks ensure that the new employees gain insight into the organisation, our goals and core values and, of course, their own tasks.
Additional focal points in the overall programme are managing one’s own development and being member-oriented. DELA Belgium and DELA Netherlands joined forces to address issues such as absenteeism, turnover and a tight labour market together.

Employer reputation survey

Both name familiarity and a good reputation are important in the recruitment process. These aspects were assessed in relation to DELA as an employer in the Netherlands with independent research bureau Motivaction. The results showed that DELA’s appeal as an employer had increased significantly over the past two years, with the labour market campaigns clearly having an effect. The reputation of DELA as an employer was enhanced on nine aspects including people-oriented culture, job safety and reliability/honesty. A point of attention was opportunities to grow within the company – although there, these need to be made more visible and aligned to other employers.

Role of the works council

DELA Netherlands and DELA Belgium each have their own works council at the DELA Group level that is actively involved in economic and social issues and provides advice on the desired business operations. The works councils represent all employees.

The Dutch works council gave advice on various topics in 2023. The organisational changes and set-up of innovation teams designed to offer added value to our members dominated the agenda. The works council also provided advice on the appointment of a new Executive Board chair due to the retirement of her predecessor in January 2024. Other subjects discussed by works council members included the 'Controlled Business' (Beheerst Ondernemen) programme and ending cooperation with the intermediary channel. They also debated the 'reporting suspected misconduct' scheme. In addition, the works council gave input on changes to the remuneration for travel expenses, a training course for new managers and changes to the available options for keeping employees mentally and physically fit. Finally, regular meetings were held about the quarterly figures, working conditions and pensions.

The meetings of the Belgian works council mainly focused on good employership and personnel policy. The tight labour market and societal developments demand a continuous effort in addressing changes, safeguarding the interests of staff and promoting a healthy and productive working environment. Other items discussed included absenteeism and turnover as well as the action plans based on the employee satisfaction survey. The works council also zoomed in on new legislation, including the implementation of flexible jobs, and how these developments could impact our organisation. New policy measures related to working from home, lease vehicles and availability were also on the agenda. The goal was to facilitate flexibility and mobility and stimulate a healthy work-life balance for employees.

Strong leadership
In September, the managers in Belgium attended the kick-off of a leadership programme aimed at promoting corporate culture and increasing organisational effectiveness and ownership.

Digitisation

Further progress was made during 2023 in the field of digitisation, including with a company-wide data platform. To promote efficiency and impact, we developed an IT shared services centre for our national organisations. We are also seeing rapid developments in information security which demand constant focus and awareness. This is stimulated via online courses and sharing experiences. In addition, we reviewed and enhanced the roles and rights within the information security framework. Developments with regard to artificial intelligence are rapidly progressing and we are continuously expanding our knowledge. At the same time, we've developed a policy to help employees deal with AI. We also faced targeted and random cyber-attacks on our IT infrastructure and we've started working with a specialised cyber security firm that constantly monitors the situation.
Digitisation is also being used to make our organisation and services future-proof. It is important that we choose the right priorities. One of these priorities is working on a group-wide financial administration system. Transferring to a new administration system is a multi-year project that affects the entire chain from our ledger to the invoicing system and our accountability and reporting.

One of these priorities remains the replacement of the administration systems for our insurance portfolio, initially for DELA Netherlands. This 'insuring the digital transition' dossier is a recurring item on the agenda of the Boards, and we worked hard during 2023 to take a next step in this major multi-year project. It has already had a significant impact on our existing capacity and comes with various challenges in the technical and change management fields. Implementing new systems and processes initially increases the complexity of our IT infrastructure and requires a thorough revision of work methods and employee engagement. It is crucial to ensure employees are well-prepared for these changes, build up knowledge and receive the support necessary for a smooth transition. We are being supported in this process by an implementation partner.

While this was all going on it has been essential to ensure that daily activities could continue without interruptions. Integrating this multi-year project in our regular activities carries a considerable risk for the continuity and efficiency of our operational processes. With this in mind we decided over the course of the year to improve internal control and focus more particularly on the specific needs and challenges of the project without disrupting current business. This decision improved control of the progress, reduced costs incurred by the project, and facilitated a more streamlined approach in its realisation. Eventually, this will all result in a successful implementation. We are proud that we were able to migrate a large part of our Dutch insurance portfolio during 2023 and the experiences gained will be used in the coming year as we convert the remainder of the insurance portfolio.

DELA Belgium also had a strong focus on creating a more manoeuvrable and result-oriented organisation in order to further optimise its personal service provision to customers. Important steps were taken to replace its CRM system.

In Germany, the year revolved around safeguarding the digital infrastructure to facilitate the existing service provision. It was also decided to adopt a new system that will, among other things, administrate the acquired German Moneta portfolio. A lot of work went into ensuring that this system can be implemented in 2024, with a significant focus on ease-of-use. The new system should also facilitate an optimal customer journey within the frameworks of the applicable legislation and regulations.

CO2 reduction

Recognising that this greenhouse gas makes a major contribution to global warming, we are aiming to reduce CO_2 emissions from our operations and services. Europe expressed its intention in the Paris Climate Agreement to achieve a 55 percent reduction by 2030 and be climate-neutral by 2050.
DELA Natura applies the policy of the DELA Group, looking to reduce its CO_2 footprint to zero faster, especially for scope 1 and 2. In 2024 we will further enrich our CO_2 goals and detail our net-zero plan to employ various measures.

We are confronted with various dilemmas in reducing the CO_2 emissions of scope 1 and 2, including overload of the electricity grid. Our service provision is sometimes hindered due to the limited capacity of the grid, and expanding our electricity connections isn't always feasible. This forces us to devise creative solutions to reduce our CO_2 emissions. A crucial part of our efforts is increasing knowledge about CO_2 reduction within the organisation. A combination of awareness and education is helping us involve all employees in reducing our environmental impact. In addition to new technologies, this involves compliance with guidelines such as saving energy.

CO2 calculation method explained

Since 2021 we have determined the CO_2 emissions of our own operations and for the products and services provided at the DELA Group level. In addition to direct emissions under scope 1 and 2, we also strive to gain the best possible insight into our scope 3 emissions (indirect CO_2 emissions caused by the activities of other parties up- and downstream in the chain). These indirect emissions have a considerable impact. The increasing transparency of and collaboration with suppliers means we expect to implement further refinement in determining our scope 3 emissions in the coming years.

The following items are included in the calculation:
Scope 1 (direct emissions):

- Natural gas and mazout (fuel oil) in buildings
- Lease vehicles and owned vehicles - petrol
- Lease vehicles and owned vehicles - diesel
- Leakage of refrigerants

Scope 2 (indirect emissions):

- Electricity in buildings and cremation furnaces
- Lease vehicles and owned vehicles - electric
- District heating

Scope 3 (indirect emissions, categorised in accordance with GHG protocol):

- Purchased goods and services: caskets, printing, paper, flowers, catering, tombstones, data centres
- Rented transportation: hearses and funeral vehicles in the Netherlands
- Business travel: travel by air, repatriation, public transport, use of private vehicle for business
- Employee commuting
- Visitor transport

The calculation is based as much as possible on actually measured consumption data, namely 66 percent of the data points. Substantiated estimates are used when this is unavailable.

CO2 emissions

Net, excluding investments

x 1 tonne	2023	difference	2022
Scope 1	10,261	+5,741	4,520
Scope 2	694	-1,478	2,172
Scope 3	24,332	+758	23,574
Total	35,287	+5,021	30,266
Netherlands	25,489	+3,419	22,070
Belgium	9,748	+1,618	8,130
Germany	50	-16	66
Total	35,287	+5,021	30,266

The CO_2 emissions of the DELA Group increased by 17 percent in 2023 compared to 2022. Explanations for this increase include the stricter regulations and requirements for CO_2 emission calculations. The electricity consumption (927,000 kWh) for charging lease vehicles was added to the calculation based on grey power as these often use external chargers (226 tonnes of CO_2) . In addition, the compensation item for the purchase of WNF Gold standard and forest-compensated natural gas can no longer be applied. This resulted in an increase of 5,589 tonnes of CO_2 in scope 1.

We have developed a climate transition plan to structurally reduce our CO_2 emissions that includes the projects for energy saving and increasing sustainability to structurally reduce our CO_2 emissions. Since 1 January 2023 the Netherlands purchases 100% Dutch wind energy for electricity, and a combination of Greenchoice forest-compensated and WNF Gold standard gas for natural gas, which reduces scope 2 emissions. In Belgium all electricity purchased will be green from 1 January 2024. Our lease policy in Belgium was adapted so that only electric lease vehicles could be ordered since 1 July 2023. The Netherlands will adopt this decision from January 2025 due to existing contractual obligations.

We are also focusing on indirect emissions related to our value chain (scope 3), especially on the products and services we purchase. To reduce emissions in this scope we implemented active strategies in relation to our suppliers, with a key strategy aimed at reducing their scope 1 & 2 CO_2 emissions. We support suppliers with enhancing their insights and stimulating plans for CO_2 reduction, for instance by optimising and electrifying their transport movements. We are also actively looking at their material use. Cooperation with suppliers is essential and we are encouraging them to make sustainable choices in their production processes.

Sustainable material use

While we do not produce any products ourselves, we do use materials in our service provision (raw materials and manufactured). We take our responsibility as an insurance company seriously by working with suppliers who share our sustainability goals.

Our strategy for increasing the sustainability of material use is based on several pillars. Firstly, we aim to only use what is absolutely necessary. This includes minimising the weight of products to reduce their ecological footprint. In addition, we aim to use recycled or biobased materials, reducing our dependency on raw materials. Another major aspect of our sustainability strategy is to minimise packaging and implement a return/recycling policy when a product's lifespan has been reached. These initiatives were designed to reduce the amount of residual waste and our negative impact on the environment.

The CSR procurement code, as published on the website, has a wide coverage and suppliers are asked to endorse this. In doing so suppliers commit to dealing with CSR focal areas in a constructive way, with specific reference to labour and human rights as included in the UN's Universal Declaration of Human Rights. Suppliers are also expected to demand the same from any subcontractors and make clear how important we find this issue. The CSR code is an intrinsic part of all agreements made with suppliers, although we have unfortunately seen that ongoing (local) contracts signed in the past may deviate from this code.

Increasing legislation and regulations also affect our procurement process. In 2023, we further optimised the contract/supplier management process; not just from a sustainability perspective (sustainable material use) but in a broader sphere. The so-called 'Supervisory-relevant Important or Critical Outsourcing Contracts' were all evaluated and updated, and any associated processes were adjusted accordingly. The purchasing department reinforced its position by taking on a clearer management and coaching role in 2023. We specifically focus on sustainable material use when entering into new contracts.

Our finances

DELA Group is focused on offering certainty, care and continuity rather than maximising profits. Our policyholders can look forward to the future with as few concerns as possible and a stable pay-out based on a premium that is kept as low as possible. We aim for an optimum balance between investments, profit sharing and solvency. Our financial position is exceptionally strong, allowing us to ensure a funeral policy that holds its value.

Income from premiums

After deduction of the reinsurance premium, the premium income was €712.7 million (2022: 669.0 million), a 7 percent rise compared to the previous year (2021: 13 percent).

In the Netherlands, the premium income dropped by €6.9 million to €480.7 million mainly because the savings product became less attractive for some customers due to new tax legislation related to Box 3. In Belgium the premium income was €161.9 million (2022: €146.1 million), an increase of over 11 percent thanks to a gradually growing portfolio. In Germany the premium income increased by €34.8 million to €70.1 million, mainly due to the Moneta portfolio acquired at the end of 2022.

Premium income after deduction of reinsurance premium.

Amounts x €1,000	2023	difference	2022
Netherlands	480,749	-6,860	487,609
Belgium	161,889	+15,800	146,089
Germany	70,063	+34,750	35,313
Total	**712,701**	**+43,690**	**669,011**

Operating result

The operating result is the result achieved from our core activities, not including exceptional income and expenses, profit sharing and taxes. The operating result of DELA Natura for 2023 amounts to €76.1 million, an increase of 5 percent compared to 2022 (€72.2 million).

Amounts x €1,000	2023	difference	2022
Premium income	712,701	7%	669,011
Interest accrued from technical provision	189,851	6%	178,841
Underwriting costs	-657,284	7%	-616,002
Technical margin	245,268	6%	231,850
Operating expenses	155,537	10%	141,906
Acquisition costs	13,622	-23%	17,746
Operating result	**76,108**	**5%**	**72,198**

Investment result and policy

The net investment return over 2023 was 4.6 percent (2022: minus 9.5 percent). Shares had a return of 14.3 percent and fixed-income securities were 7.2 percent. The return on investments in real estate was minus 7.9 percent. The return on infrastructure and agriculture & forestry was respectively 5.3 percent and 2.6 percent. The net investment result in 2023 amounted to €365 million (2022: a loss of almost €840 million).

The volatility in 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 rise in funeral costs. The nature of the insurance policies (in most cases paid out in the event of death) leads to long-term obligations. Investment results can fluctuate as this extended horizon requires an offensive strategy. By accepting a calculated risk in our investment strategy, we have been able to achieve the required results over the years. A consequence of this policy is that there are sometimes significant fluctuations in the value of our investment portfolio.

Sustainable investments

DELA takes the issue of social responsibility very seriously and that certainly extends to our investment policy. Legislation and regulations, social developments and the wishes of our members are taken fully into account. We also integrate climate scenarios in the periodic ALM studies to gain an insight into their impact on the long-term development of our assets.

While we obviously strive to achieve the best return on our investments, we also monitor the societal changes we can support with those investments. We believe that profitability and sustainability go hand in hand: businesses that focus on sustainability in their policy and management are often more stable and financially healthier with a better risk awareness.

It is our ambition to reduce the net CO_2 footprint of our investments by 50 percent in 2030 compared to 2019. We assess new initiatives and investment opportunities based on this goal and always consider how they might contribute. Determining and comparing CO_2 emissions is a challenge as data comes from various providers and external capital managers. Moreover, not all companies we invest in report on their CO_2 emissions.

The number of companies publishing non-financial data such as on emissions is growing, however. We are currently monitoring the supplied data, with the aim of using the same source as much as possible to enable accurate comparisons The CSRD legislation is expected to further improve the availability and quality of data. We are currently having discussions with our external capital managers to compile a unilateral report on non-financial data including CO_2 emissions.

Legislation and regulations serve as the foundation for sustainable investments. DELA Cooperative has followed the Principles for Responsible Investment (PRI) since 2015. Recognising that the DELA Group can further increase its impact by working with other major investors, we have an ongoing dialogue with various parties, including the Dutch Association of Insurers. DELA's investment policy also takes into account the standards of the United Nations, such as the Global Compact Principles and Guiding Principles, as well as the OESO guidelines for multinationals and the Sustainable Development Goals (SDGs). By endorsing standards like the Global Compact Principles and OESO guidelines, we expect the companies in which we invest to align their activities and strategies with ten universally accepted principles related to human rights, labour, the environment and anti-corruption.

To encourage energy efficiency in our real estate and infrastructure funds, we use the Global Real Estate Sustainability Benchmark (GRESB). This is an independent assessment of worldwide real estate funds and portfolios which compares sustainability performances. In our accounting we use the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD). Since 2022 DELA is also reporting based on the EU Taxonomy. Designed by the European Commission, the system makes clear which activities can be designated and labelled as sustainable.

Sanctions legislation has an impact on the investment portfolio. Companies and countries that violate international legislation, sanctions and guidelines in the field of sustainability are excluded. Nor do we invest in companies involved in the development, production or maintenance of a number of controversial weapons. We also exclude companies that generate a substantial part of their turnover from 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
- Recreational cannabis

We see sustainable investments as an essential topic in all decisions made. ESG is always immediately included in the selection and monitoring of asset managers as we believe it is extremely important that they are intrinsically motivated to include ESG in all aspects of the investment processes. We also have a number of general starting points for sustainable investments which reinforce the aspects we find most important. Various other instruments are deployed in this framework in addition to the aforementioned exclusion of companies and sectors.

Engagement

We maintain a dialogue with companies in which we invest in order to influence their approach to sustainability, stimulate the implementation of environmental improvements and mitigate sustainability risks. To realise our engagement and voting policy we work with a professional partner that was selected for having an approach and goals that are in line with our ambitions. This party helps us determine new engagement priorities on an annual basis, how to vote at annual general meetings of shareholders and ways to cooperate with other investors or stakeholders. These priorities are determined in close consultation with other clients.

By outsourcing engagement and proxy voting to a professional partner, invested capital from multiple (institutional) investors is combined. The larger collectively invested capital is then used in engagement initiatives. Joining forces means we can have an even greater impact, which in turn encourages companies to manage their operations in a responsible way on behalf of society and the environment.

Voting rights
We have our own voting policy which entails that we exercise our right to vote in as many shareholder meetings of the companies in our investment portfolio as possible. An active voting policy is part of the dialogue with these companies. We also enter into discussions with other major investors where we wish to see improvements in the field of ESG.

Sustainable investments
We make investments when we see opportunities in specific sustainable investments or funds.

Activities in 2023
In early 2023 we organised an inspiring round-table meeting on the subject of impact investing after a previous consultation of members indicated a desire to learn more about the subject. The participants gained various insights that contributed to a broader vision on the opportunities and challenges of impact investing. These include the importance of having a good definition of impact investing in order to make the right choices. Impact investing comprises three components: intention, return and measurability. A major challenge experienced when making impact investments is finding the right balance between financial return and social impact. Although Key Performance Indicators (KPIs) are useful, it is crucial to remember that the story behind the company and the performance in achieving goals really matter. This is why it is important not to get lost in indicators. The joint conclusion of the meeting was that cooperation is of the essence. By joining forces with investors, companies and social institutions, we can have a greater impact and help realise sustainable change.

Consultations also showed that members find it inappropriate to invest in the gambling industry, which is not in line with the societal impact we aim to have or the spearheads of VEH. In 2023 we therefore had various internal meetings to discuss this further, and eventually decided to add this sector to our exclusion list next year.

We also decided to start investing in forestry. The reason to expand our investment portfolio in this way is threefold: returns, diversification and sustainability. We initiated a selection trajectory in 2023 and selected a manager after an extensive due diligence process. The first investments in forestry are expected in early 2024.

As part of our (engagement) dialogue with companies we spoke with 380 businesses in the share and company bond portfolio in 2023. The main topics of discussion were climate change and corporate governance, and we achieved a desired result 114 times. We exercised our right to vote in 3,162 shareholder meetings and in 16 percent of cases voted against. This mainly involved issues such as administrative matters and remuneration. In late 2023 we had excluded 557 companies and 19 governments/countries.

DELA holds the tenth spot in the VBDO benchmark, which compares the sustainable investment policy of Dutch insurers. There are several focal points: the call to work with institutional investors, NGOs and governments is growing; developments are also progressing quickly, which requires broad knowledge acquisition; and the requirements regarding transparency and accounting are increasingly strict

Development of technical provisions

The technical provisions including a provision for profit-sharing and minus deferred acquisition costs and reinsurance increased by €489.7 million. The technical provisions on our balance sheet are based on fixed principles such as the actuarial interest. This is why the impact of higher or lower interest rates and/or inflation on the technical provisions is not visible on this balance sheet provision. On the basis of market value, the technical provisions increased by €539.3 million. This difference of €49.7 million is also shown in the reduction of the surplus value of the liability adequacy test on the technical provisions.

Coverage ratio

The coverage ratio represents the market value of the investments in percentages of the market value of the guaranteed liabilities and depends on factors such as interest rates, mortality and costs. The coverage ratio at the start of the year under review was 234 percent and ended at 219 percent.

In 2023 we saw a slight fall in interest rates compared to the significant increases in 2022. This resulted in a 19 percentage point reduction of the coverage ratio in 2023. Higher expected future costs led to a decrease of 6 percentage points. Developments in the insurance portfolios and lower inf lation each resulted in an increase of the coverage ratio by 4 percentage points and the investment results led to a 3 percentage point increase. The average coverage ratio during 2023 was 251 percent (2022: 195 percent).

Coverage developments in %-points:

	Start of year	Dampening effect	Enhancing effect	Year-end
Start of year	**234%**			
Lower interest rate		-19%		
Increase in expected costs		-6%		
		-25%		
Developments in insurance portfolio			4%	
Decreased inflation			4%	
Investment result			3%	
Other factors			0%	
			11%	
Year-end				**219%**

The average coverage ratio during 2023 was 251 percent. This high ratio led to a high profit share.

Stable pay- out for funerals

The average coverage ratio in a year (partly) determines the profit distribution scheme for the following year for all such products in the Netherlands, Belgium and Germany.

We aim to offer members an inflation-proof funeral. 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 a back-service. In principle, therefore, an increase in funeral costs leads to a higher percentage increase in the premium, one which we strive to limit using profit distribution.

The amount being shared depends on inflation: the higher the inflation rate, the higher the back-service and the greater profit we aim to share in principle. There are certain limitations to the extent to which profit distribution can be used in a year, one of which is determined by the average coverage ratio over the past 12 months. If the average coverage ratio is 210 percent or higher, the profit will be distributed. A coverage ratio 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 rate drops below 1 percent and the coverage ratio is lower than 120 percent, a premium measure (additional premium increase) will be applied.

Profit sharing

In 2023 profit sharing was determined at €249.2 million (2022: €43.7 million). Funeral costs rose by 6.62 percent as the increased price inflation was higher than usual. The average coverage ratio was high, which enabled us to realise a profit share of 83 percent to DELA UitvaartPlan policyholders in the Netherlands. Profit sharing was also high for policyholders of the funeral product in Belgium. All in all, the result was a historically high profit share for our policyholders.

Amounts x €1,000	2023	2022	2021	2020	2019
Granted	249,224	43,654	5,940	42,994	42,323

DELA has awarded profit sharing worth €574 million in total over the past ten years.

Premium adjustment

Around 55 percent of insurance customers have the DELA UitvaartPlan. The premium increase for the UitvaartPlan in the Netherlands on 1 January 2024 was 7.57 percent (1 January 2023: 2.96 percent). In principle this was based on three factors, namely inflation, profit sharing and the premium measure. Here we explain how these factors have contributed to the rise:

- **6,62% Increase related to rising funeral costs.**
  This component of the premium change is determined annually by the general meeting. The expected inflation rate for the following year determines the proposal for the premium increase as of 1 January. The expected inflation was 6.62 percent and this was the figure proposed to and adopted by the general meeting as the component for the premium adjustment on 1 January 2024.

- **0,95% Increase related to not fully awarding the profit share for the coverage of the back-service.**
  The total premium for the back-service is 5.56 percent, 83 percent of which is allocated as a profit-sharing percentage. The other 17 percent needs to be covered by policyholders.
- **Increase related to the premium measure as a result of a structurally low interest rate and low coverage ratio.**
  A premium measure didn't apply as the average coverage ratio was above 120 percent in 2022.

Solvency ratio

DELA Natura determines its solvency in accordance with the Solvency II capital regime, hence the name Solvency-II ratio. This involves European calculation rules 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.

The solvency ratio has decreased from 221 percent to 207 percent at the end of the year and is still considered robust.

Due to developments in investment returns, the asset mix, interest rates, inf lation and volatilities, the Solvency II ratio decreased by 7 percentage points, while lower expected future funeral cost inflation compared to the price inflation resulted in a decrease of 9 percentage points. A change in the premium measure policy as adopted by the general meeting of DELA cooperative resulted in an increase of the ratio by 9 percentage points. Other developments, such as a depreciation of the deferred tax assets and higher future costs, led to a decrease of 7 percentage points.

The development of the solvency ratio in % points:

	Start of year	Dampening effect	Enhancing effect	Year-end
Start of year	**221%**			
Adjustment of economic parameters (interest rates, inflation, volatility), asset mix, investment results		-7%		
Lower expected funeral cost inflation		-9%		
Other developments		-7%		
		-23%		
Adjustment of premium measure policy			9%	
			9%	
Year-end				**207%**

Our governance

Corporate governance involves due diligence, proper supervision and transparent accountability. Solidarity and the long-term interests of our customers are central to all we do. The associated risks are carefully monitored and opportunities identified. DELA's strength lies in its cooperative structure, entrepreneurship and the resilience to address risks and make the most of opportunities. This strength is based on our mission, core values and assets, high-quality and honest business and the principles of a learning organisation.

Corporate governance

Governance charter

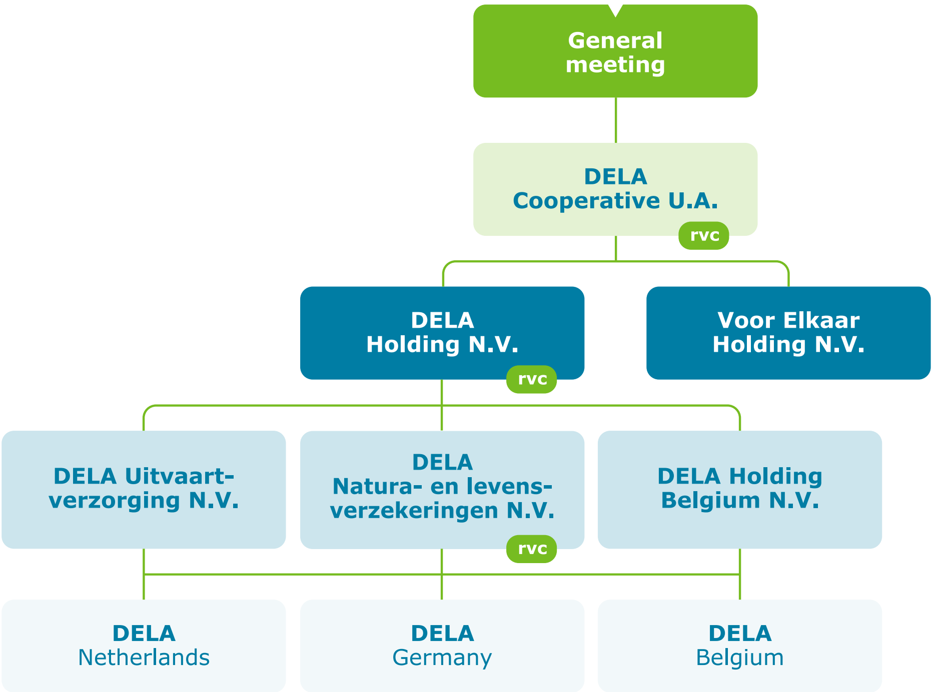
The governance structure is detailed in a governance charter.

This ensures that we comply with decrees and regulations based on European legislation such as Solvency II, the General Data Protection Regulation, the Digital Operational Resilience Act (DORA) and the Corporate Sustainability Reporting Directive (CSRD), along with national legislation and regulations like the Dutch Financial Supervision Act, policy regulations and best practices from regulators and the Code of Conduct for Insurers. Our company culture is another major component herein.

Our governance charter is evaluated on an annual basis and was last adapted at the end of 2022.

Legal structure

DELA Coöperatie U.A. (hereafter: 'DELA cooperative') is a cooperative for members with the following purposes:
- supporting members in word and deed by serving the interests of its members;
- ensuring policyholders and co-insured a dignified and affordable funeral;
- promoting the reputation of the life insurance market and the funeral sector.



This is a simplified representation of the legal structure of DELA Group, including its main activities.

DELA Cooperative includes DELA Holding NV and Voor Elkaar Holding NV. The Board members of the cooperative are also the Board members of these two entities.

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

DELA Natura accommodates all Dutch, Belgian and German insurance activities. The Belgian and German activities are carried out via a branch office of the Dutch insurance company.

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, in the authorisation regulations for the relevant company segment and in the Chamber of Commerce registrations.

Permits and supervision

DELA Natura is supervised by The Netherlands Authority for Financial Markets (AFM) and Dutch central bank (DNB), and is registered under licence number 12000437. The Chamber of Commerce registration number of DELA Natura is 17078393.

DELA Belgium carries out insurance activities which are accommodated by the Dutch company DELA Natura, and funeral activities that are part of Belgian companies. Other activities in Belgium take place within the entity DELA Enterprises NV. The insurance activities are carried out under the licence issued by DNB and prudential supervision activities are also overseen in Belgium by DNB. With regard to the supervision of conduct, DELA Belgium is accountable to the Belgian Financial Services and Markets Authority (FSMA).

The insurance activities in Germany take place via a branch office in Düsseldorf (article 2:115 Dutch Financial Supervision Act), with an emphasis on marketing and sales. Other financial and actuarial activities are carried out at the head office of DELA Natura in Eindhoven. The insurance activities and prudential supervision in Germany come under the license issued by DNB with supervision of conduct provided by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin).

Supervisory Board

The Supervisory Board consists of at least five and at most seven natural persons as determined by this Board. If possible, two members will also be (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 members are appointed by the general meeting based on the suggestion of the Supervisory Board of DELA cooperative.

The tasks and duties of the Supervisory Board include overseeing, monitoring and providing advice to the Management Board on:
- realisation of the goals of the company;
- 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, regulations and the risk policy.

In addition, it is responsible for:
- compliance with and enforcement of the corporate governance structure;
- approving and adopting the financial statements, budget and material capital investments;
- selecting and appointing the external accountant and auditor;
- approving the risk tolerance;
- determining the remuneration policy.

The Supervisory Board evaluates the remuneration policy and the functioning of the Management Board. The chair is the point of contact for any alleged irregularities regarding the functioning of Management Board members.

In fulfilling its duties, Supervisory Board members focus on the interests of the company and its associated companies. They carefully consider the interests of the various stakeholders of the company in doing so, 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. They serve as a supplement to the regulations and guidelines that apply to the Supervisory Board based on Dutch legislation and the company's statutes.

Appointment and term

Each Supervisory Board member is appointed for a period of up to four years and can be re-appointed twice. The final four-year term will consist of two two-year periods with an interim evaluation. A member will step down at the latest after the first general meeting of shareholders held after four years have passed since their last appointment. A member who is stepping down can be reappointed immediately, insofar as the maximum term of 12 years is not exceeded.

Committees

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

Participations
The members of the DELA Supervisory Board are also appointed as Supervisory Board members for DELA Holding NV and DELA cooperative. The establishment of a Supervisory Board for DELA Natura was compulsory to meet the requirements of the Dutch Financial Supervision Act.

Personal details of the Supervisory Board

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

J.W.Th. (John) van der Steen (1954), chair
Male, Dutch citizen. Appointed in 2019, currently serving second term. Function: professional supervisor, DGA Ansteen Holding BV. Other additional functions: chair of Supervisory Board of BinckBank NV, chair of Supervisory Board of Princess Sportsgear & Traveller BV, member of the Executive Board of Stadhold (Randstad) Insurances SA and Stadhold Reinsurances SA, member of Executive Board of Vereniging AEGON, Ambassador for Royal Concertgebouw Orchestra.

J.J.A. (Hans) Leenaars RA (1952), vice-chair
Male, Dutch citizen. Appointed in 2015. Currently in third term. Position: professional supervisor. Additional functions: 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.

G.C.A.M. (Frits) van Bree RA (1952), secretary
Male, Dutch citizen. Appointed in 2021 by members of the general meeting, currently in first term. Position: professional supervisor. Additional functions: council member of Vereniging Eigen Huis.

W.A.P.J. (Willemien) Caderius van Veen RA (1959)
Female, Dutch citizen. Appointed in 2014 and now in third term. Position: professional supervisor, DGA Caadje BV. Additional functions: member of Supervisory Board of Unilever Nederland Holdings BV, chair of the Review Committee Pensioenfonds Lloyds Register Nederland, member of Supervisory Board of Woningcorporatie Trivire, member of Supervisory Board of Ondernemingspensioenfonds Capgemini, member of Supervisory Board of the Dutch foundation for liver and gastrointestinal research (SLO) at EMC Rotterdam, Executive Board member of STOER foundation in Rotterdam.

G.M. (Georgette) Fijneman (1966)
Female, Dutch citizen. Appointed in 2022, currently in first term. Position: chair of Executive Board of health insurance company Zilveren Kruis. Additional functions: vice-chair of Zorgverzekeraars Nederland, Executive Board member of Kansfonds.

G.H.C. (Georges) de Méris FCA (1961)
Male, Dutch citizen. Appointed in 2019 by members of the general meeting, currently serving second term. Position: independent consultant and professional supervisor. Additional functions: chair of Executive Board of Stichting AK Stop Diabetes Invest, member of Supervisory Board of Omroep Brabant, chair of Supervisory Board of Hy2Care BV, chair of Supervisory Board of Caelus BV, chair of Supervisory Board of Matisse BV, board member at Stichting SFO.

Management Board

DELA Natura has a Management Board which consists of a number of natural persons. With the exception of limitations indicated in the statutes, the Management Board manages the company and its capital. The Management Board can determine which special tasks will be assigned to which of its members. The task distribution must be approved by the Supervisory Board.

Personal details of the Management Board

DELA Holding NV, represented by S.M.G. (Sandra) Schellekens – Lyppens (1965), director
Female, Dutch citizen. Position in the DELA Group: CEO, chair of Executive Board (since 27 January 2024). Focal areas: strategy, internationalisation, general policy and DELA Belgium. Also Managing Director of DELA Netherlands since 27 January 2024. Appointment period: four years, starting on 27 January 2024. Additional functions: Supervisory director at Rabobank Regio Eindhoven and ZLM Verzekeringen.

Ir. J.A.M. (Jack) van der Putten MMO (1959), director
Male, Dutch citizen. Position in the DELA Group: CCO, deputy chair of Executive Board (since 2010). Focal areas: strategy, membership, customer strategy and Voor Elkaar Holding. Also Director of DELA Netherlands (since 2010). Appointment period: indefinite. Additional functions chair of Stichting Onbeperkt Genieten.

J.L.R. (Jon) van Dijk RA (1957), director
Male, Dutch citizen. Position in the DELA Group: CFRO, member of Executive Board (since 2014). Focal areas: strategy, finance, risk management, tax and DELA Germany. Appointment period: indefinite. Additional function: board member Stichting Derdengelden Muntenburg Advocatuur.

Investments

The investment activities are run from the Netherlands. DELA Natura has an investment advisory committee (BAC) which has an advisory and evaluating role to the Management 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 Management Board, the Management Board must report this to the Supervisory Board. The investment advisory committee has an explicit advisory role and evaluates whether proposals are consistent, comprehensive and sound with regard to return, risk and sustainability. The Management 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 Management Board.

Acting with integrity

We find it important to have a consistently professional and well-balanced business with appropriate checks and balances within the right culture. The culture is characterised by the values of engagement, integrity and entrepreneurship. The Management Board is responsible for ensuring adequate guarantees with regards to ethical business operations.

An important part of our integrity policy is to ensure that every employee acts with integrity, which means being respectful, transparent and reliable.

To further define the term, a code of conduct was published for employees in the Netherlands which includes the underlying rules employees should follow to enhance their integrity on various focal areas. The rules are set out on issues such as conflicts of interest and corruption, undesirable behaviour, reporting malpractices, unauthorised competition and private investment transactions. The code of conduct and underlying rules are based on Dutch legislation and regulations. DELA Belgium has an integrity code with underlying rules which are focused specifically on the Belgian situation and market, including legislation. DELA Germany has written a handbook related to acting with integrity based on the Dutch code of conduct and in accordance with German legislation.

Another important aspect of acting with integrity is that employees can report misconduct (anonymously if desired) to all managers, our confidential committee or the chairman of DELA, after which the issue is investigated further. Specifically for Belgium, a legal obligation for companies with over 250 staff was implemented in February 2023 to establish an internal reporting channel where whistleblowers can report misconduct. This channel protects the identity of the person and any third parties involved, employing dedicated Whistleblower software: a user-friendly application that enables the secure exchange of information with maximum respect for privacy. Misconduct can be reported by (former) employees, but also by volunteers, managers, independent service providers, suppliers and subcontractors. External parties can submit a report via our website www.dela.be. Reports are always followed up by an independent party.

In addition, we believe that acting with integrity includes paying our suppliers in good time. In the Netherlands we therefore apply a standard payment term of 30 days for paying invoices, and a 60-day term in Belgium. The average payment term in 2023 was 28 and 38 days respectively, complying with our policy. In return, we expect our suppliers to act with integrity too. Periodical due diligence research is carried out for new partnerships and existing contracts to see if there is (any suspicion of) misconduct, corruption or non-payment by suppliers down the chain.

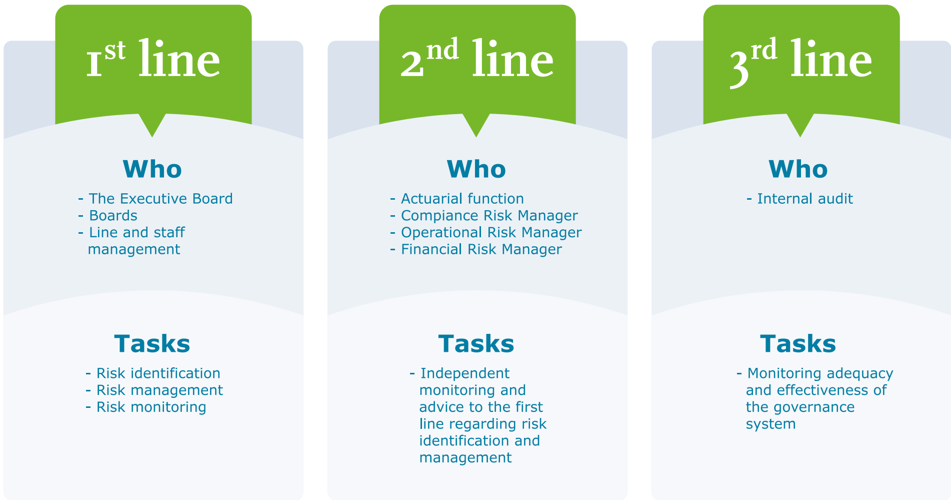
Risk management

Risk management makes a direct contribution to long-term goals and provides an insight into the sensitivities and correlations of strategic, financial, operational and compliance risks to ensure that we can effectively address developments and take timely action to realise our goals and secure continuity of the organisation.

In practice

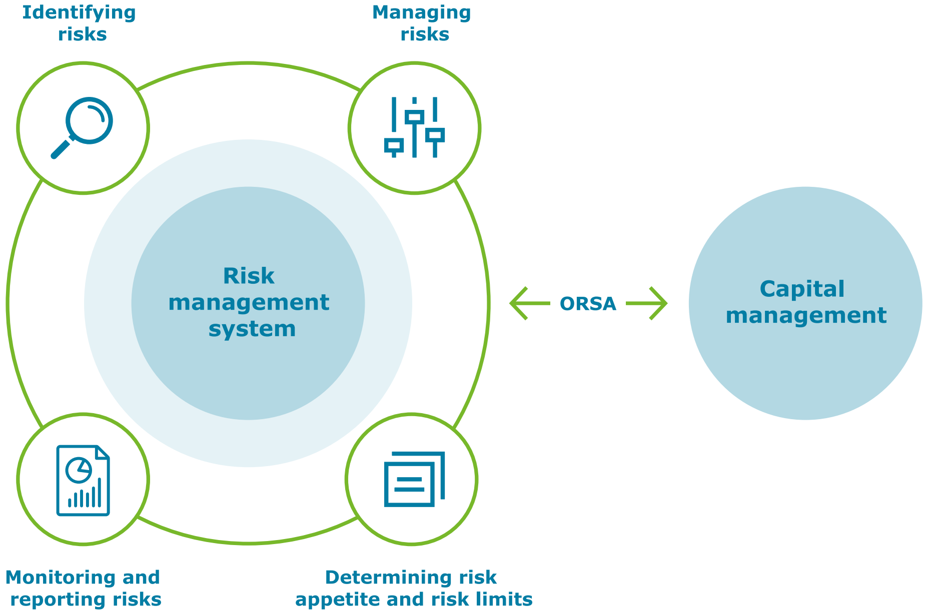
DELA applies the ‘three lines of defence’ model for the setup of the management and control of risks:
- The first line is primarily responsible for realising the formulated goals of the company and the demonstrable realisation of internal control measures and effective risk management. Responsibilities 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 assurance 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. The overview below shows a schematic representation of the model.



Process

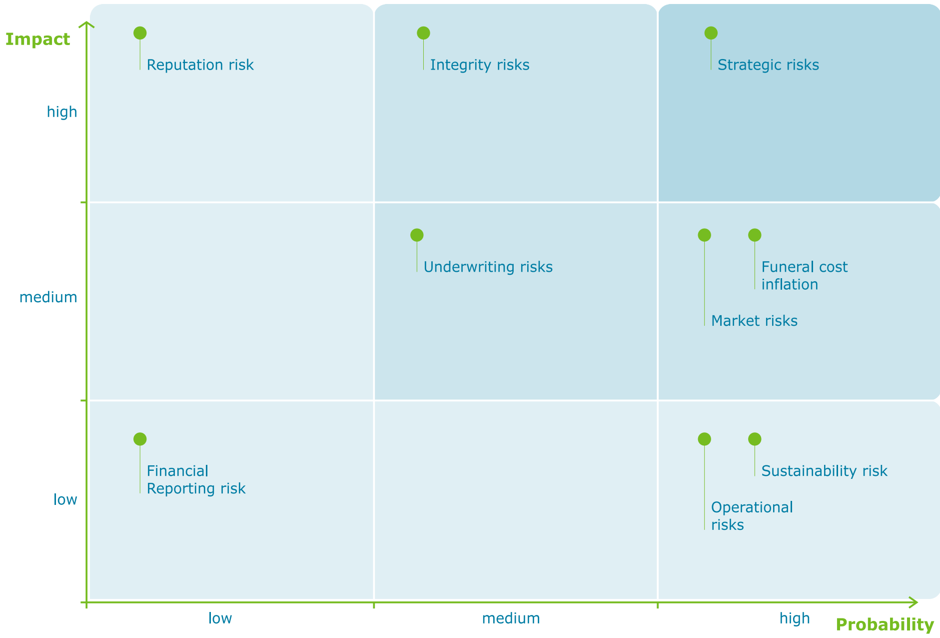
We follow a process for risk management that ensures an insight into the main risks and opportunities in all circumstances. Opportunities, risks and applicable control measures are always carefully weighed. The risk management process is continuous as summarised in the following figure.



Identifying risks

Risk identification 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 second and third line.

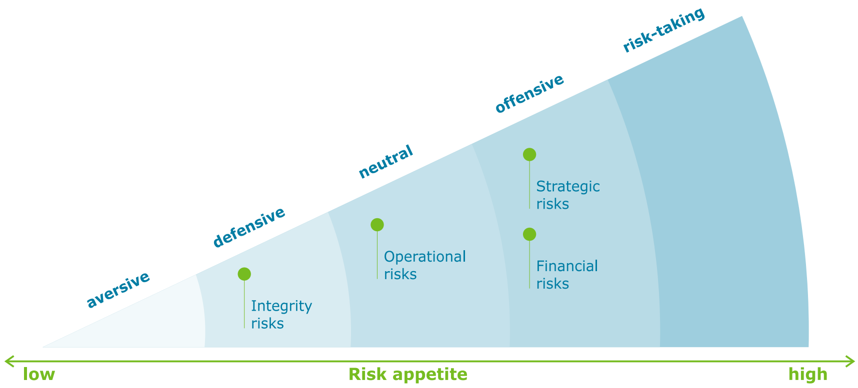
Below is a summarised risk profile for DELA Natura. Further details of the risk categories included can be found in the risk section of the financial statements.



The figure above shows which risks are deemed important or less important. The overview is based on an estimate of the chance that a specific risk might occur combined with an estimate of the impact if that should be the case, taking into account the measures needed to limit the chance and/or impact.

Determining risk appetite and limits

The Management Board evaluates the risk profile every year based on predetermined operational goals and the capacity of the company. In addition, the Board determines the risks DELA as an organisation 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. The risk appetite consists of the risk appetite statements and the declarations on quality and quantity. These are translated into risk limits and risk tolerances to enable continuous monitoring and control. The table below shows the risk appetite for the main risk categories, with financial risks at the aggregated level.



With regards to strategic and financial risks, we are willing to accept uncertainty – as part of our business model – even when the potential benefits are uncertain. We apply a defensive attitude for integrity risks and aim to run few risks in this area. Our appetite for operational risks falls in between the two.

A detailed explanation of the risk categories we apply and the underlying risks is included in the financial statements.

Managing risks

Risk mitigation solutions are applied to ensure the risks remain within the desired bandwidths. 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 greater than desired – management will take additional mitigation measures. The deliberate breach of risk limits is only allowed with approval from the Board, and only when of a temporary nature. The risk appetite statements were evaluated and optimised in late 2023, including changes to the thresholds. Our risk appetite regarding these risks did not change in 2023.

Monitoring and reporting

Monitoring and evaluating risks and the risk management system are important preconditions for the type of learning organisation that we aim to be.

In assessing a risk an evaluation is made of whether it remains 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 Management Board.

Management periodically participates in a Risk Control Self Assessment (RCSA) process which results in a Control Statement (ICS). In addition, the Internal Audit department evaluates the setup and effectiveness of the risk management system.

Own Risk and Solvency Assesment

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

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

The results of the ORSA 2023 show that DELA's solvency position is robust. The coverage ratio remained high throughout 2023. Policyholders can therefore expect a significant profit share depending on their type of policy, while premium increases remain limited.

We have no influence on interest rates or inflation curves, but can have some impact on the level of funeral costs. The ORSA 2023 has again shown that scenarios with low funeral cost inflation (combined with low interest rates) can put pressure on the solvency and/or premium increase.

Capital management

Capital policy is aimed at maintaining a solid solvency position, in which we are constantly looking for a good balance between the amount of capital (assets) we maintain and the risks we face. In this framework, we have defined a minimum normative value of solvency which we always aim to exceed. The capital policy defines various actions should the solvency ratio drop below the benchmark. The benchmark for each licensed entity (DELA Cooperative and DELA Natura) has been established at 150 percent.

The solvency ratio was constantly higher than the solvency benchmark during 2023.

For more details on risks and how they are managed please refer to the financial statements: 'Consolidated financial statements', 'Notes on the consolidated balance sheet and income statement', '4. Risk'.

Developments in 2023

While their management is a continuous process, risks do sometimes occur nonetheless. In this section we examine the risks faced in 2023 and the measures taken to minimise the chance and/or impact thereof. We also present some of the general measures taken to limit risks during the report year.

Financial risks

The financial markets are a source of risk. Interest rate developments not only affected the solvency position and coverage ratio, but also the results of our investment portfolio. Various steps to reduce this impact in the future were taken in 2023, such as extending the duration of the government bond portfolio and applying the premium measure. The increased interest rate also leads to refinancing risks in the real asset portfolio. This risk is mitigated in a number of ways, including by applying investment restrictions related to loan capital in these funds and thorough monitoring. In addition, we increased the diversification of our portfolio in 2023, including making investments in other types of real assets, and we continued to phase out the Dutch retail real estate portfolio.

A major risk-mitigating measure for the financial risks involves the premium measure. Applicable to all those holding a Dutch DELA Uitvaartplan policy, this measure enables us to adjust the premium when the coverage ratio and interest rates are especially low. As the premium measure helps protect DELA's solvency when interest rates are low, it also allows us to increase our focus on the long term.

A further clarification on the development of the financial risks (including the associated quantification) is included in the risk section of the financial statements.

Horizonal monitoring covenant

Control of various aspects of the tax risks in the Netherlands has been reinforced. As a result, we signed a three-year covenant with the Dutch tax authorities for 'ongoing horizontal monitoring' (Doorontwikkeld Horizontaal Toezicht) in late 2023. Based on this covenant, tax issues are discussed with the tax office in advance.

Operational risks

Operational risks are caused by external influences, human error and the failure of processes and systems. Despite clear processes, responsibilities and reporting, these risks can never be fully excluded and it is important to learn from the past to prevent repeats in the future. The nature and scope of these incidents is very diverse and varies from several (attempted) cases of fraud and cyber-attacks to operational incidents at our locations.

All these incidents have been assessed and, where necessary, extra measures taken such as improving instructions and/or tightening up protocols.

Internal control

To enhance internal control and reduce operational and compliance risks, we started the 'Controlled Business' programme in 2023. This is aimed at improving the maturity of risk management of operational and compliance risks. In 2023 we mainly focused on the field of process management and the development of universally applicable templates. In 2024 we will be focusing on further implementation.

Data management
Having and using reliable data is crucial to a good-quality service provision. Unreliable data can lead to customers receiving incorrect information as well as operational issues and erroneous (financial) decision-making.

In 2023 we took some significant steps in the field of data management including spreading it across the three country organisations for the first time to generate greater synergies. We were also able to safeguard and significantly enhance the quality of data migration. Sharing data in a new way guarantees that our information supply will continue to be stable and reliable in the future. In addition, a large number of colleagues participated in the DELA Data Academy, and we worked closely with educational institutes and companies. This enabled us to take on a societal role in the field of data management and learn from the experiences of other organisations.

Digital transition
IT systems that are not future-proof are a major risk that could endanger the continuity of the company and the quality of our service provision to customers. We are active in (preparing) the replacement of various IT systems. The administrative systems for the country organisations are replaced or further optimised via a project-based approach.

Integrity risks
Not complying with legislation and regulations is a risk that can harm our continuity and reputation. There were no serious incidents in this field in 2023. To further manage such risks we worked hard on professionalising the procurement and outsourcing policy, having compliance with the applicable sanctions legislation and regulations as a precondition. In addition, we found options for improvement in how we handle the limited risk of conflicts of interest in sponsor agreements. These improvements will be implemented in 2024.

Strategic risks
Stress tests show that while our solvency position is robust, we are sensitive to scenarios with a low interest rate and low inflation. Preparatory measures are taken or different choices made where necessary. The main preconditions and measures are developed in the capital policy, which is evaluated annually. The risks are therefore considered limited and no additional capital has to be set aside. Stress tests were also performed with a focus on the impact of climate change. The conclusion to date is that our financial position is only slightly financially susceptible to this risk based on the current expectations.

Strategically, there were also developments related to possible adjustments to the strategy, and the impact of changes to the management team in 2024. These risks were inventoried and measures will be taken where necessary to limit them.

Our future

It is crucial to look ahead and anticipate future developments. Doing so enables us to realise our ambitions, maintain our strategic direction and remain sufficiently flexible to adapt to changing circumstances. In looking ahead, we provide guidance to our stakeholders and insight into our long-term vision. This vision is aimed at growth and a strengthening of customer relationships as we retain our identity.

Growth and development are vital for every part of DELA. Rather than being a goal in itself, growth offers the solid financial foundation that is essential for our continuity. Solvency must be maintained, including with the help of an offensive investment policy, cost control and risk management. Good employership, asound reputation, a focus on sustainability and a future-proof IT infrastructure are preconditions for success.

Growth

Our goal is to achieve a net increase in the number of insurance policies.

It is not so common to have funeral insurance in Belgium as it is in the Netherlands. The insurance portfolio in Belgium is also relatively new and our aim is to profile the brand in a way that emphasises DELA's solidarity.

We also have major growth ambitions for the insurance portfolio in Germany. Our aim here is to increase name familiarity among consumers, brokers and partners, positioning DELA as an expert in aftercare services ('Hinterbliebenenvorsorge'). Eventually we aim to become *the* digital insurer in the country.

Intensifying customer relations

We must constantly assess our products and services, with special innovation teams playing an important role. We are keen to find ways of meaning even more to customers both now and in the future as well as from a company-wide perspective that includes all divisions. With a constant eye on customer satisfaction, we are always looking for new ways to give further depth and meaning to our core values. Enhancing customer satisfaction is ultimately key in this process.

In Germany we are strengthening our current connection to brokers by supporting them with their communications and knowledge transfer via extra product information and webinars.

Preconditions for success
Our service provision demands a firm digital foundation to optimally support personal choices while retaining our efficiency and manoeuvrability. In the 'digital finance' programme, we are replacing financial applications across the group with future-proof solutions. In the Netherlands we are converting insurance policies (among other things) into a new administrative system in the 'Digital Transition Insurance' project. DELA Belgium uses the group (IT) infrastructure as much as possible. Germany will be migrating its entire insurance administration to a new system in 2024. At the same time, we are keeping all IT systems updated and secure.

We are also further optimising our processes and risk management, focusing on the availability and continuity of the parts that are essential for our core activities. We will generate greater synergies between our activities in the Netherlands, Belgium and Germany, allowing us to benefit from best practices and strengthen our local presence while keeping costs under control.

Increasing the sustainability of our activities will remain an important aspect herein. We are already working in a socially responsible way with a focus on climate change, sustainable material use and the social role we have within society. Under CSRD we will accelerate the sustainability of our activities. We will be using a CSR roadmap to realise our goals in the field of CO_2 reduction, the use of sustainable materials, inclusivity as an employer and sustainable investments. We also aim to further integrate sustainability within all our processes and decision-making, reducing our impact on the environment and making a positive contribution to society.

We will keep in mind the well-being of our employees by investing in working conditions and development opportunities. Increasing flexibility is crucial in order to address the tight labour market and ensure employee retention. The learning and performance programme is result-oriented and stimulates knowledge and experience sharing. We encourage our staff to give their best every day via team and personal development plans that include a dedicated portfolio of courses and workshops. We will also continue efforts to reduce work stress. Simplifying daily activities – the transition to decentralised reservations being a good example – will enhance efficiency, while promoting the importance of existing processes and protocols will safeguard the quality of our services and reduce the pressure on individual employees.

Last but not least
Various changes to the Management Board are expected in 2024 due to retirement and these will be carefully realised to ensure continuity.

Dynamic times require us to be resilient and determined in order to stay relevant to our customers. We can only achieve this by anticipating changing needs and market conditions while staying loyal to our core values and our goal for excellence in our service provision. With a clear ambition and course and engaged and skilled employees, this robust organisation has complete confidence in the future.

Eindhoven, 26 april 2024

The Management Board
S.M.G. (Sandra) Schellekens – Lyppens, namens DELA Holding N.V.
J.A.M. (Jack) van der Putten, director
J.L.R. (Jon) van Dijk, director

Supervisory Board report

Supervisory Board report

Dear shareholders and other stakeholders, dear reader,

The Supervisory Board of DELA Natura en levensverzekeringen NV presents the annual report for 2023, which includes statements from the Management Board and Supervisory Board as well as the financial statements. The statement from the Management Board was drawn up by the Board and discussed with the Supervisory Board. The financial statements were audited by the external accountant and approved in the audit statement. The Supervisory Board approves the financial statements.

The meetings of the Supervisory Board of DELA Natura generally take place at the same time as the meetings of the DELA Group Supervisory Board. This report is therefore just a summary of the spearheads and other focal areas that specifically applied to DELA Natura in 2023. The various dialogues are also outlined along with the efforts made in relation to the ongoing education of board members.

The spearheads in 2023

The Supervisory Board supervises the general policy of DELA and its associated companies in the Netherlands, Belgium and Germany. The year 2023 mainly revolved around the changes to the Management Board. We also explored in detail possible dilemmas in the further determination of the strategy and the related investments. The Management Board implemented the multi-year strategy with conviction and resilience. Developments in relation to the 'Controlled Business' programme and the digital transition of the insurance company were closely monitored by the Supervisory Board. In addition, we ensured that key steps were taken in terms of sustainability and the further implementation of the CSRD. One other regular topic on the agenda was the capital management result.

Changes to the composition of the Management Board

The Supervisory Board started planning the process regarding changes to the Management Board as early as 2021.With several impending retirements on the horizon, the Supervisory Board carefully anticipated these developments in order to safeguard knowledge and experience. After thorough research in 2022, the Supervisory Board looked at the management structure and the ideal personnel for its composition. This preliminary research showed that Ms Schellekens was a suitable internal candidate and she was approached by the Supervisory Board at the end of 2022 to consider becoming chair of the Executive Board of the DELA Group. She was appointed Executive Board chair in a special general meeting of DELA cooperative on 9 September 2023, effective on 27 January 2024. From this date, she also joined the Management Board of the company on behalf of DELA Holding NV. Another member of the Management Board will be reaching the age of retirement in 2024 and the Supervisory Board started the related succession process in 2023.

Strategy

The Supervisory Board was well briefed on the company's strategy, course and goals throughout 2023. The innovation teams introduced in the summer were discussed in detail by the Supervisory Board and we provided the Management Board with related advice.

Digital transition and controlled business

In 2023, the Supervisory Board also had an ongoing dialogue with the Management Board about the digital transition of the insurer and the 'Controlled Business' programme which is aimed at consolidating internal control. The Supervisory Board monitored these issues closely due to their impact on the continuity and solidarity of the cooperative, and regularly requested more in-depth information via presentations.

The Supervisory Board also provided advice in this framework where necessary. We see the establishment of the controlled business programme as a major step and a sign that significant progress was made in 2023. And while the digital transition is yet to be completed and will run until 2025, major advances were made in this area too.

Risk management

Risk management has been under increased scrutiny from the supervisors for years. Moreover, it is essential to ensure that ambitions are met and the course taken is a success. The Supervisory Board received regular updates from the Executive Board about risks related to the company's activities, the tight labour market, and its impact on employees, employee satisfaction, developments related to turnover and costs, the (financial and non-financial) reporting process and compliance with legislation and regulations. Additional focal points for the Supervisory Board on which it consulted with the Management Board involved compliance with sanctions legislation, outsourcing policy, information security policy, investments, and the set-up and functioning of the internal risk management and control systems. The Supervisory Board believes there is sufficient resilience in place to face a wide range of scenarios.

In addition, the Supervisory Board determined and adopted that the capital allocation, investment policy, cash and cash equivalents position were in line with the risk appetite on a strategic level. The risk appetite was also discussed with the Management Board and then readopted.

Other focal points

The Supervisory Board was also briefed by the Management Board on developments within the framework of the Corporate Sustainability Reporting Directive (CSRD) and its impact on DELA's reporting and accountability. Major steps were taken in this regard in 2023, including a further enhancement of the materiality analysis at the group level. The Supervisory Board expressed its wish to receive regular updates on the subject in 2024.

There is a rotation obligation for accountancy firms based on a European regulation which states that organisations are allowed to work with the same accountancy firm for ten years. With the term for DELA's current accountant coming to an end in 2024, the Supervisory Board determined clear selection criteria and a clear audit assignment, after which a new accountant was appointed for the 2025 financial year following a meticulous selection process.

Dialogue

During the reporting year the Supervisory Board supervised and advised the Management Board in eight meetings. In 2023, the attendance of Ms Caderius van Veen was 87.5 percent as she missed one meeting. Mr Van der Steen missed two meetings and had an attendance rate of 75 percent. Attendance was 100 percent for the other Supervisory Board members.

The chairs of the individual committees report on what was discussed in committee meetings during the meetings of the Supervisory Board. Every Supervisory Board meeting starts with a preliminary discussion. The Supervisory Board formally assesses its own functioning once a year, with an external assessment taking place every three years.

Audit committee – focal points in 2023
The audit committee prepares the supervision of the Supervisory Board with regard to the functioning of the internal risk management and control systems, compliance with recommendations and the follow-up of the internal audit function and external accountant, the financing of the companies and the financial reporting.

As in previous years, in 2023 the audit committee discussed the annual report of DELA Natura and prepared them for the Supervisory Board. They were also extensively evaluated with the external accountant. Other topics discussed in the audit committee included the progress report for the Audit Plan and the Audit Report from the Internal Audit department. Preparations for the change of accountant for book year 2025 were also discussed in detail by the audit committee.

The main subjects discussed with the external accountant included the management letter, engagement letter, Solvency II Longform report 2022 and the plan of approach for the annual audit.

The audit committee meetings focused on the monthly and quarterly accounting reports, the quality of which was deemed to have improved. In addition, the audit committee discussed several times whether a transfer could be made to reporting on Solvency II principles in the financial statements with regard to the technical provisions. There are still too many objections in the short term due to the number of changes required and the associated administrative load. Further research on this subject will be carried out in the coming book year.

Several presentations took place related to the 'Controlled Business' programme, which were attended together with the risk committee.

The audit committee met five times in 2023, with an extra meeting required to deal with the management letter from the external accountant. The attendance of each member was 100 percent.

Risk committee – focal points in 2023
The risk committee prepares the Supervisory Board's supervision of the functioning of the internal risk management and control systems, including supervision of compliance with the relevant laws and regulations and applicable codes of conduct, the set-up and effectiveness of the internal risk management system, and the management of the cooperative's financial and non-financial risks.

In 2023 the risk committee discussed issues such as the functioning and quarterly reports of second-line functions (actuarial, operational, financial and compliance) and the risk management policy. The developments in capital management and investment policy were also discussed on many occasions, especially in relation to geopolitical unrest such as the wars in Ukraine and Gaza and the rise in inflation, all of which had a major impact on the investment results.

In addition, the risk committee discussed the SFCR DELA 2022 and in November 2023 carefully prepared the ORSA annual reports (static and dynamic) for approval by the Supervisory Board.

The risk appetite statements of DELA Group mention a greater focus on sustainability risks. The statements were enhanced in various ways.

Other important items on the agenda of the risk committee included the organic analysis and various studies by DNB in the field of outsourcing, the Sanctions Act and information security. The committee also had to pay considerable attention to digitisation within the insurance chain.

The risk committee met four times in 2023, and the attendance of each member was 100 percent.

Remuneration and appointment committee – focal points in 2023
The remuneration and appointment committee prepares the decisions of the Supervisory Board related to the employer role, such as the assessment and remuneration of the Supervisory Board and Management Board. The committee monitors the developments of key positions and forms an opinion about the organisational culture.

In 2023 the committee focused on the personnel succession and the approach taken related to the future composition of the Management Board. A thorough analysis of the management and key functions, including possible development trajectories, was discussed several times, including a focus on the development potential from within the organisation.

The committee will remain responsible for the progress of the remuneration policy via evaluation and risk analyses. The committee is provided with overviews of the progress with regards to the education of the Supervisory Board, Management Board and second line. It also monitors the additional functions held by this specific group.

There were three formal meetings of the remuneration and appointment committee in 2023 and the committee members had a 100 percent attendance.

Changes to the Supervisory Board

In the general meeting of DELA cooperative of 28 January 2023, Mr G.H.C. (Georges) de Méris was reappointed as a Supervisory Board member for a period of four years – his second four-year term. In the meeting of 13 May 2023, Mr J.W.T. (John) van der Steen was reappointed to a second four-year term as chair. In the same meeting Mr J.J.A. (Hans) Leenaars was reappointed as vice-chair for a period of two years, which can be extended by a final term of two years after an evaluation. All three appointments were approved by DNB. These new appointments mean the Supervisory Board is now comprised of two women and four men, which is in line with the diversity standard of at least 30 percent women and men.

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 Management 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. This evaluation took place from December 2022 to February 2023 with an external advisor. Various points of interest were discussed including the way agenda items are determined and dealt with in the meetings. Suggestions for improvement were made to make the meetings more efficient. The reference framework of the evaluation is shaped by various codes of conduct as well as 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. 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.

Permanent education The members of the Supervisory Board held two internal education sessions in 2023 aimed at updating and increasing their expertise where necessary. At a session on 23 June DELA Natura's data manager provided detailed clarification of issues such as the data management strategy, data governance, data architecture, quality and legislation. The second session on 10 November focused on how the dedicated innovation and operational teams work together to realise customer needs. Both sessions were found to be highly valuable and have resulted in useful insights. In addition, Supervisory Board members attended various DELA-wide educational sessions, including in the field of sustainability. They did so partly due to the increased focus on the subject and the related requirements in legislation and regulations.

Proposal to the general meeting of shareholders

In accordance with the statutes, the Supervisory Board has processed the annual report and financial statements of DELA Natura- en levensverzekeringen NV and approved the supplemented data. The Supervisory Board discussed the documents with the Management Board, the internal accountant and the external accountant Deloitte, and was informed about Deloitte's intention to issue an unqualified auditor's report on the 2023 financial statements of DELA Natura- en levensverzekeringen NV. The Supervisory Board proposes that the general meeting adopt the 2023 financial statements of DELA Natura- en levensverzekeringen NV and grant the members of the Management 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

A special word of gratitude to Edzo Doeve who has retired after 20 years of tireless service. The Supervisory Board also thanks all DELA employees for their hard work and dedication over the past year.

Eindhoven, 26 april 2024

DELA Natura- en Levensverzekeringen N.V.
The Supervisory Board
J.W.T. (John) van der Steen, chair
J.J.A. (Hans) Leenaars, vice-chair
G.C.A.M. (Frits) van Bree, secretary
W.A.P.J. (Willemien) Caderius van Veen
G.M. (Georgette) Fijneman
G.H.C. (Georges) de Méris

Financial statements

Company-only financial statements on 31 december 2023

Assets, after result appropriation

Amounts x €1,000	Ref.	31-12-2023		31-12-2022	
Intangible fixed assets	4.1		**65,565**		**47,726**
Investments	4.2				
Real estate:					
- For own use		-		-	
- Other real estate	4.2.1	-		24,791	
Investments in group companies and participations:	4.2.2				
- Participations in group companies	4.2.2.1	1,379,365		1,367,179	
- Loans to and claims on group companies	4.2.2.2	279,353		210,904	
Other financial investments:	4.2.3				
- Shares and other variable-yield securities		1,916,560		1,764,933	
- Bonds and other fixed interest securities		2,357,683		2,147,344	
- Derivatives		14,093		63,021	
- Receivables from mortgage loans		966		1,015	
- Receivables from other loans		159,923		221,795	
- Real estate funds		1,239,888		1,309,118	
- Infrastructure funds		980,188		900,576	
- Agricultural and forestry funds		250,547		103,686	
- Mortgage funds		389,016		298,979	
- Investments in cash and cash equivalents		60,578		62,644	
- Other financial investments		24,617		7,078	
			9,052,777		**8,483,063**
Receivables	4.3				
Receivables from direct insurance	4.3.1	-279		-251	
Other receivables	4.3.2	158,018		179,277	
			157,739		**179,026**
Other assets					
Tangible fixed assets	4.4	473		461	
Cash and cash equivalents	4.5	82,583		80,694	
			83,056		**81,155**
Accrued assets	4.6		**2,792**		**5,635**
TOTAL ASSETS			**9,361,929**		**8,796,605**

Liabilities, after result appropriation

Amounts x €1,000	Ref.	31-12-2023		31-12-2022	
Equity capital	4.7				
Paid-up and called-up issued capital	4.7.1	2,950		2,950	
share premium	4.7.2	74,889		74,889	
Revaluation reserve	4.7.3	376,082		412,184	
Legal and statutory reserves	4.7.4	28,766		27,693	
Other reserves	4.7.5	427,525		403,894	
			910,212		**921,610**
Technical provisions	4.8				
Gross technical provisions		8,035,628		7,557,016	
Reinsurance share technical provisions		-14,228		-25,281	
			8,021,400		**7,531,735**
Provisions	4.9		**17,483**		**6,526**
Deposit reinsurers	4.10		**6,939**		**18,462**
Long-term liabilities	4.11				
Liabilities from direct insurance		119,087		109,213	
Other liabilities		273,267		187,401	
			392,354		**296,614**
Accrued liabilities	4.12		**13,541**		**21,658**
Total liabilities			**9,361,929**		**8,796,605**

DELA

Company-only income statement for 2023

Technical account

Amounts x €1,000	Ref.		2023		2022
Premiums earned on own account	5.1				
Gross premium		723,277		678,000	
Outward reinsurance premiums		-10,576		-8,989	
			712,701		**669,011**
Investment income	5.2				
Income from participations		-49,814		137,066	
Income from other investments		224,891		233,449	
Realised profit on investments		320,925		570,282	
			496,002		**940,797**
Unrealised profit from investments	5.2		**292,566**		**-**
Net claims incurred	5.3				
Gross		-423,633		-315,147	
Reinsurer share		16,123		5,287	
			-407,510		**-309,860**
Change to technical provision own account	4.8				
Gross		-238,722		-307,793	
Reinsurer share		-11,053		1,651	
			-249,775		**-306,142**
Profit sharing and discounts			**-249,224**		**-43,654**
Operating costs					
Acquisition costs	5.4	-78,284		-70,674	
Management and personnel costs and depreciations	5.5	-88,817		-86,944	
			-167,101		**-157,618**
Investment costs	5.2				
Management costs and interest charges		-29,253		-24,831	
Realised loss on investments		-394,211		-775,478	
			-423,464		**-800,309**
Unrealised loss from investments	5.2		**-**		**-919,516**
Result on investment not attributed to non-technical account			**-35,210**		**102,998**
Result technical account			**-31,015**		**-824,293**

Non-technical account

Amounts x €1,000	Ref.	2023	2022
Result technical account		-31,015	-824,293
Allocated result from investments transferred from technical account		35,210	-102,998
Other income	5.6	-	15,180
Other expenses	5.6	-1,379	-3,108
Result from ordinary operations before tax		2,816	-915,219
Taxes result from ordinary activities	5.7	-14,215	243,200
Result from ordinary activities after taxes		-11,399	-672,019

1. General notes

1.1 Activities

The activities of DELA Natura- en levensverzekeringen N.V. ('DELA Natura'), with its statutory office in Eindhoven, Oude Stadsgracht 1, CoC number 17078393 involve insurance and investments. The insurance products are funeral insurance, life insurance and savings plans. The insurance activities take place in the Netherlands, Belgium and Germany. Investment activities are managed centrally from the Netherlands.

1.2 Related parties

Related parties are all legal persons over which a company has decisive control, joint control or significant influence. This includes legal persons that have a controlling interest. The statutory Executive Board members, other key officials in the management of DELA Natura and close affiliates are also considered related parties. The other group companies in the DELA Coöperatie UA group, of which DELA Natura is a part, are also designated as related parties.

Significant transactions with related parties are disclosed insofar as they did not apply under normal market conditions. Details related to the nature and scope of the transactions and other information required to provide insight will be provided. With regard to deaths reported to DELA Natura or its subsidiaries, the subsequent arrangements are in principle in the hands of DELA Uitvaartverzorging NV or its subsidiaries. Any costs are charged at regular transfer prices. The subsidiary DELA Crematoria Group BV also rents out crematoriums and funeral centres to DELA Uitvaartverzorging NV at market rates. In addition, DELA Natura has a current account relationship with DELA Holding NV.

1.3 Acquisitions and disposals of group companies

The results and identifiable assets and liabilities of the acquired company are included in the consolidated financial statements from the acquisition date. The acquisition date is the moment that decisive control is gained over the acquired company.

The historical cost consists of the monetary amount or equivalent that was agreed on for the acquisition of the acquired company plus any directly attributable costs. If the historical cost differs from the net amount of fair value of the identifiable assets and liabilities, the difference is considered as goodwill.

The companies included in the consolidation scope will remain in the consolidation until the decisive control is transferred and the company is only being held for onward sale.

1.4 Consolidated figures

DELA Natura- en levensverzekeringen NV uses the exemption for consolidation in accordance with Article 2:408 DCC (consolidation exemption for parts of groups). This is because the financial data the legal entity would have to consolidate is included in the consolidated financial statements of DELA Coöperatie UA. The financial statements, including the consolidated figures of DELA Coöperatie UA, are available from the Chamber of Commerce.

1.5 Cashflow overview

DELA Natura uses the exemption in RJ 360. This states that a medium or large-sized legal entity should draw up a cashflow overview unless the capital of said legal entity is directly or indirectly provided by another legal entity which draws up an equivalent cashflow overview that is included in the consolidated financial statements deposited at the trade register in the Netherlands. The financial statements, including the consolidated figures of DELA Coöperatie UA, are available via the Chamber of Commerce.

1.6 Estimates

To apply the principles and rules for drawing up the financial statements, management must form an opinion itself on various matters and make estimates that may be essential to the figures included in the financial statements. If required in order to provide the insight as intended by Article 2:362 section 1 DCC, the nature of these opinions and estimates, including the associated suppositions, is included in the notes related to the relevant items. Although these estimates have been made by management to the best of their knowledge, the actual results may ultimately differ.

The main estimates relate to:

- the valuation of investments: real estate, real estate funds, infrastructure funds, agricultural and forestry funds and private equity firms (see also section 4.2);
- the applied principle for the technical provisions (see also section 2.12);
- the value of the non-technical provisions (see also section 2.13).

1.7 Drawing up and confirmation of the financial statement

DELA Natura- en levensverzekeringen NV uses the exemption for consolidation in accordance with Article 2:408 DCC (consolidation exemption for parts of groups). The financial data of the company and its subsidiaries are included in the consolidated financial statements of DELA Coöperatie UA.

The financial statements for 2023 were adopted by the Executive Board on 26 April 2024 and are due at the time of publication to be adopted in the general meeting of 25 May 2024. The financial statements for 2022 were adopted at the general meeting of 13 May 2023.

1.8 Comparative figures

Comparative figures are based on the figures adopted in the financial statements of 2022.

2. Principles for valuation and determination of results

2.1 General

The financial statements were drawn up in accordance with the statutory demands of Title 9 Book 2 DCC and the Dutch Accounting Standards for Annual Reporting (RJ), including the RJ605 applicable to insurers.

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 occur. 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 statements were drawn up.

2.2 Foreign currency

2.2.1 Functional currency

The items in the financial statements of the group companies are valued in compliance with the currency of the economic environment in which the group companies carry out the majority of their activities (the functional currency). The euro is the functional and performance currency of DELA Natura.

2.2.2 Conversion of foreign currency

Transactions in foreign currencies during the reporting period are processed in the financial statements at the exchange rate on the transaction date. Assets and liabilities in foreign currency that are valued at their current value are converted at the exchange rate on the balance sheet date. Exchange rate differences that occur in the settlement of monetary items are processed in the income statements for the period in which they occur.

Assets valued in foreign currency at the historical cost are converted at the exchange rate (or the approximate exchange rate) on the transaction date.

2.3 Reinsurance contracts

DELA Natura is compensated for losses on issued insurance contracts by contracts made with reinsurers.

Reinsurance premiums, provisions and payments as well as technical provisions for reinsurance contracts are accounted for in the same way as the direct insurance to which the reinsurance applies. The share of reinsurers in the technical provision to which DELA Natura is entitled as a result of its reinsurance contracts is subtracted from the gross technical provision. Short-term receivables from reinsurers are included under Receivables.

The valuation of amounts due from or payable to reinsurers takes place in accordance with the conditions of the reinsurance contracts. The obligations related to reinsurance mainly involve future premiums.

Receivables due to reinsurance contracts are assessed on the balance sheet date for any impairments.

2.4 Intangible fixed assets

The intangible fixed assets are valued at the amount of the incurred costs, minus the cumulative depreciations and, where applicable, impairments. The economic useful lives and depreciation method are reassessed at the end of the book year and the depreciation terms are reviewed if any significant changes are detected. A statutory reserve is established for the costs of internal development, equivalent to the value of the capitalised amount.

See section 2.8 to determine whether an impairment applies to an intangible fixed asset.

2.4.1 Goodwill

Any paid goodwill for acquisitions is valued at fair value at the time of acquisition. This value is determined based on the sum that would have been paid between independent parties who are well-informed and willing to make the relevant transaction. The goodwill is depreciated linearly based on the expected economic useful life, which is assessed annually. The current expected useful life of various goodwill positions is between 20 and 30 years.

2.4.2 Acquired insurance portfolioss

The future cashflows from acquired insurance portfolios are valued at fair value determined at the time of acquisition. This value is determined based on the sum that would have been paid between independent parties who are well-informed and willing to make the relevant transaction, and it is depreciated linearly based on the expected economic useful life, which is assessed annually. The current expected useful life for acquired insurance portfolios is 20 years, calculated from the acquisition date.

2.4.3 Concessions and permits

Costs of concessions and permits are valued at the historical cost, and depreciated linearly over the expected future period of use with a maximum of 20 years.

2.5 Investments

The principle for valuation and result determination per investment category is described below. The majority of the investments are valued at the fair value. Any further clarification of the fair value required is provided in section 4 in the notes on the balance item. 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.

2.5.1 Real estate

Real estate is valued at the fair value on the balance sheet date. The fair value is based on the valuation by an external appraiser.

2.5.2 Participations

Participations in which a significant influence applies are valued in accordance with the net asset value method. A legal presumption of significant influence occurs when 20 percent or more of the votes can be cast.

The net asset value method is calculated in accordance with the principles that apply to these financial statements; for participations for which insufficient data is available to change these principles, the valuation principles of the relevant participation are applied.

A participation that is valued as negative in accordance with the net asset value method is valued at nil. If and insofar as DELA Natura is partially or fully responsible for the debts of the participation, a provision will be made. The initial valuation of participations is based on fair value of the identifiable assets and liabilities at the time of acquisition. From then on, the principles related to these financial statements apply, based on the value at initial valuation.

Participations without significant influence are valued at the historical cost. If a sustainable devaluation applies, valuation is at this lower value. Devaluation is charged to the income statement.

The liabilities from participations included under financial fixed assets are stated at the fair value of the provided amount, which is normally the nominal value, minus any provisions deemed necessary.

2.5.3 Shares and other variable-yield securities

Shares are stated at fair value based on official listings in the financial markets. Value changes are accounted for directly in the income statement.

2.5.4 Bonds and other fixed-interest securities

Bonds are stated at fair value based on official listings in the financial markets.

2.5.5 Receivables from mortgage loans

Receivables from mortgage loans are valued at the amortised cost price. The direct costs related to the provision of a mortgage loan are included as acquisition costs. They are part of the amortised cost price and are capitalised on the balance sheet. An assessment will be made on the balance sheet date as to whether there are objective observations for the impairment of the receivables resulting from mortgage loans. The loss is accounted for in the income statements if this proves to be the case.

2.5.6 Derivatives

DELA Natura has forward exchange contracts which are stated at fair value. In addition, DELA Natura has a convertible loan, which consists of a loan and a call option. Upon valuation, the call option is separated from the loan and individually valued at fair value. Profit and loss from the revaluation into fair value on the balance sheet date is immediately processed in the income statement. This involves all non-listed items which are valued based on financial models – the 'mark-to-model' method. Any derived financial instruments with a negative value are categorised on the balance sheet under short-term debts.

2.5.7 Receivables from other loans

The investments in company loans are stated at fair value. Other loans with a fixed interest are valued at amortised cost price minus a provision for doubtful debts.

2.5.8 Real estate funds, infrastructure funds, and agriculture and forestry funds

Participations in real estate funds, infrastructure funds and agriculture & forestry funds are stated at fair value. This item includes investments without frequent market quotation. Section 4.2 provides further clarification of the valuation method. Value changes are accounted for directly in the income statement. In addition, a revaluation reserve is established for the unrealised value increase.

2.5.9 Mortgage funds

Participations in mortgage funds are stated at fair value. This item includes investments without frequent market quotation. Section 4.2 provides further clarification of the valuation method. Value changes are accounted for directly in the income statement.

2.5.10 Investments in cash and cash equivalents

Investments in cash and cash equivalents are stated at fair value, which equals the nominal value.

2.5.11 Other financial investments

Other financial investments are stated at fair value. This item includes investments without a frequent market listing. Section 5.2 provides further clarification of the valuation method. Value changes are accounted for directly in the income statement. In addition, a revaluation reserve is established for any unrealised value increase.

2.5.12 Investment results

The items from the income statement below comprise the total investment results.

2.5.12.1 Investment income

Investment income includes:
- rental income from investments in real estate;
- dividends from participations;
- dividends from shares;
- interest on investments in fixed-interest securities;
- profit from the sale of investments

Interest charges are processed evenly over time, taking into account the effective interest rate of the relevant liabilities. Transaction costs on the received loans are taken into account when processing interest charges.

2.5.12.2 Unrealised results on investments

The unrealised results derive from value changes to securities and real estate.

2.5.12.3 Management costs and interest charges

The management costs and interest charges include:
- management costs of investments in real estate;
- management and depository costs of shares and bonds;
- interest expenses.

2.5.12.4 Realised loss on investments

Realised losses on financial instruments which are valued at market value are processed in the income statement.

2.6 Receivables

The receivables are initially processed at fair value, then valued at the amortised cost price. Any provisions deemed necessary for possible losses due to doubtful debts are subtracted. These provisions are determined based on an individual assessment of the receivables.

Deferred tax assets are included for any temporary differences between the value of the assets and the liabilities in accordance with the tax regulations on the one hand and the valuation principles used in these financial statements on the other. The deferred tax assets are calculated based on the tax rates applicable at the end of the reporting year or the rates that will apply in the coming years, insofar as these have been legally established.

2.7 Tangible fixed assets

The tangible fixed assets (including inventories and vehicles) are included at the historical cost minus depreciations based on the expected lifespan, taking any residual value into account. Depreciation occurs linearly, under the following depreciation terms:
- Inventory: 10 years
- Cars: 5 years
- Laptops: 4 years

2.8 Impairments of fixed assets

DELA Natura assesses on the balance sheet date whether there are any indications that a fixed asset is subject to impairments. If so, the realisable value of the individual asset is determined. Should it not be possible to determine the realisable value for the individual asset, the realisable value of the cashflow generating unit of which the asset is part is determined. Estimates are used here. An impairment occurs when the book value of an asset is higher than the realisable value. The realisable value is whichever is highest between the fair value and the value in use.

If it is determined that a previously accounted impairment no longer exists or has been reduced, the impairment is reversed to at most the book value that would have been determined if no impairment had been attributed to the asset.

With regard to financial instruments, DELA Natura also assesses whether there are objective indications of impairments of a financial asset or group of financial assets. In the event of such indications, the scope of the loss resulting from the impairment is determined and processed directly in the income statement.

For financial assets that were valued at the redemption value, the scope of the impairment is determined as the difference between the book value of the asset and the best possible estimate of the future cashflows, discounted at the effective interest rate of the financial asset as determined in the initial processing of the instrument. Any reversal of an impairment loss is limited to at most the amount that is required to value the asset at the amortised cost price. The reversed loss is then processed in the income statement. An impairment loss on goodwill is not reversed in the future.

2.9 Cash and cash equivalents

Cash and cash equivalents involve cash and bank balances. Any current account debts to banks are included as short-term debts under debts to credit institutions. Cash and cash equivalents are valued at face value.

2.10 Accrued assets

Receivables are valued at nominal value minus any provisions deemed necessary for possible losses due to doubtful debts.

2.11 Discretionary profit sharing

Profit sharing is calculated actuarially and has a provisional character. The profit share is determined by the DELA Group general meeting on the recommendation of the DELA Group's Executive and Supervisory Boards. The processing of the discretionary profit share takes place via the technical provisions item. The addition of the amount DELA Natura has appropriated for discretionary profit distribution under the technical provisions is charged to the result.

2.12 Technical provision

2.12.1 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 statements could have a material effect on the technical provisions and underwriting costs (see also 4.81: Liability adequacy test).

2.12.2 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 (based on the mortality rate and including already appropriated profit distribution) to policyholders or other beneficiaries, minus future premiums.

The majority of the technical provisions for own-risk funeral insurance as established in the Netherlands are calculated in accordance with the pure net method at an interest of 2.75 percent and based on the GBMV 1995-2000 mortality table as published by the Actuarieel Genootschap, using the principles related to mortality and interest. For insurance policies with a temporary premium payment, the actuarial interest for the period after the end date of the premium payment is 2 percent.

The technical provisions related to the Yarden portfolio acquired in 2021 are subject to principles that fall under a valuation at fair value at the time of acquisition. The actuarial interest is 1.3 percent on average and the mortality rate is based on the 2020 prognosis table of the Actuarial Society of the Netherlands. Lapses due to other causes than death were also taken into account at the moment of acquisition based on empirical data and the actual cost level. In addition, there are two additional provisions regarding the Yarden portfolio:

- DELA created a provision of €62.4 million to finance the future indexation of the Yarden package policies. Indexation has now been awarded for a number of years, with a further €33.8 million available for future indexations. These future indexations are estimated at the moment of acquisition and the fair value of this provision will be the present value of these withdrawals.

- DELA also guaranteed that bereaved will not have to pay inflation deficits for the first ten years after the acquisition. These deficits are estimated and discounted resulting in the fair value of the commitment.

The majority of technical provisions for own risk funeral insurance 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 usual 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 DELA Sorgenfrei Leben is calculated in accordance with the pure net method at an interest of 2 percent. The mortality rate is based on tables produced by the German Actuarial Society.

The technical provisions in the insurance portfolio acquired in Germany in 2022 are subject to principles associated with a valuation at fair value on the acquisition date. The actuarial interest is 2.5 percent on average, and the mortality rate is based on the prognosis for 2022 by the Actuarial Society of the Netherlands.

2.12.3 Life insurance

The technical provision for the DELA LeefdoorPlan (life insurance plan) is calculated in accordance with the pure net method at an interest of 3 percent and based on the tables published by the Actuarial Society of the Netherlands when the rate was introduced.

The DELA Activ Leben technical provision is calculated in accordance with the pure net method at an interest rate of 3 percent plus a provision for unearned premium. The mortality rate is based on mortality tables as produced by the German Actuarial Society.

2.12.4 Savings plan

The technical provision for the DELA CoöperatiespaarPlan (savings plan) 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.

2.12.5 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.

2.12.6 Acquisition costs

The deferred acquisition costs are deducted from the provision.

2.13 Provisions

2.13.1 General

Provisions are made for legal or constructive obligations that exist on the balance sheet date for which it is probable that an outflow of resources will be necessary and the scope of this outflow can be reliably estimated.

The provisions are valued as a best estimate of the amounts required to settle the obligations on the balance sheet date. The provisions are valued at present value of the expenses that are expected to be necessary to settle the obligations, unless stated otherwise.

If it is expected that a third party will pay the obligations and it is likely that the payment will be received once the obligation has been settled, the payment is included in the balance sheet as an asset.

2.13.2 Pension provision

The Netherlands

The pension plan of the group companies in the Netherlands consists of an available premium scheme in which participants build up a capital with which they are expected to buy pension benefits at the time of their retirement.

The main features of this scheme are:

- The employer pays a monthly premium for each employee to the pension provider;
- The pensionable salary is 1.1666 times the full-time monthly wage paid in the calendar month, with an annual maximum (2023: €128,810);
- The pension base over which the employer contributes a premium is the pensionable salary minus the franchise (2023: €16,322);
- A pension premium of 22 percent is paid to the pension provider for personnel who were employed from 1 January 2022. The premium for those who joined the company prior to that date is based on an age table with incremental premium percentages;
- Personnel employed from 1 January 2022 pay a contribution of 6 percent of the pension base, while those employed before that date pay 4.5 percent;
- The scheme does not result in any obligation on the balance sheet date, with the exception of obligations resulting from future premiums.

Participants are also insured for a partner pension with a scope of 1.16 percent of the pension base multiplied by the number of years of service from when they started participating in the pension scheme to the pensionable age. The orphan's pension is 20 percent of the partner pension. Participants are subject to a premium exemption in the event of disability. In addition, there is an additional disability benefit insurance that pays out depending on the level of disability.

Pension schemes in the Netherlands are subject to the conditions of the Dutch Pension Act. DELA Natura pays premiums to insurance companies on a compulsory, contractual or voluntary basis. The premiums are accounted for as personnel costs as soon as they are due. Advance premiums are included as accrued assets if they result in reimbursement or a reduction of future payments. Premiums that have yet to be paid are included in the balance sheet as an obligation.

Belgium

A defined contribution scheme applies in Belgium. Upon retirement, participants can choose to be paid the capital as a one-off amount or convert it into a periodic pension payment. The main characteristics of this pension scheme are:

- the employer pays a monthly premium to the pension provider;
- the premium is 4 percent of the reference salary, plus 4.4 percent tax;
- the reference salary is 13.92 times the gross monthly salary.

Employees are also provided with a life insurance policy in which the bereaved receives the insurance capital if the employee dies before the end date. In addition, the insured receives a replacement income in the event of disability due to illness, pregnancy or a personal accident.

Germany

The statutory pension premiums in Germany are paid via monthly social insurance premiums. There is no additional company pension.

2.13.3 Provision for work anniversaries

The provision for work anniversaries is included as expected costs during the course of employment. The actuarial method applied to determine the provision is known as the Projected Unit Credit method, which takes into account future salary increases, survival and disability rates, and more. A percentage of 3.1 percent (2022: 3.7 percent) is applied to the long-term investment return and 2.0 percent (2022: 2.0 percent) for the general salary increase. The AG Generation Table 2020 and WIA/IVA data are also applied. The calculated obligation was then discounted by 3.2 percent at the end of 2023 (2022: 3.7 percent).

2.13.4 Deferred tax obligations

For any tax amounts to be paid in the future resulting from differences between commercial and fiscal balance sheet valuations, a provision is made equivalent to the sum of these differences multiplied by the applicable tax rate. This provision is then reduced by the still to be settled tax amounts resulting from tax loss carry-forwards insofar as it is likely that the future fiscal profits will be available for settlement. The provision for deferred tax obligations is stated at nominal value.

The calculation of the deferred tax obligation applies the tax rates applicable at the end of the reporting year or the rates that will be applicable in coming years, insofar as these have been legally determined.

2.13.5 Other provisions

If the effect of the time value of money is material, the other provisions will be valued at the present value of the expenses expected to be needed to settle the relevant obligations. Discounting is based on a discount rate for taxes that reflects both the market value and the specific risks related to the obligation. If the effect of the time value of money is not material, the other provisions are stated at nominal value. Unless otherwise stated, the other provisions are stated at present value.

2.14 Long-term liabilities

Long-term liabilities have a term of more than one year and are initially processed at fair value, which is initially the same as the amortised cost price. Transaction costs that can be attributed directly to the acquisition of the liabilities are valued in the initial processing, after which long-term liabilities are valued at the amortised cost price. This consists of the amount received, taking into account agio or disagio minus the transaction costs. If no (dis)agio applies, this amount is the same as the nominal value.

The difference between the determined book value and the eventual payment value is processed as interest costs in the income statements based on the effective interest rate during the estimated term of the liabilities.

2.15 Accrued liabilities

Accrued liabilities are stated at nominal value.

2.16 Leasing

DELA Natura does not have any financial lease contracts. Lease contracts that do not qualify as a financial lease are listed as operational leases. For operational leases, the lease payments are processed linearly at the expense of the result over the course of the lease.

2.17 Revenue recognition

2.17.1 Premium income

The gross premiums consist of the premiums that are payable by policyholders for insurance contracts. The gross premiums excluding taxes and other fees resulting from insurance contracts are included as income when they are due by the policyholder. For single premium contracts the premium is included as income when it is due, with any cost and risk coverages being postponed and included in the result at a constant ratio to the ongoing insurance.

2.17.2 Reinsurance premiums

The reinsurance premiums include the premiums resulting from reinsurance contracts. They are stated as a cost in the income statement pro rata to the term of the contract.

2.18 Operating costs

2.18.1 Acquisition costs

Acquisition costs are costs directly related to the implementation of insurance policies, which depend on and relate to the acquisition of new insurance contracts or the extension of existing ones. The acquisition costs comprise provisions paid to third parties for insurance products. The acquisition costs are deducted from the technical provision, depreciated over ten years and charged against the result. The annual provisions are offset by the return provisions reclaimed throughout the year. Acquisition costs are deducted from the technical provision insofar as they can be reclaimed from the expected gross result of the underlying new production of that year. The depreciation period is assessed periodically. Where applicable, the depreciation cost is adapted to the shorter depreciation period, which currently stands at ten years.

As part of the liability adequacy test, impairments to the attributed acquisition costs are assessed annually and a determination made as to whether the future contribution from the insurance products is sufficient to cover the attributed costs.

2.18.2 Administrative expenses

Administrative expenses are those not included under the acquisition costs, personnel costs and depreciations.

2.18.3 Personnel expenses

Wages, salaries and social security costs are processed in the income result insofar as they are payable to employees and tax authorities.

2.18.4 Depreciation of intangible and fixed assets

Intangible and tangible fixed assets are depreciated over the expected future useful life of the asset from the moment it is taken into use. Land is not depreciated. Future depreciations are adapted accordingly if there is a change to the estimated economic useful life. Book profit and loss from the incidental sale of tangible fixed assets is accounted for under exceptional income and expenses.

2.19 Other income and expenses

Other income and expenses are those that arise from activities other than insurance and investment or are of an incidental nature.

2.20 Taxes

Taxes over the result are calculated over the result before tax in the income statement, taking into account any tax loss carry-forwards (insofar as they are not included in the deferred tax receivables) and tax-exempt profit, and after adding non-deductible costs. Future changes to the tax rate are also taken into account.

3. Risk

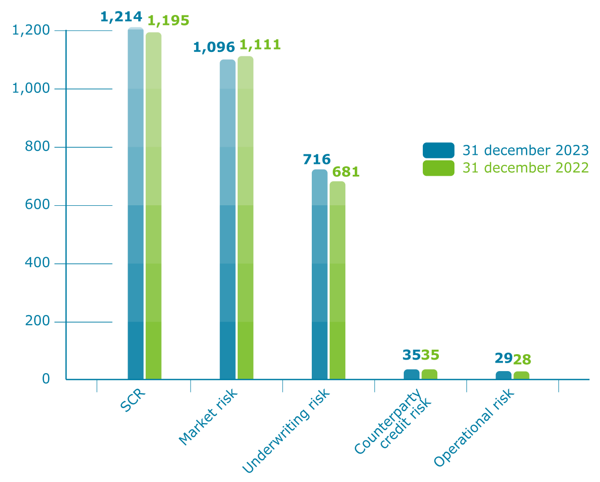
3.1 Solvency position

The solvency position of DELA Group is determined based on the standard model under Solvency II.

3.1.1 Development of solvency position

The composition of the capital requirement is shown in the table below.

Composition SCR

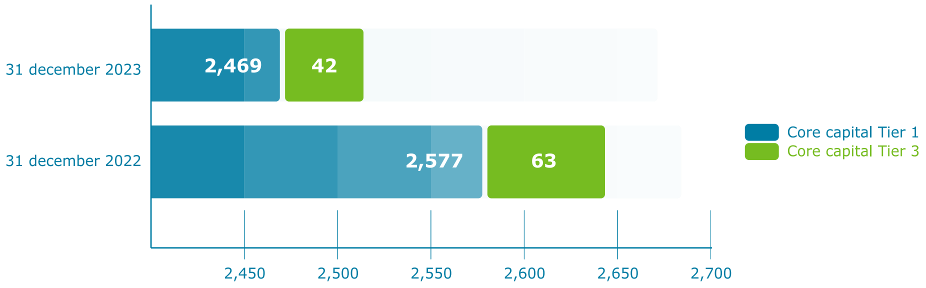


It is clear that the underwriting risks and market risks are the largest. The gross positions of both (without taking into account the mitigating effect of profit sharing) have increased, which has been largely compensated for by the mitigating effect of the profit share.

3.1.2 Development of core capital

The core capital has decreased in 2023 due to developments related to interest rates, inflation and expected costs. The composition of the core capital is represented in the table below (amounts in € million).

Core capital composition



> ‘Core capital tier 2' and ‘ineligible’ are nil

As was the case last year, the core capital is almost entirely Tier 1 capital. All elements of Tier 1 are fully at DELA’s disposal. The Tier 3 capital concerns a net position of an active deferred tax position with the Belgian tax authorities.

3.2 Risk profile

DELA Natura is exposed to a wide range of risks. The ‘Our governance’ section of the Management Board Report indicates the main risk areas in the risk profile. It also describes the key developments in 2023 regarding the most important risks.

The various risks are discussed below. To enhance readability not all risks are discussed in detail and some are combined.

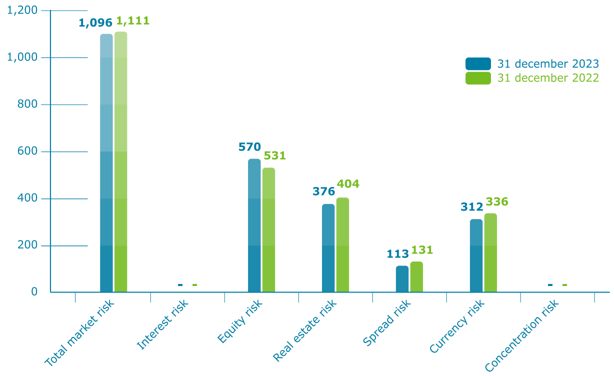
3.2.1 Market risks

The market risk is the risk of possible losses due to unfavourable developments in the financial markets. The value of the investments and obligations depend on developments in these markets, the composition of the investment portfolio and the characteristics of the insurance obligations.

DELA Natura has mitigated the market risk to a significant extent through its profit distribution scheme and premium measure, as well as via derivatives that mitigate part of the currency risk. DELA Natura also applies the ‘prudent person’ principle to its investment policy, and full and/or partial ALM studies are performed periodically to assess whether the investment policy is still suitable.

The table below shows the development of the market risk, quantified based on the presented standard model (amounts in € million).

Market risk



The financial markets partly recovered in 2023 from the fall in share prices in 2022. Interest rates increased over the course of the year compared to 2022, although the rate at the end of the year was lower. Inflation also fell.

The main developments with an impact on the capital requirement for market risks in 2023 were the growth of the investment portfolio and the improved mitigating function of profit sharing as the coverage ratio was not as far above the 210 percent limit.

3.2.2 Underwriting risk

The underwriting risk is the risk that the scope and timing of pay-outs are not aligned to the expectations as included in the premium determination. DELA Natura mitigates the underwriting risk in various ways such as its profit sharing and premium measure, but also via reinsurance, (medical) acceptance and a continuous focus on costs.

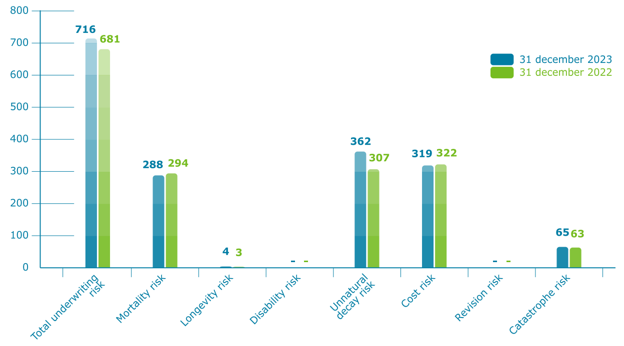
DELA Natura is exposed to the life insurance risk alone as it only provides life insurance policies. The portfolio largely consists of funeral insurance, with specific rates for the Netherlands, Belgium and Germany. These rates are based on specific characteristics and starting points (actuarial interest, costs, mortality tables) aligned to each country. DELA examines annually whether these starting points remain in line with the development of the relevant portfolios. The portfolio is large in numbers and scope, with a limited chance of fluctuations in the results.

In addition, DELA Natura has a temporary life insurance policy in the Netherlands and Germany. The insured capitals herein are significantly higher than in the funeral insurance. Reinsurance is used to limit any volatility of the results for this portfolio.

Finally, DELA Group has a savings product in the Netherlands. The mortality risk of this portfolio is limited at 10 percent of the built-up value.

The table below shows the structure of the insurance technical risk (amounts in € million)

Underwriting risk



The underwriting risks have increased. This is mainly a side effect of the lower interest rate and largely made up, as previously mentioned, by the improved mitigating function of profit sharing due to the coverage ratio not being as far above the 210 percent limit.

3.2.3 Credit risk

Credit risk (or: counterparty credit risk) is the risk of losses due to an unexpected default or unexpected worsening of the credit rating of the counterparties and debtors of the insurance company. This mainly involves receivables related to mortgages, reinsurers, derivatives or other debtor receivables. The scope of the credit risk in 2023 did not change significantly.

3.2.4 Liquidity risk

This is the risk that DELA Natura is unable to fulfil its financial obligations to its policyholders or other creditors at any time because assets cannot be traded fast enough. The liquidity risk is not expressed as a capital requirement (SCR) in Solvency II. DELA Natura must have sufficient cash and cash equivalents to pay claims resulting from the existing insurance agreements and to pay for its annual expenses. DELA Natura uses multiple banks in order to have access to a wide range of credit facilities. In addition, DELA Natura has credit facilities with the custodian of the shares and bonds. DELA Natura has fulfilled its financial obligations to policyholders and other creditors in 2023.

3.2.5 Operational risks

In addition to financial risks, DELA Natura also faces operational risks. These are risks resulting from external influences related to the failing of people, processes or systems. The main operational risk areas are further detailed below. Operational risks occur at all levels of the organisation. The control measures are therefore embedded in various specific policy documents, protocols and process descriptions.

This risk domain in DELA Group is built up of the following sub-risks:

3.2.5.1 Internal and external fraud
DELA Natura distinguishes between internal fraud and external fraud. Internal fraud is that committed by DELA Natura employees who undertake unauthorised activities to enrich themselves and by doing so harm the company. Examples are malversations, unjustified indemnities, purposefully declaring incorrect working hours, etc. External fraud is committed by someone from outside DELA Natura (third parties, suppliers, customers, etc.) whose unauthorised activities impact DELA Natura. DELA Natura does not accept any type of internal or external fraud in its risk appetite. The presence of various control measures as defined in policy documents (such as the fraud policy) and process descriptions means that internal fraud risks are considered low and external fraud risks medium for DELA Natura.
One or more incidents occurred related to this sub-risk in 2023. Although none of these incidents had a significant impact on DELA's operations, they were evaluated and additional measures were taken where necessary, including more detailed work instructions and/or protocols.

3.2.5.2 Working conditions and safety
The risks included here involve losses due to actions which are out of step with legislation in the field of working conditions, health or safety, or as a result of events related to inequality or discrimination. DELA Natura does not accept higher risks with regard to the health and safety of its employees in its risk appetite. The presence of various control measures as defined in policy documents (e.g., the health and safety policy) and protocols means these risks are considered low for DELA Natura.
One or more incidents occurred related to this sub-risk in 2023. Although none of these incidents had a significant impact on DELA's operations, they were evaluated and additional measures were taken where necessary, including more detailed work instructions and/or protocols.

3.2.5.3 Physical assets
This involves risks of loss of or damage to the head office, funeral centres and crematoriums due to natural disasters or other events. DELA Natura does not accept risks related to the availability of its funeral facilities. The presence of various control measures as defined in policy documents and procedures means these risks are considered medium.
One or more incidents occurred related to this sub-risk in 2023. Although none of these incidents had a significant impact on DELA's operations, they were evaluated and additional measures were taken where necessary, including more detailed work instructions and/or protocols.

3.2.5.4 System failure and process management
This involves the risk of disruptions of operations due to system failure, and includes themes such as cyber threats and information security. The risk of losses due to the failure of transaction processing or process management or relationships with suppliers are also included. DELA Natura has formulated a number of statements in its risk appetite:

- DELA Natura does not accept risks related to disruptions of IT/telecom systems that lead to a substantial disruption of business-critical operational processes;
- DELA Natura does not accept risks that fundamentally affect DELA's reputation;
- DELA Natura does not accept risks related to controlled business operations.

The presence of various control measures as defined in policy documents (such as an information security protocol and process management policy), process descriptions and protocols partially mitigate risks related to process management and system failure. DELA assessed these risks as medium.
One or more incidents occurred related to this sub-risk in 2023. Although none of these incidents had a significant impact on DELA's operations, they were evaluated and additional measures were taken where necessary, including more detailed work instructions and/or protocols.

3.2.6 Integrity risks

Integrity risks are paired with the threat of damage to DELA's reputation or existing or future threats to the capital or results as a result of insufficient compliance with the law. In principle, DELA Natura monitors this issue from its compliance function based on the themes in the systematic integrity risk analysis (SIRA). The remaining risk is therefore considered very limited, and DELA believes that no additional capital has to be reserved.

The SIRA themes are:

- Organisational and employee integrity: organisational integrity includes themes such as governance and outsourcing. Employee integrity involves the integrity of the Management Board, the internal supervising body, and internal and external employees. Related subjects are pre- employment screening, professionalism and conflicts of interest.
- Customer-chain integrity: this involves both the integrity of customers and how the organisation treats customers. It also includes the integrity of the chain in which the company operates. Themes range from duty of care to combatting money laundering and terrorism.
- Market integrity: this relates to the integrity of the (financial) market(s), including issues such as competition and market abuse.
- Integrity related to the processing of personal data: this involves the integrity of the data used within DELA Natura (such as the processing and security of personal data).

3.2.7 Other risks, not part of the standard model

In addition to the risks included in the standard model related to determination of the capital requirements, there are various other risks that are of interest to DELA Natura. The sections below describe these risks in further detail.

3.2.7.1 Strategic risks

This involves uncertainties that may impede implementation of the long-term strategy. These risks may hinder expansion abroad or restrict the ability to keep to the business model and its essential profit sharing concept. These risks can largely be minimised via a proper strategy process, supervised by external consultants, and monitored by the Supervisory Board. The implementation involves business cases to assess the required investments and keep them manageable. In addition, the annual Own Risk and Solvency Assessment checks which risks are a potential threat to the continuity of the DELA Natura. Stress tests show that the solvency position is robust, although DELA Natura is sensitive to scenarios with low interest rates and low inflation. Preparatory measures are taken or different choices made where necessary. The main preconditions and measures are developed in the capital policy, which is evaluated annually. The risks are therefore considered limited and no additional capital has to be set aside.

External developments that may impact the strategy are constantly monitored and included in the ongoing strategy process.

3.2.7.2 Reputation risk
The reputation risk is the threat of any damage caused by a loss of reputation. It is controlled by the active development of reputation management, with incident management being a major spearhead. This involves the timely identification of possible reputation risks and any associated spill-over effects, and taking timely management actions where necessary. The company culture and desired tone at the top are other important factors in mitigating this risk. They are supported by training programmes, the administrative organisation and internal controls. The risk is therefore considered limited and no reason to reserve additional capital.

4.2.7.3 Funeral cost inflation
The standard model does not include a funeral cost inflation risk. Although inflation is primarily a risk for policyholders, it is relevant to DELA as an increase in funeral costs directly results in a premium increase. DELA Natura aims for a good service provision to members at the lowest premium possible. This is, in fact, a focal point in the ORSA. DELA Natura has some influence over the development of funeral cost inflation and monitors this throughout the year.

3.2.7.4 Sustainability risk
The sustainability risk includes the risk of climate change. DELA Natura is confronted with this both directly and indirectly via its investments. In 2023 the climate risk impact was re-analysed in the ORSA. The risks related to climate change have a limited impact on the coverage ratio, premium increase and solvency. In pricing climate-related risks we see that coverage ratio stays low for longer and the premium increase is higher than in the basic scenario. The solvency remains stable in the various climate scenarios.

3.2.7.5 Reporting risk
DELA Natura also faces a reporting risk – i.e. that the financial and non-financial reports of the company contain substantially incorrect or incomplete information. It also involves the risk that internal and external stakeholders were not made aware of the reports in time. In DELA Natura, this risk is limited via measures and procedures embedded in various policy documents and then implemented. Examples include the external reporting policy in accordance with the Dutch Accounting Standards (RJ), the Disclosure Policy (SFCR) and reports for the regulator.

DELA

4. Notes on the balance sheet

4.1 Intangible fixed assets

Developments

Amounts x €1,000	2023	2022
Book value on 1 January	**47,726**	**37,157**
Investments	23,101	14,767
Depreciation	-5,262	-4,198
Book value on 31 December	**65,565**	**47,726**

Intangible fixed assets, cumulative

Amounts x €1,000	31-12-2023	31-12-2022
Acquisition prices	130,612	107,511
Cumulative revaluations and depreciations	-65,047	-59,785
Book value on 31 December	**65,565**	**47,726**

Intangible fixed assets, specification

Amounts x €1,000	Acquired insurance portfolios	Softwaresystems	Other	Total
Book value on 1 January 2023	9,611	36,889	1,225	47,725
Investments	-	23,102	-	23,102
Disposals	-	-	-	-
Depreciation	-610	-4,346	-306	-5,262
Book value on 31 December 2023	**9,001**	**55,645**	**919**	**65,565**

4.2 Investments

4.2.1 Sites and buildings

Other sites and buildings, development

Amounts x €1,000	31-12-2023	31-12-2022
Book value on 1 January	**24,791**	**24,070**
Investments	-	18
Disposals	-24,791	-
Revaluation	-	1,432
Book value on 31 December	**-**	**25,520**

The head office of DELA Group was sold by DELA Natura to its subsidiary DELA Crematoria Groep BV in 2023.

4.2.2. Participations in group companies and participations

Participations, specification

Amounts x €1,000	Share in issued capital	31-12-2023	31-12-2022
DELA Vastgoed B.V., Eindhoven	100%	172,092	167,167
DELA Crematoria Groep B.V., Eindhoven	100%	179,955	179,388
DELA Crematoria Groep B.V., Eindhoven	100%	638,565	641,951
DELA US Investments B.V., Eindhoven	100%	279,938	270,456
DELA Hypotheken B.V., Capelle a/d IJssel	100%	49,678	45,502
DELA Investment Belgium N.V., Antwerpen	100%	57,417	60,995
DELA Vastgoed België N.V., Luik	100%	1,720	1,720
Book value on 31 December		**1,379,365**	**1,367,179**

Subsidiaries DELA Vastgoed BV and DELA Crematoria Groep BV have real estate on the balance sheet. As the valuation of real estate properties includes estimates, a certain degree of uncertainty exists and a bandwidth should always be taken into account. The accuracy of an appraisal of a marketable property is deemed to be within a 10 percent range (+/ -) of the value.

DELA

Participations, developments

Amounts x €1,000	2023	2022
Book value on 1 January	**1,367,179**	**1,256,772**
Result from participation	-49,814	137,066
Investments	62,000	232,000
Dividend	-	-258,384
Disposals	-	-275
Book value on 31 December	**1,379,365**	**1,367,179**

Loans to and receivables from group companies

Amounts x €1,000	31-12-2023	31-12-2022
Current account		
- DELA Holding N.V.	114,919	37,465
- DELA Crematoria Groep B.V.	48,171	-
- DELA US Investments B.V.	-	56,833
- DELA Investment Belgium N.V.	1,634	2,813
- DELA Vastgoed België N.V.	7,029	93
	171,753	**97,204**
Loans to group companies		
- DELA Holding N.V.	1,000	1,500
- DELA Crematoria Groep B.V.	106,600	112,200
	107,600	**113,700**
Total	**279,353**	**210,904**

The average balance of these current account relationships is subject to an interest rate of 3.5 percent (short-term) and 7.0 percent (long-term). No new arrangements were made regarding payment and securities.

4.2.3 Other financial investments

Developments

Amounts x €1,000	End position 2022	Purchases	Disposals and repayment	Other transactions	End position 2023
Shares and other variable-yield securities	1,764,933	751,391	-795,124	195,360	1,916,560
Bonds and other fixed interest securities	2,147,344	1,460,615	-1,342,035	91,759	2,357,683
Derivatives	63,021	-	-	-48,928	14,093
Receivables from mortgage loans	1,015	-	-34	-15	966
Receivables from other loans	221,795	140,442	-212,671	10,357	159,923
Real estate funds	1,309,118	72,959	-	-142,189	1,239,888
Infrastructure funds	900,576	62,319	-	17,293	980,188
Agricultural and forestry funds	103,686	143,665	-	3,196	250,547
Mortgage funds	298,979	82,563	-	7,474	389,016
Investments in cash and cash equivalents	62,644	-	-	-2,066	60,578
Other financial investments	7,078	17,004	-	535	24,617
Total	**6,880,189**	**2,730,958**	**-2,349,864**	**132,776**	**7,394,059**

Other financial investments, other valuations 2023

Amounts x €1,000	Balance value	Cost price	Market value
Shares and other variable-yield securities	1,916,560	1,592,855	1,916,560
Bonds and other fixed interest securities	2,357,683	2,463,539	2,357,683
Derivatives	14,093	-	14,093
Receivables from mortgage loans	966	966	966
Receivables from other loans	159,923	167,031	159,923
Real estate funds	1,239,888	1,245,383	1,239,888
Infrastructure funds	980,188	877,057	980,188
Agricultural and forestry funds	250,547	248,012	250,547
Mortgage funds	389,016	436,953	389,016
Investments in cash and cash equivalents	60,578	60,578	60,578
Other financial investments	24,617	24,207	24,617
Total	**7,394,059**	**7,116,581**	**7,394,059**

Other financial investments, other valuations 2022

Amounts x €1,000	Balance value	Cost price	Market value
Shares and other variable-yield securities	1,764,933	1,649,553	1,764,933
Bonds and other fixed interest securities	2,147,344	2,424,531	2,147,344
Derivatives	63,021	-	63,021
Receivables from mortgage loans	1,015	1,015	1,015
Receivables from other loans	221,795	236,653	221,795
Real estate funds	1,309,118	1,172,425	1,309,118
Infrastructure funds	900,576	814,738	900,576
Agricultural and forestry funds	103,686	104,346	103,686
Mortgage funds	298,979	354,389	298,979
Investments in cash and cash equivalents	62,644	62,644	62,644
Other financial investments	7,078	7,203	7,078
Total	**6,880,189**	**6,827,497**	**6,880,189**

Unhedged foreign exchange positions

Amounts x €1,000	31-12-2023	31-12-2022
American dollar	1,089,183	910,110
Hong Kong dollar	122,913	144,500
New Taiwan dollar	87,441	63,501
South Korean won	83,732	76,019
Indian rupee	66,840	56,136
Australian dollar	62,154	54,867
Brazilian real	56,960	64,050
South African rand	42,694	50,592
Mexican pesos	41,148	50,552
Other	407,493	378,219
Total	**2,060,558**	**1,848,546**

Shares and bonds

All shares and bonds are listed on the stock exchange.

The modified duration formula is used to measure interest rate sensitivity. The average modified duration of the bonds and other loans is 5.2.

Shares, geographically distributed

Amounts x €1,000	31-12-2023	31-12-2022
Asia-Pacific	32.8%	33.4%
Europe	25.5%	25.8%
North America	36.0%	34.3%
Latin America	3.3%	3.7%
Middle East	2.4%	2.8%
Total	**100.0%**	**100.0%**

Shares, categorised by sector

Amounts x €1,000	31-12-2023	31-12-2022
Information technology	20.3%	15.9%
Financial institutions	18.9%	17.7%
Industry	12.3%	11.9%
Luxury consumer goods	11.7%	11.2%
Health care	9.1%	10.3%
Consumer goods	6.6%	8.6%
Communication services	6.6%	6.5%
Energy	5.4%	5.7%
Raw materials	4.7%	6.2%
Real estate	2.6%	3.0%
Utilities	1.8%	3.0%
Total	**100.0%**	**100.0%**

Fixed-interest securities, categorised by rating

Amounts x €1,000	31-12-2023	31-12-2022
AAA	31.2%	28.1%
AA	14.3%	13.4%
A	6.4%	6.4%
BBB	15.9%	17.5%
< BBB	20.3%	24.5%
Overige	11.9%	10.1%
Total	**100.0%**	**100.0%**

Other loans
We acquired a security for a loan of €3.5 million, which consisted of a pledge on all outstanding shares in the relevant counterparty and a security deposit of €0.5 million.

Derivatives
The valuation of the derivatives (forward exchange contracts) is made based on the ‘mark-to-model’ approach. The average remaining term of these contracts is 7 weeks.

Real estate funds
The real estate funds are not listed on the stock exchange. The valuation of the real estate funds involves the fair value using the DCF method. This valuation is taken from the fund managers and is the valuation model also used in the trading of property. The valuation is in accordance with generally accepted methods and set by an external appraiser/valuer. We receive an ISAE3402 Type II report or equivalent for most funds. The audit statement from the external accountant with the valuation or annual statement of the funds is only received in some cases after the DELA Natura financial statements has been drawn up. Analysis has shown that sufficient certainty exists for the reliability of the valuations as accounted for by fund managers, although there is a limited risk of the kind of estimation uncertainty that can naturally occur for investments held by the fund.

Infrastructure funds and agricultural & forestry funds
The infrastructure funds and agricultural & forestry funds are not listed on the stock exchange. Their valuation is based on the fair value provided by fund managers. The valuations are established using the DCF method and local accounting standards, and we have determined that there are only marginal differences between them. The valuation is preferably performed by an external appraiser/valuer. We receive an ISAE3402 Type II report or equivalent for most funds. The audit statement from the external accountant with the valuation or annual statement of the funds is only received in some

cases after the DELA Natura financial statements have been drawn up. Analysis has shown that sufficient certainty exists for the reliability of the valuations as accounted for by fund managers, although there is a limited risk of the kind of estimation uncertainty that can naturally occur for investments held by the fund.

Mortgage funds
The mortgage fund is not listed on the stock exchange and comprises investments in non-NHG accredited mortgages. The valuation of these funds involves the fair value, and is taken from the fund managers. The valuations are established via the DCF method. Local accounting standards are applied and these are assessed by DELA for applicability within our valuation principles. The valuation is performed and reviewed internally by the fund's external accountant and we receive an ISAE3402 Type II report. The audit statement from the external accountant with the annual statement of the fund is only received after the DELA Natura financial statements has been drawn up. Analysis has shown that sufficient certainty exists for the reliability of the valuations as accounted for by fund managers, although there is a limited risk of the kind of estimation uncertainty that can naturally occur for investments held by the fund.

On the balance sheet date, the loan-to-value is 70.1 percent (2022: 66.7 percent).

Other financial investments
The amounts included under this section relate to interests in non-listed private equity firms and a loan fund.

The market value of the private equity firms is based on the DCF method.

The loan fund is not listed and comprises investments in company loans. The valuation of the loan fund involves the fair value provided by fund managers. The fair valuation of the loan fund applies the standards in line with IFRS and US GAAP. DELA has determined that these standards only deviate marginally from DELA's principles. The valuation is performed by an external assessor, and the fund provides us with an ISAE3402 Type II report. Before the financial statements of DELA Group are determined, DELA receives at least an audit statement from the accountant, providing sufficient certainty regarding the reliability of the accounted valuations; a limited level of estimate uncertainty naturally present in the investments made by the fund remains.

Investments in cash and cash equivalents
Investments in cash and cash equivalents relate to receivables and debts directly linked to the investment portfolios with a mandate issued to the asset manager. It mainly involves cash positions in the various FGRs (joint account investment funds).

Securities lending
DELA Natura lends shares and bonds. To limit the risk for DELA Natura, borrowers must provide collateral for the loans. Cash collaterals are not allowed and the lending parties must comply with strict requirements. To further limit the risk, the following additional restrictions are applied:
- counterparties must have a S&P rating of at least A-;
- collateral may only involve government bonds from OECD countries with a S&P rating of at least AA- in accordance with S&P;
- the market value of the collateral should be at least 102 percent of the market value of the loaned securities;
- shares on our engagement list are not eligible for lending. Engagement is the process by which active rights as shareholder are being used.

The market value of the loaned items on 31-12-2023 was €408.4 million (2022: €518.6 million). The value of the collateral is €421.8 million (2022: €536.2 million).

4.3 Receivables

4.3.1 Receivables from direct insurance

Due to the scope and distribution of the operations of DELA Natura the credit risk based on the receivable from direct insurance is only condensed to a limited extent. In addition to the usual provision for doubtful debts from intermediaries there is therefore no additional provision for credit risk.

4.3.2 Other receivables

Specification

Amounts x €1,000	31-12-2023	31-12-2022
Deferred tax assets	133,318	124,946
Corporation tax	1,584	16,887
Taxes and social security charges	4,886	12,093
Debtors	163	1,813
Other receivables	18,067	23,538
Total	**158,018**	**179,277**

The other receivables have a term of less than one year, except for the deferred tax assets.

The deferred tax positions are subjected to offsetting (where possible). The table below shows a specification of the various deferred positions that are presented jointly on the asset side of the balance sheet, which also include negative amounts due to the offsetting applied.

Deferred tax receivables, specification

Amounts x €1,000	31-12-2023	31-12-2022
Regarding other tax valuation of:		
- technical provision	100,023	109,307
- losses carried forward	86,218	-
- First cost	37,199	33,768
- Securities	-31,723	47,113
- Real estate	-61,263	-66,182
- Other	2,864	940
Total	**133,318**	**124,946**

As a result of a negative tax result, a losses carried forward occurred in 2023. An increase of the fair value of investments in book year 2023 changed the active deferred tax assets on securities to passive deferred tax assets.

The deferred tax assets are largely of a long-term character.

4.4 Tangible fixed assets

Developments

Amounts x €1,000	2023	2022
Book value on 1 January	**461**	**447**
Investments	137	155
Disposals	-31	-1
Depreciation	-94	-140
Book value on 31 December	**473**	**461**

The tangible fixed assets concern equipment and computers. No result was realised on the divestments.

4.5 Cash and cash equivalents

Cash and cash equivalents mainly involve bank balances that are freely available.

4.6 Accrued receivables

The accrued receivables consist of accrued interest and rent and amounts paid in advance.

4.7 Equity capital

Developments

Amounts x €1,000	2023	2022
Book value on 1 January	**921,610**	**1,682,631**
Result after taxes	-11,398	-672,019
Paid dividend	-	-89,000
Other value changes	-	-2
Book value on 31 December	**910,212**	**921,610**

It is proposed to charge the result after tax of minus €11,399,000 to the other reserves. In anticipation of confirmation by the general meeting, this result appropriation has already been included in the financial statements.

4.7.1 Share capital

On 31 December 2023 the registered (145,210 shares) and issued capital (29,498 shares) of the company were €14,521,000 and €2,950,000 respectively.

4.7.2 Premium reserve

The premium reserve resulted from the share issuance above the nominal value and therefore involves a free reserve.

4.7.3 Revaluation reserve

Developments

Amounts x €1,000	2023	2022
Balance on 1 January	**412,184**	**361.360**
From (to) other reserves re. value changes of investments without frequent market quotation	-15,067	168.616
From (to) other reserves re. the sale of investments without frequent market quotation	-21,035	-117.792
Balance as at 31 December	**376,082**	**412.184**

4.7.4 Legal and statutory reserves

Developments

Amounts x €1,000	2023	2022
Balance on 1 January	**27,693**	**23.579**
Investment in internally developed software systems	2,054	5.899
Depreciation internally developed software systems	-981	-1.785
Balance as at 31 December	**28,766**	**27.693**

A statutory reserve has been set at the level of the capitalised expenses of internally developed software systems. At the end of 2023 it amounted to €9.8 million. The rest of the legal reserves come from subsidiaries of DELA Natura.

4.7.5 Other reserves

Developments

Amounts x €1,000	2023	2022
Balance on 1 January	**403,894**	**1,219,853**
From appropriation of profit in book year	-11,398	-672.019
Paid dividend	-	-89.000
From (to) revaluation reserve re. value changes of investments without frequent market quotation	15,067	-168.616
From (to) revaluation reserve re. sale of investments without frequent market quotation	21,035	117.792
To statutory reserve re. capitalised expenses related to internally developed software	-1,073	-4.114
Other changes	-	-2
Balance as at 31 December	**427,525**	**403.894**

4.8 Technical provision

Developments

Amounts x €1,000	2023	2022
Book value on 1 January	**7,531,735**	**7,172,312**
- From premium	561,051	523,206
- Interest	189,851	178,840
- Profit sharing	249,224	43,654
- Acquisition	-	19,982
- Benefits	-294,417	-201,332
- Risk premium	-187,990	-175,760
- Release for expenses	-18,442	-17,914
- Other changes	-280	-898
- Allocated acquisition costs	-9,332	-10,355
Book value on 31 December	**8,021,400**	**7,531,735**

Almost the entire technical provision can be considered long-term. The modified duration of the technical provision is 36.0.

The share of reinsurers in the technical provision and the payments to which DELA Natura is liable as a result of its reinsurance contracts are deducted from the gross technical provision.

The provisions for life risk are initially based on base tariffs, which are usually mortality rates, a fixed actuarial interest and cost parameters for initial and ongoing costs.

Technical provision, specification 2022

Amounts x €1,000	Annual premium	Insured capital	Accumulated balance	Provision for insurance liabilities	Number of policy holders
Funeral insurance	633,350	30,849,723	-	7,593,849	4,978,491
Savings insurance	36,064	462,710	420,646	420,646	53,157
Life insurance	62,553	47,292,139	-	120,092	509,585
Reinsurance	-	-	-	-14,228	
Surplus interest sharing				17,206	
Allocated acquisition costs	-	-	-	-116,165	
Total	**731,967**	**78,604,572**	**420,646**	**8,021,400**	**5,541,233**

Technical provision, specification 2021

Amounts x €1,000	Annual premium	Insured capital	Accumulated balance	Provision for insurance liabilities	Number of policy holders
Funeral insurance	589,388	28,904,875	-	7,100,926	4,928,579
Savings insurance	43,465	506,381	460,401	460,401	55,136
Life insurance	57,527	43,558,706	-	102,522	505,747
Reinsurance				-25,281	
Allocated acquisition costs				-106,833	
Total	**690,380**	**72,969,962**	**460,401**	**7,531,735**	**5,489,462**

Allocated acquisition costs, developments

Amounts x €1,000	2023	2022
Book value on 1 January	**106,833**	**96,478**
Allocated	27,265	26,126
Depreciated	-17,933	-15,771
Book value on 31 December	**116,165**	**106,833**

The acquisition costs deducted from the technical provision involves commissions paid in Belgium and Germany.

4.8.1 Liability adequacy test

The liability adequacy test checks that the technical provision is sufficient to provide a high level of certainty regarding the obligations to policyholders. In the test, the balance sheet provision is reduced by the related allocated acquisition costs, and intangible assets are compared to a provision that takes current estimates of all future cashflows and developments into account. These cashflows include profit sharing and premium measures. The current estimates take into account the uncertainty margins prescribed in Guideline 605 of the Dutch Accounting Standards Board.

Should the current estimate be lower than the available technical provision, it can be stated that the available balance sheet provision is able to meet the obligations to policyholders.

The liability adequacy test is performed on the total portfolio of insurance obligations every year. Any shortfalls are charged directly to the income statement, initially by writing them off to future profit margins in acquired portfolios, followed – if necessary – by writing them off to allocated acquisition costs and, finally, by establishing an additional provision if required. Write-offs to allocated acquisition costs or future profit margins in acquired portfolios due to this test are not reversed in later years. No write-offs took place in previous years.

Assumptions liability adequacy test

Discount rate	Based on the interest rate term structure published by EIOPA, taking into account the Ultimate Forward Rate (UFR) on 31 December 2022.
Profit distribution	Full profit sharing occurs when the coverage, or the market value of the investments expressed in percentages of the market value of the already allocated obligations, is higher than 210 percent. No profit share is given if the coverage is 120 percent or lower. Profit sharing is realised pro rata between 120 and 210 percent.
Premium measure	An extra premium measure is required if both the 20-year swap interest in accordance with the interest rate term structure as described above is lower than 1 percent and the coverage is lower than 120 percent. The extra premium increase attains the maximum value at an interest rate of - 1 percent.
Expected mortality	Based on the mortality table 2022 published by the Actuarial Society of the Netherlands, the mortality table 2020 by the Institute of Actuaries in Belgium and the mortality table 2008T by the German Actuarial Society. The mortality rates from these tables are corrected based on portfolio statistics.
Unnatural deaths	Risks per homogenous risk group based on own portfolio.
Cost	The costs for each coverage for the Netherlands and Belgium are determined based on the 2023 budget and the investment costs associated with the expected investment mix in 2023.
Guarantees	Fair value.

The performed liability adequacy test at fair value shows that the total of the technical provisions has an excess value of €2.3 billion at the end of 2023. This is virtually the same as last year. The results from the test are at the level of DELA Natura (including the Belgian and German offices).

4.9 Provisions

Developments

Amounts x €1,000	Book value '31-12-2022	Allocation	Withdrawn	Other value changes	Book value '31-12-2023
Provision for deferred tax	5,950	10,924	-	-	16,874
Provision for work anniversaries	576	33	-	-	609
Total	**6,526**	**10,957**	**-**	**-**	**17,483**

The provisions are mainly of a long-term nature.

The deferred tax positions are subjected to offsetting (where possible). The table below shows a specification of the various deferred positions that are presented jointly on the liabilities side of the balance sheet, which also include negative amounts due to the offsetting applied.

Deferred taxes, specification

Amounts x €1,000	31-12-2023	31-12-2022
Regarding other tax valuation of:		
- losses carried forward	-14,104	-16,279
- First cost Belgium	15,867	15,308
- Securities	15,111	6,921
Total	**16,874**	**5,950**

4.10 Deposit reinsurers

The liabilities to reinsurers are part of an arrangement and are of a long-term nature. The reinsurers are obligated to deposit the reinsured interest in cash to the insurers of DELA Natura. The deposit is subject to an interest of 3 percent to 4.5 percent a year.

Deposit reinsurers, developments

Amounts x €1,000	31-12-2023	31-12-2022
Book value on 1 January	18,462	17,359
Deposits	1,114	1,103
Buyouts reinsurance contracts	-12,637	-
Book value on 31 December	**6,939**	**18,462**

A reinsurance contract related to an inactive portfolio was redeemed in 2023. The associated deposit was refunded.

4.11 Long-term liabilities

Long-term liabilities from direct insurance occur when policyholders pay premiums in advance.

The existing liabilities are not subject to agio or disagio, which means the amortised cost is equal to the nominal value.

Other debts, specification

Amounts x €1,000	31-12-2023	31-12-2022
Creditors	2,649	2,224
Corporation tax	10,294	19,394
Debts to group companies	239,254	144,081
Payable VAT	207	144
Payable taxes and social-security contributions	-4,929	3,398
Monetary loans	15,500	17,500
Other	10,292	660
Total	**273,267**	**187,401**

The increase of the debts to group companies is mainly due to a higher current account debt to DELA Vastgoed BV. The increased position is the result of the sale of buildings. The proceeds thereof are invested with DELA Natura.

Monetary loans, developments

Amounts x €1,000	31-12-2023	31-12-2022
Book value on 1 January	17,500	17,500
Repayments	-2,000	-
Book value on 31 December	**15,500**	**17,500**

The monetary loans, have a term of more than 5 years.

4.12 Accrued liabilities

Specification

Amounts x €1,000	31-12-2023	31-12-2022
Rent paid in advance	49	29
Other debts due	12,068	19,345
Payable days off	374	703
Payable holiday allowance	858	763
Payable 13th month	185	285
Payable variable remuneration	7	32
Individual Choice budget	-	501
Total	**13,541**	**21,658**

4.13 Assets and obligations not included in the balance sheet

4.13.1 Terrorism guarantee

Participation in the Dutch Terrorism Claims Reinsurance Company (NHT) entails a conditional obligation for compensation for acts of terrorism with a value of up to €2.1 million. No terrorist act as meant by this agreement occurred in the book year.

4.13.2 Multi-year financial obligations

Multi-year financial obligations

Amounts x €1,000	Less than one year	Between one and five years	More than five years
Lease obligations	199	172	-

4.13.3 Credit facilities

DELA Natura has a credit facility at Northern Trust with a maximum of €100 million or 10 percent of the value of the securities deposited. The collateral comprises the securities in custody with Northern Trust. The interest percentage due is the ESTER interest rate plus 1.25 percent.

4.13.4 Investment obligation

DELA Group entered into no new agreements for investments in infrastructure funds in this book year. At the end of 2023 the remaining investment obligations to various counterparties were €11.1 million and $34.5 million (which equals €31.3 million on the balance sheet date)

In 2023 DELA Group did not enter into any new agreements for investments in infrastructure funds. At the end of 2023 the remaining investment obligations were €76 million.

DELA Group came to an agreement with a counterparty in 2023 to invest €100 million in agriculture and forestry funds. At the end of 2023 the remaining investment obligations were €108.1 million and $57.7 million (€52.3 million on the balance sheet date).

DELA Group came to an agreement with a counterparty in 2023 to invest €200 million in a loan fund. At the end of 2023 the remaining investment obligations were €186.6 million.

There was no remaining investment obligation in ASR Hypotheekfonds at the end of 2023.

4.13.5 Fiscal unity

Fiscal unitys have been established in DELA Natura for corporate tax (VPB) and turnover tax (OB). Every company within the fiscal unity is severally liable for the taxes due.

4.14 Events after the reporting period

No events have occurred after the balance sheet date that need to be disclosed which are essential for understanding the financial statements or have significant financial implications.

DELA

5. Notes on the income statement

5.1 Premiums earned on own account

Of the total gross premium income in 2023, €7.5 million consists of single premiums (2022: €11.6 million).

5.2 Investment result

The net investment results consist of the following items of the income statement:

Specification of net investment result

Amounts x €1,000	2023	2022
Investment income	496,002	940,797
Unrealised profit from investments	292,566	-
Realised loss on investments	-394,211	-775,478
Unrealised loss from investments	-	-919,516
Management costs and interest charges	-29,253	-24,831
Total	**365,104**	**-779,028**

Realised and unrealised investment results, specification 2023

Amounts x €1,000	Realized profit	Realized loss	Unrealised result	Management costs and interest charges	Total
Participations	**-49,814**	**-**	**-**	**-**	**-49,814**
Sites and buildings (b)	**854**	**-**	**-**	**571**	**283**
Other financial investments (c):					
- Shares and other variable-yield securities	195,047	158,794	208,265	7,949	236,569
- Bonds and other fixed interest securities	107,080	170,434	228,784	4,565	160,865
- Derivatives	130,922	56,554	-48,920	428	25,020
- Receivables from mortgage loans	38	-	-	-	38
- Receivables from other loans	21,483	8,142	12,223	1,204	24,360
- Real estate funds	36,390	259	-134,723	38	-98,630
- Infrastructure funds	32,942	-	15,733	-	48,675
- Agricultural and forestry funds	-	-	3,196	-	3,196
- Mortgage funds	8,067	28	7,473	-	15,512
- Other financial investments	12,993	-	535	14,498	-970
	544,962	**394,211**	**292,566**	**28,682**	**414,635**
Net investment result (a) + (b) + (c)	**496,002**	**394,211**	**292,566**	**29,253**	**365,104**

DELA

Realised and unrealised investment results, specification 2022

Amounts x €1,000	Realized profit	Realized loss	Unrealised result	Management costs and interest charges	Total
Participations	**137,066**	**-**	**-**	**-**	**137,066**
Sites and buildings (b)	**1,640**	**-**	**-**	**238**	**1,402**
Other financial investments (c):					
- Shares and other variable-yield securities	470,906	221,730	-614,340	7,105	-372,269
- Bonds and other fixed interest securities	173,381	248,196	-334,463	5,715	-414,993
- Derivatives	72,671	297,113	102,778	411	-122,075
- Receivables from mortgage loans	34	-	-	-	34
- Receivables from other loans	14,840	8,421	-22,074	1,046	-16,701
- Real estate funds	26,261	18	-28,449	337	-2,543
- Infrastructure funds	28,528	-	36,693	396	64,825
- Agricultural and forestry funds	-	-	-660	-	-660
- Mortgage funds	4,093	-308	-58,310	-	-53,909
- Other financial investments	11,377	308	-691	9,583	795
	802,091	**775,478**	**-919,516**	**24,593**	**-917,496**
Net investment result (a) + (b) + (c)	**940,797**	**775,478**	**-919,516**	**24,831**	**-779,028**

Unrealised results indicate changes to the market value of the investments (including currency exchange effects) in the book year as they stand on the balance sheet date. All other investment results are attributed to the realised investment results.

Direct and indirect investment result, specification 2023

Amounts x €1,000	Direct	Indirect	Total
Participations (a)	**-49,814**	**-**	**-49,814**
Sites and buildings (b)	**283**	**-**	**283**
Other financial investments (c):			
Shares and other variable-yield securities	40,191	196,378	236,569
Bonds and other fixed interest securities	65,999	94,866	160,865
Derivatives	-428	25,448	25,020
Receivables from mortgage loans	38	-	38
Receivables from other loans	15,159	9,201	24,360
Real estate funds	36,280	-134,910	-98,630
Infrastructure funds	31,382	17,293	48,675
Infrastructure funds	-	3,196	3,196
Mortgage funds	8,067	7,445	15,512
Other financial investments	-1,333	363	-970
	195,355	**219,280**	**414,635**
Net investment result (a) + (b) + (c)	**145,824**	**219,280**	**365,104**

Direct and indirect investment result, specification 2022

Amounts x €1,000	Direct	Indirect	Total
Participations (a)	**137,066**	**-**	**137,066**
Sites and buildings (b)	**1,402**	**-**	**1,402**
Other financial investments (c):			
Shares and other variable-yield securities	59,097	-431,366	-372,269
Bonds and other fixed interest securities	76,801	-491,794	-414,993
Derivatives	-411	-121,664	-122,075
Receivables from mortgage loans	34	-	34
Receivables from other loans	12,123	-28,824	-16,701
Real estate funds	25,869	-28,412	-2,543
Infrastructure funds	28,132	36,693	64,825
- Agricultural and forestry funds	-	-660	-660
- Mortgage funds	4,401	-58,310	-53,909
Other financial investments	1,171	-376	795
	207,217	**-1,124,713**	**-917,496**
Net investment result (a) + (b) + (c)	**345,685**	**-1,124,713**	**-779,028**

Direct investment results include all received rental, lease and dividend income minus all investment costs. All results – both realised and unrealised – that result from market value changes are attributed to the indirect investment results.

5.3 Net claims incurred

Specification

Amounts x €1,000	2023	2022
Payment on death	64,480	70,032
Funeral costs	154,402	133,807
Expiration	30,507	4,027
Pension insurance payment	11	11
Capital payments	77,743	70,877
Annulment payments	433	312
Buyouts	96,057	36,081
Gross benefits	**423,633**	**315,147**
Reinsured payment upon death	-3,428	-5,219
Reinsured expiration	1	1
Reinsured buyouts	-12,696	-69
Reinsured benefit	**-16,123**	**-5,287**
Payments own account	**407,510**	**309,860**

The payments from own account are higher than in 2022, mainly due to higher expirations and the buy-out of DELA CoöperatiespaarPlan policies.

5.4 Acquisition costs

Specification

Amounts x €1,000	2023	2022
Allocated acquisition costs, personnel	24,393	22,660
Allocated acquisition costs, other	32,180	29,176
Direct acquisition costs	31,043	29,193
Deferred acquisition costs	-27,265	-26,126
Depreciation of acquisition costs	17,933	15,771
Total	**78,284**	**70,674**

The allocated 'personnel' and other' acquisition costs involve indirect costs that are determined based on internal cost models. The increase in these acquisition costs is largely due to inflation. The increase in the direct acquisition costs is due to the continued growth of the German insurance portfolio. This also caused the growth of the annual depreciation.

5.5 Operating-, personnel costs and depreciation

Specification

Amounts x €1,000	2023	2022
Building and inventory costs	884	656
Vehicle costs	808	727
IT-cost	-5,705	-3,080
Consultancy costs	11,444	10,782
Office costs	6,858	6,000
Passed on costs/chargebacks/recharges	74,056	64,456
Salary costs	24,827	22,121
Social security costs	3,806	3,692
Pension costs	2,782	2,726
Costs of outsourced work	6,937	7,436
Other personnel costs	1,454	1,497
Advertising costs	20,493	21,491
Personnel costs, classified by acquisition costs	-24,393	-22,660
Other expenses, classified by acquisition costs	-32,180	-29,176
Other expenses	-3,254	276
Total	**88,817**	**86,944**

The IT costs are negative as the capitalisation of software development costs (€14.3 million) are deducted. The incurred costs are in the charge backs as they are made in DELA Holding NV.

5.6 Other income and expenses

The incidental income costs in 2022 are mainly the release of negative goodwill related to the acquisition of the Monuta portfolio in Germany.

Other expenses, specification

Amounts x €1,000	2023	2022
Depreciation intangible fixed assets	2,616	2,386
Pension costs for inactives	32	-157
Other charges	-1,269	879
Total	**1,379**	**3,108**

5.7 Taxes on results from ordinary activities

Taxes on results, specification

Amounts x €1,000	2023	2022
Corporate tax due in reporting year	-3,582	5,619
Previous years	-4,011	-1,756
Acute corporate income tax	-7,593	3,863
Deferred corporate tax	21,808	-247,063
Total	**14,215**	**-243,200**

The nominal tax rate in the Netherlands in 2023 was 25.8 percent (2022: 25.8 percent), in Belgium 25 percent (2022: 25 percent), and for Germany the applicable nominal rate of 30 percent (2022: 30 percent) was taken into account. As Germany only determines a limited taxable result, this results in a minimal divergence between the applicable rate and the effective tax burden.

Taxes on results, clarification

Amounts x €1,000	2023	2022
Result from ordinary operations before tax	2,816	-915,219
Nominal tax percentage	25.8%	25.8%
Nominal tax amount	727	-236,127
Corporate tax previous years	-4,011	-1,756
Impact of participation exemption	27,732	-41,342
Tax differences	-10,233	36,025
Total	**14,215**	**-243,200**

The effective tax burden deviates from the nominal rate. Participation exemptions apply to interests of over 5 percent in results from participations and investment funds. Taxes over previous years mainly involve a change in how the participation exemption on an investment fund is applied. The other fiscal differences are primarily due to the fact that realised and unrealised losses on shares are not tax-deductible in Belgium. The effective tax rate over 2023 is 504,8 percent (2023: 26.6 percent).

The 'Minimum tax rate act 2024' bill (Pillar-2 legislation) was adopted in the Netherlands at the end of 2023. The act involves a tax structure for large companies with a minimum effective tax rate of 15 percent per jurisdiction. The act was implemented on 31 December 2023 and will be applied as of reporting year 2024 for the DELA Natura. For reporting year 2023 we used the mandatory exception related to the processing of deferred tax assets and obligations in the framework of Pillar 2 corporate income tax. In addition, the results of DELA Natura for the coming years were the basis for determining the expected effects of Pillar-2 legislation. Based on these projections, it is expected that DELA Natura will not have to pay extra corporate income tax as it complies with the minimum rate of Pillar-2 legislation in every jurisdiction.

5.8 Organic analysis

The organic analysis shows the result of the technical account and the result before tax, categorised by profit sources.

Organic analysis

Amounts x €1,000,000	2023	2022
Result on mortality and invalidity	57.1	51,3
Result on buyouts and transactions	20.5	15,2
Result on costs	7.7	10,5
Result on interest	140.7	-854,9
Other technical result	-7.1	-2,8
Result-sharing	-249.2	-43,7
Result technical account	**-30.3**	**-824,3**
Investment result of own capital	34.5	-103,0
Other result	-1.4	12,1
Result before taxes	**2.8**	**-915,2**

The determination of the income from investments for technical or non-technical accounts is based on the equity/debt ratio.

5.9 Remuneration Executive and Supervisory Board members

The Management Board members are remunerated via a fixed and a variable component. They do not receive any representation fee or shares or bonds. Of the variable component (no more than 20 percent) 60 percent is paid unconditionally and 40 percent conditionally. Both parts are fully paid in cash. The retention period for the conditional part is three years. The remuneration of the Management Board members in the book year comprised a fixed component of €743,000 (2022: €686,000), a variable component of €83,000 (2022: €110,000) and a pension contribution of €156,000 (2022: €142,000).

The remuneration of the Supervisory Board members (of DELA Coöperatie U.A., DELA Holding NV and DELA Natura- en levensverzekeringen NV together) in the book year amounted to €229,000 (2022: €268,000).

5.10 Audit fees

DELA Natura uses the exemption based on Article 2:382a section 3 BW, which means it does not have to publish the fees.

5.11. Average number of employees

DELA Natura had an average of 712 (2022: 653) employees over 2023, of which 570 in the Netherlands (2022: 519), 96 in Belgium (2022: 99) and 46 in Germany (2022: 36).

Eindhoven, 26 April 2024

DELA Natura- en levensverzekeringen N.V.

The Management Board
S. (Sandra) Schellekens - Lyppens
J.A.M. (Jack) van der Putten
J.L.R. (Jon) van Dijk

Supervisory Board
J.W.T. (John) van der Steen, chair
J.J.A. (Hans) Leenaars, vice-chair
G.C.A.M. (Frits) van Bree, secretary
W. A.P.J. (Willemien) Caderius van Veen
G.M. (Georgette) Fijneman
G.H.C. (Georges) de Méris

Other information

Statutory result appropriation

Article 30 of the statutes states that the Management Board draws up the annual statement of the previous book year, including the proposal for the appropriation of the result.

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the General Meeting and the Supervisory Board of DELA Natura- en levensverzekeringen N.V.

Report on the audit of the financial statements 2023 included in the annual report

Our opinion

We have audited the financial statements 2023 of DELA Natura- en levensverzekeringen N.V., ("the company"), based in Eindhoven, The Netherlands.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of DELA Natura- en levensverzekeringen N.V. as at 31 December 2023, and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. The company balance sheet as at 31 December 2023.

2. The company income statement for 2023.

3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of DELA Natura- en levensverzekeringen N.V. in accordance with EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

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Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 18,200,000 The materiality is based on 2% of equity. We consider equity to be the most appropriate benchmark, because also the SCR-ratio is derived from it, and this ratio is generally viewed by stakeholders as an important metric for the financial robustness of the organization. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Supervisory Board that misstatements in excess of EUR 910,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

DELA Natura- en levensverzekeringen N.V. is at the head of a group of entities. The financial information of this group is included in the financial statements of DELA Natura- en levensverzekeringen N.V.

Our group audit mainly focused on significant group entities such as DELA Natura- en Levensverzekeringen N.V. (including the Dutch, Belgian and German insurance activities), DELA Vastgoed B.V., DELA Crematoria Groep B.V. and DELA Hypotheken B.V.

We have performed audit procedures ourselves at group entities DELA Vastgoed B.V., DELA Crematoria Groep B.V. and DELA Natura- en Levensverzekeringen N.V. (Dutch en German activities). We have used the work of other auditors when auditing DELA Natura- en Levensverzekeringen N.V. (Belgium activities) and DELA Hypotheken B.V. We have performed review procedures or specific audit procedures at other group entities.

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group’s financial information to provide an opinion on the financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management’s process for responding to the risks of fraud and monitoring the system of internal control and how the Supervisory Board exercises oversight, as well as the outcomes.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as, among other things, the code of conduct, whistle blower procedures and the complaints and incidents registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. In this process, we have taken into account the elements that can result in fraud:

Rationalization, pressure (motivation) and opportunity. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures.

The risk of management override of controls.

Description:

Management is in a unique position to commit fraud because management has the position to manipulate accounting records and prepare fraudulent statements by overriding controls that otherwise appear to be operating effectively.

How we audited this:

We evaluated the design and implementation of internal controls and processes related to generating and processing journal entries and making estimates, assuming a risk of breach of that process. We assessed the processes involved in preparing financial reports and the identification of significant transactions outside the normal course of business. We also focused on access security in the IT systems and the possibility that the segregation of duties in these systems could be breached.

In addition, we have paid specific attention to:

- Estimates by management:

  Identifying and testing the key estimates underlying the valuation of real estate investments. In this process, we have used specialists in the field of property valuation with respect to the valuation of the crematoria. We also audited the valuation principles used for the technical provisions, by using actuarial specialists as part of the audit team. We evaluated whether the judgments and decisions made by management in making the accounting estimates included in the financial statements, even if these are individually reasonable, indicate a possible management bias that may represent a risk of material misstatements due to fraud.

- Generating and processing journal entries:

  Selecting and testing journal entries based on risk criteria, such as journal entries and journal entries with fraudulent characteristics or descriptions.

- Significant transactions outside the normal course of business:

  Performing procedures to determine whether there are significant transactions outside the normal course of business, including reviewing minutes of board meetings and critically evaluating the transactions accounted for.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We considered available information and made enquiries of relevant executives, directors (including internal audit, Management Board, second-line risk managers, fraud coordinator and internal legal counsel) and the Supervisory Board.

This did not lead to indications for fraud potentially resulting in material misstatements.

Audit approach compliance with laws and regulations

We obtained a general understanding of the legislative and regulatory framework applicable to the entity by reading minutes, correspondence with regulators and reports from internal audit, as well as making inquiries of key functions (risk, compliance and actuarial). We involved our forensic specialists in this evaluation. We involved our forensic specialists in this evaluation.

As a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered the following laws and regulations: adherence to (corporate) tax law and financial reporting regulations, the requirements under Part 9 of Book 2 of the Dutch Civil Code and the Solvency II regulation with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the financial statements.

We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the financial statements.

Apart from these, DELA Natura- en levensverzekeringen N.V. is subject to other laws and regulations, as also stated in the NBA Practice Note 1143 “Specifieke verplichtingen vanuit de toezichtwet- en regelgeving voor de interne auditor en de externe accountant bij (her)verzekeraars” where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, e.g., through imposing fines or litigation.

Given the nature of DELA Natura- en levensverzekeringen N.V.‘s business and the complexity of these other laws and regulations, there is a risk of non-compliance with the requirements of such laws and regulations.

Our procedures are more limited with respect to these laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to DELA Natura- en levensverzekeringen N.V.‘s ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of operating licenses and permits or compliance with environmental regulations) and therefore non-compliance with such laws and regulations may have a material effect on the financial statements. Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements. Our procedures are limited to (i) inquiring of management, the Supervisory Board, the Management Board and others within DELA Natura- en levensverzekeringen N.V. as to whether DELA Natura- en levensverzekeringen N.V. is in compliance with such laws and regulations and (ii) inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements.

Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.

Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

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Audit approach going concern

Management has prepared the financial statements on the basis of going concern of all activities for a period of at least twelve months as of the date of the annual report. Our work to review management's going concern assessment includes, among other things:

- Considering whether management's going concern assessment contains all relevant information of which we have knowledge as a result of our audit and assessing management's key assumptions. Among other things, we paid attention to the solvency position, liquidity ratios and collectability of receivables.

- Determining whether management has identified events or circumstances that may cast significant doubts on the entity's ability to continue as a going concern.

- Evaluating the information included in the notes to the financial statements related to Solvency II in relation to the procedures we performed on the Solvency II regulatory reporting forms.

- Evaluating the budgeted operating results and related cash flows for the period of twelve months as of the date of the financial statements, taking into account developments in the industry and our knowledge from the audit.

- Inquiring management about its knowledge of going concern risks after the period of the going concern assessment.

- Take note of the results of the ORSA prepared by management, including the assessment of the identified stress scenarios.

Our audit procedures did not provide any information that conflicts with management's assumptions used in its going concern assessment.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

We have determined our audit procedures with regard to these key matters in the context of the audit of the financial statements as a whole. Our findings regarding the individual key matters should be viewed in that context and not as separate judgments on these key matters.

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Description of key audit matter	How we addressed the key audit matter
Estimates used in determining and testing the adequacy of the technical provisions for insurance contracts DELA Natura- en levensverzekeringen N.V. has significant technical provisions on the balance sheet for EUR 8,0 billion. Quantification of the technical provisions is inherently uncertain and requires that management make estimates on the valuation, which is dependent on factors such as social, economic and demographic trends, inflation, investment returns, the interest rate curve used, policyholder behaviour and assumptions about the development of mortality, lapse and expense rates. Using assumptions for these factors other than those currently used in the financial statements could have a material effect on the technical provisions and underwriting costs. There is a risk that technical provisions have not been appropriately valuated.	In order to address this risk, we have performed the following: Internal control procedures • Assessed the design and implementation of the internal control environment of the determination of the technical provisions, including the work performed by the second-line actuarial function holder. Substantive procedures • Performed several test of details including checks on the reliability of the data contained in the policy administation that is relevant for the valuation of the technical provisions, test of details on the accuracy of premiums at the individual policy level and performed data analysis on the data contained in the policy administration. • Assessed and performed a retrospective analysis on the assumptions used and the actuarial results for which the audit team involved actuarial specialists. We focused on the expense, mortality and lapse assumptions which are inputs for the liability adequacy test and the effect of the yield curve on the valuation of the technical provisions. In assessing the assumptions and actuarial results, the effect of social, economic and demographic trends and investment returns on actuarial results was also evaluated. • Assessed the liability adequacy test prepared by DELA Natura- en levensverzekeringen N.V. at year-end in accordance with the Financial Supervision Act (Wft). Our procedures on the liability adequacy test included assessing the reasonableness of projected future cash flows, critically reviewing assumptions and input data used, in which we also assessed whether there was potential management bias.

Description of key audit matter	How we addressed the key audit matter
	• Audited the accuracy of the adjustment in the modelling of the options (profit sharing and premium measure) affecting the valuation of the Solvency-II provision. • Performed substantive procedures in relation to the reliability of information derived from the IT systems. • Reviewed the disclosures included in the financial statements. **Our observation:** We deem the methodology and assumptions applied by DELA Natura- en levensverzekeringen N.V. in the valuation of the technical provisions appropriate and we note no material findings with regard to the technical provisions. Furthermore, we deem that the related disclosures in note 2.12 and 4.8 in the financial statements are adequate.
The valuation of the participations depends to a significant extent on the valuation of the investments in real estate As per 31 December 2023, DELA Natura- en levensverzekeringen N.V. held interest in different participations, including participations that invest in real estate (DELA Vastgoed B.V., DELA Vastgoed België N.V. and DELA Crematoria B.V.). The net asset value of these participations depends primarily on the value development of the portfolio of investments in real estate held by these participations with a fair value of EUR 522 million. The portfolio consists of retail, residential, crematoria, funeral centers, office and other properties, of which EUR 300 million is crematoria property. At the end of each reporting period, management determines the net asset value of its participations by among others determining the fair value of the real estate investment portfolio in accordance with the requirements of Dutch Accounting Standard 213.	In order to address this risk, we have performed the following: Internal control procedures • Assessed the design and implementation of relevant internal controls regarding the data and the use of external appraisers used in the valuation of the real estate investment portfolio. Substantive procedures We evaluated the professional competence of the external appraisers, including consideration of their qualifications and expertise. With regard to the significant assumptions in the valuation of real estate investments, we have: • Determined that the valuation methods applied by management, and as included in the external valuation reports and internal valuation models, are appropriate.

Description of key audit matter	How we addressed the key audit matter
DELA Natura- en levensverzekeringen N.V. used valuation reports from external independent qualified appraisers to determine the fair value of its real estate investments. For the valuation of the crematoria, DELA Natura- en levensverzekeringen N.V. uses a combination of external valuation reports and internal valuation models. Since the valuation of real estate investments includes an inherent estimation uncertainty, any change in the key assumptions can have a significant impact on the result and the net asset value of the participations; this in relation to the relative size of the investments in real estate (primarily in the participations in DELA Vastgoed B.V., DELA Vastgoed België N.V. and DELA Crematoria Groep B.V.) on the balance sheet and due to the use of assumptions that are highly sensitive. The main assumptions and parameters used here, given their sensitivity and impact on the valuation, are the discount rate and income capacity rent.	• The significant assumptions used (such as discount rate and income capacity rent) have been subjected to critical challenge with relevant market data. We involved, where relevant, our internal property valuation experts in these analyses. • Assessed the sensitivity analysis on key input data and assumptions to understand the impact of reasonable changes in assumptions on valuation and other key performance indicators (e.g., solvency ratios). • Assessed the adequacy of the disclosures related to the assumptions used in the valuations and sensitivity analysis as included in the financial statements. **Our observation:** Considering the (significant) assumptions used in the valuation reports, we deem the valuation of the real estate investments to fall within the acceptable range and therefore appropriate. Furthermore, we deem that the related disclosures in note 2.5.2 and 4.2.2 in the financial statements are adequate.
Other financial investments valuated at fair value that are based on valuation techniques with significant non-observable inputs DELA Natura- en levensverzekeringen N.V. has, as of 31 December 2023 other financial investments (EUR 2.8 billion) which, due to their illiquid nature, are measured at fair value using valuation techniques based on significant inputs, many of which are not directly observable in the market. These so-called level 3 investments, without a frequent market listing mainly concern unlisted investment funds: - Real estate funds - Infrastructure funds - Agricultural and forestry funds - Mortgage funds	In order to address this risk, we have performed the following: <u>Internal control procedures</u> • Assessed the design and implementation of internal controls related to the accurate and complete recording of source data and the process for determining the valuation of the other financial investments. • Assessed the design and implementation of the administrative organization and internal controls at the fund managers by reviewing reports on the quality of the internal control environment (the ISAE 3402 report or equivalent and the bridge letters) in which, among other things, the controls relating to the valuation of the fund are defined.

Description of key audit matter	How we addressed the key audit matter
The funds are not listed and do not have frequent market quotations. Investments in these funds are valued at fair value (market value), mostly derived from Net Asset Value statements of the fund managers. The valuation of these assets is important to our audit as the valuation is significantly dependent on valuation techniques and estimates of assumptions that in many cases cannot be derived directly from market information. Due to the significant degree of estimates in the valuation process, combined with the size of the investments, there is a risk of misstatements.	If there is no ISAE 3402 type 2 report available from the funds, DELA has issued additional requirements and requested reports (in control statement/compliance letter) to obtain assurance regarding internal controls. We have reviewed these reports to identify any findings. Substantive procedures • Took note of the valuation principles used by the fund managers to assess whether this is in line with DELA Natura- en levensverzekeringen N.V.'s valuation principles. • Obtain direct confirmation through NAV statements as of 31 December 2023 from the fund managers that are reconciled with the valuation as per the financial statements from DELA Natura en levensverzekeringen N.V. If the audited NAV statements are not available in time, a retrospective analysis is performed on the Net Asset Value as included in the most recently available audited financial statements, where we also coordinate with the fund auditor for some funds to determine whether there are any findings with regard to the valuation as per 31 December 2023. • Reviewed the disclosures included in the financial statements. **Our observation:** We deem the methodology and assumptions applied by DELA Natura- en levensverzekeringen N.V. in the valuation of other financial investments (Real estate funds, Infrastructure funds, Agricultural and forestry funds and Mortgage funds) appropriate and we note no material findings with regard to the other financial investments. Furthermore, we deem that the related disclosures in note 2.5.8, 2.5.9 and 4.2.3 in the financial statements are adequate.

Description of key audit matter	How we addressed the key audit matter
Disclosure relating to the solvency position, based on Solvency II regulation For DELA Natura- en levensverzekeringen N.V. the Solvency II ratio as per 31 December 2023 is 207%. This ratio is determined based on recalculating the balance sheet to fair value and dividing the eligible own funds by the calculated required capital. Both the market consistent balance sheet and the calculated capital requirement are based on complex calculations and significant assumptions that may have a material effect on the calculated Solvency II ratio. In association with these assumptions and complex valuation models, there is an increased risk of misstatements. Since the solvency ratio is an important figure and the Solvency II information is used in the capital management policy of DELA Natura- en levensverzekeringen N.V., we considered auditing this information to be important. There is a risk that the calculated Solvency II ratio is misstated in the financial statements.	In order to address this risk, we have performed the following: Internal control procedures • Assessed the design and implementation of internals controls regarding the determination of the Solvency II ratio. Substantive procedures • Performed a critical challenge of the assumptions, parameters and results for which the audit team included actuarial specialists. • Performed substantive procedures on the determination of available capital (EOF), including assessing the accuracy and completeness of the valuation adjustments from the statutory balance sheet to the market value balance sheet. • Performed substantive procedures on the technical provision, including testing the accuracy and completeness of the valuation and the timing of the projected cash flows. • Tested the accuracy of the adjustments made in the modelling of the options (profit sharing and premium measure) in the Solvency-II technical provision. • Tested the reliability of the required data of the different SCR calculations. • Verified the correct application of the standard formula used in the different SCR calculations. • Reviewed the disclosures included in the financial statements. **Our observation:** We deem the methodology and assumptions applied by DELA Natura- en levensverzekeringen N.V.in the calculation of the Solvency II ratio appropriate. Based on the assessment of the internal control procedures and substantive procedures performed, we obtained sufficient and adequate audit evidence. Furthermore, we deem that the related disclosures 3.1 in the financial statements are adequate.

Deloitte.

Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

The other information consists of:
- In brief, including key figures
- Management Board report
- Supervisory Board report
- Other Information
- Annex: NFRD
- Annex: EU Taxonomy

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains all the information regarding the Management Board report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the Management Board report in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were engaged by the Supervisory Board as auditor of DELA Natura- en levensverzekeringen N.V. on 6 February 2015 as of the audit for year 2015 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of management and the Supervisory Board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Concluding on the appropriateness of management‘s use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company‘s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.

- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor’s report.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements of the current period. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, 26 April 2024

Deloitte Accountants B.V.

Signed on the original: R.J.M. Maarschalk

About this report

This Annual Report integrates all the main economic, social and environmental data from the DELA Natura in 2023 and covers the book year from 1 January to 31 December.

In view of Title 9, Book 2 DCC and RJ400.104: The chapters ‘In brief’, ‘Management Board report’ and ‘Annexes’ jointly make up the ‘Statement from the Management Board’.

The selection of the reported indicators in the Executive Board Report is based on a materiality analysis, DELA’s value creation model and meetings with various stakeholders.

DELA is required to report in compliance with CSRD legislation from 2024 onwards. In anticipation of this, we are already including several sections from the statutory report for 2024. These sections do not yet fully comply with CSRD legislation and were not part of the limited assurance procedures for the external accountant as applicable in 2024.

Data included in this report is based wherever possible on measurements and calculations. Other data is derived from central systems or based on input from third parties. Any changes to the definitions, measuring methods or inherent limitations in the data are indicated, as is the use of extrapolation and estimates.

Data included in this report is based wherever possible on measurements and calculations. Other data is derived from central systems or based on input from third parties. Any changes to the definitions, measuring methods or inherent limitations in the data are indicated, as is the use of extrapolation and estimates.

Other indicators such as energy and CO_2 emissions are reported annually for the purpose of this report. The underlying data for these indicators is collected and checked by the CSR project leader.

The Management Board report was reviewed by various stakeholders during its writing and delivery, including several members of the Management Board, the Supervisory Board and DELA’s confidential committee. The financial statements was reviewed by the external accountant in accordance with legal requirements.

Our reporting is constantly under development. If you have any related comments and/or questions, please let us know via woordvoering@dela.org.

Annexes

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.

Amortised cost price
The amount at which financial assets or obligations are valued in the initial recognition minus payments and plus orminus cumulative depreciation. This is realised by using the effective interest method for the difference between the original amount and the amount on the expiry date. The effective interest rate is the percentage which ensures that the discount of the expected cashf lows is the same as the initial valuation of the receivable or debt.

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

BIO
Our strategy of employee engagement, integrity and an entrepreneurial spirit.

BV
Private company

CCO
Chief commercial officer

CEO
Chief executive officer

CFRO
Chief financial and risk officer

CO_2 footprint
A CO_2 footprint is an inventory of the total amount of emitted greenhouse gases, expressed in CO_2 equivalents. CO_2 emissions are caused by the combustion of fuels. Too much CO_2 in the atmosphere leads to climate change. A CO_2 footprint indicates the extent to which an organisation impacts climate change and where CO_2 emissions can be reduced. A CO_2 footprint is categorised in Scope 1, 2 and 3. Scope 1 involves direct CO_2 emissions; scope 2 indirect CO_2 emissions via the acquisition of electricity and gas; and scope 3 involves all other indirect CO_2 emissions.

CSRD
The Corporate Sustainability Reporting Directive (CSRD) prescribes that companies must provide more detailed reports on sustainability data from their 2024 annual report onwards and apply the European Sustainability Reporting Standards (ESRS). In addition, the accountant must provide a limited degree of assurance about this sustainability data.

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

DNB
De Nederlandsche Bank (Dutch central bank)

DORA
The Digital Operations Resilience Act (DORA) is a European regulation aimed at stimulating financial organisations to better manage their IT risks and become better able to withstand cyber threats.

DUP
DELA UitvaartPlan (pre-arranged funeral insurance)

eNPS
The eNPS (employer Net Promotor Score) shows the extent to which employees of the cooperative would recommend DELA as an employer. The score is determined by the percentage of promotors minus the percentage of detractors.

Fixed-value
Inflation-proof

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. See www.greenleave.nu for more information.

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 GRESB score, fund managers can assess their sustainability policy and make improvements. See https://gresb.com/

IMVO
IMVO is a partnership of government, trade unions, social organisations and many other insurance companies in which members commit to international standards in the field of human rights and good governance.

Intercompany position
Outstanding financial positions between various entities of a group.

Materiality analysis
A materiality analyses helps companies identify the themes that are relevant (material) to the company. The CSRD requires a double materiality assessment in which the financial materiality (how sustainability themes affect a company: outside-in perspective) and impact materiality (how the company affects people and the environment: inside-out) are combined. Reporting on these material themes is a requirement for the Annual Report.

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

NFRD
The Non-Financial Reporting Directive, or NFRD, obliges large public-interest companies to report on their activities with regards to social and environmental aspects and challenges.

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 promotors. For example, if research shows that 30 percent of the responders is a promotor and 20 percent is a detractor, the NPS is +10.

NV
Public limited company

ORSA
Solvency II regulations require insurers to perform an annual ORSA (Own Risk and Solvency Assessment). An ORSA is performed by or on behalf of the insurer to determine whether all financial risks that may occur have been mapped out and/or whether sufficient mitigating measures to minimise possible risks have been taken so that the insurer can continue to fulfil its insurance obligations in the future.

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

Pulsescore
measurement of the emotional value of a company based on the appreciation, positive association, trust and admiration attributed to the company by stakeholders.

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.

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

SA
Société anonyme (public limited company)

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 establishment of a report (SFCR) and publication of this report in the framework of transparency
- The performance of an ORSA (Own Risk Solvency Assessment)

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.

Stakeholder dialogue
A stakeholder dialogue involves discussions related to a specific theme. This could be any matter or problem which an organisation wishes to address that requires broad input. The usefulness of a stakeholder dialogue can therefore vary per organisation.

Stakeholder watch
Stakeholder watch is a research tool that measures on a daily basis the reputation of an organisation and the possible effect of publications in the media. Because the measurements are taken daily and explicitly ask respondents what effect publications in the media have had on how they perceive the organisation, there is a direct correlation between a publication and/or widely shared social media post and its reputational impact.

TCFD
Task Force on Climate-related Financial Disclosures, a framework for the financial sector to include the impact of climate change in their operational processes and decision-making.

Value creation model
The value creation model indicates which instruments (both financial and in areas like resources and people) are used by an organisation (input), how the organisation converts them into products and services (output) – the business model – and what value this adds and subtracts for stakeholders and society as a whole (outcome) in the short and long term.

VBDO benchmark
Research by the Dutch Association of Investors for Sustainable Development (VBDO) into the investment policies of the 20 largest insurers in the Netherlands.

Wta
Dutch Financial Supervision Act

NFRD

Item	Section
Description of the company model	In brief, Profile Management Board report, Our strategy
Description of policy related to environmental matters	Management Board report, Our organisation, CO2 reducion Management Board report, Our organisation, Sustainable material use
Description of policy related to social matters and treatment of employees	Management Board report, In brief, Profile Management Board report, Our strategy, Our significance Management Board report, Our organisation, Our employees Management Board report, Our governance, Corporate governance, Acting with integrity
Description of policy related to respect for human rights	Management Board report, Our governance Corporate governance, Acting with integrity
Description of policy related to tackling corruption and bribery issues	Management Board report, Our governance, Corporate governance, Acting with integrity
Description of the primary risks related to environmental, social and employee matters, respect for human rights and tackling corruption and bribery issues, and how the company manages these risks;	Management Board report, Our governance, Risk management
Non-financial performance indicators and results for environmental, social and employee matters, respect for human rights and tackling corruption and bribery issues	Management Board report, Our strategy, Our significance Management Board report, Our organisation, Our employees Management Board report, Our organisation, CO2 reduction Management Board report, Our organisation, Sustainable material use No KPIs have been set for the respect of human rights and the fight against corruption and bribery.
Diversity of executive board, management and supervisory bodies (description of policies, goals, implementation and results)	Management Board report, Our organisation, Our employees Management Board report, Our governance, Corporate governance, Supervisory board-directors

EU taxonomy

The Paris Climate Agreement is aimed at bringing an end to global warming. The European Union has set itself the target of being climate-neutral by 2050 at the latest and introduced the European Green Deal growth strategy to support the European economy in reaching this goal. One of the crucial steps is the implementation of a uniform classification system for environmentally sustainable economic activities known as the EU Taxonomy.

The EU Taxonomy is a tool to help investors, companies, issuers and providers of financial products and project promoters navigate the transition to a climate-neutral, climate-resilient and ecologically sustainable economy. Clear definitions based on strict screening criteria of exactly which economic activities are sustainable ensures greater transparency and comparability. The EU also aims to use the system to tackle greenwashing.

The Taxonomy Regulation establishes six environmental objectives. Two are related to the mitigation and adaption of climate change while the other four are environmental objectives including the transition to a circular economy and the prevention and control of pollution. The taxonomy describes which activities are making a substantial contribution to achieving one of the environmental goals. Based on Article 8, companies are required to report what proportion of their turnover and capital & operational expenditure is environmentally sustainable.

The first reporting obligations came into force on 1 January 2022. This means that all organisations to whom the EU Taxonomy regulations apply must publish the key indicators in their annual report. These indicators are related to the ‘taxonomy-eligible economic activities’ and the ‘taxonomy-aligned economic activities’ which are set out in the screening criteria. Financial companies are required to disclose the share of their investments related to the financing of taxonomy-eligible and taxonomy-aligned activities. From reporting year 2023 (published in 2024), companies are required to report on the level in which their economic activities are compliant with the EU taxonomy, i.e. the extent to which they are taxonomy-aligned.

In our annual report we make a distinction between our core activities (business operations) and our investments.

Business operations (insurance and funerals)

Our core activities, insurance and funeral care, do not make a significant contribution to any of the six environmental objectives. We therefore have a 0 percent ‘eligible’ report score and 0 percent ‘aligned’.

Investments

As prescribed in the regulations, the following tables show which part of the investment portfolio is eligible for and which part is aligned to the taxonomy.

Portfolio	x €1 million	%
Derivatives	14.7	0.2%
Exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU	1,653.0	23.4%
Exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU	Split not available	Split not available
Exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU	1,304.5	18.5%
Exposures to other counterparties	4,078.7	57.8%
Totaal	**7,050.8**	**100.0%**
Government bonds	1,645.2	
Other	51.4	
Totaal investments	**8,747.4**	

	Turnover-based		Capital spending-based	
	x €1 million	%	x €1 million	%
All investments that finance economic activities not eligible for the taxonomy	2,581.5	36.6%	2,025.7	28.7%
All investments that are eligible for the taxonomy but not for taxonomy-aligned economic activities	2,344.7	33.3%	2,404.1	34.1%
Investments eligible for the taxonomy and the taxonomy-aligned economic activities	456.9	6.5%	84.5	1.2%
- Taxonomy-aligned exposures related to financial and non-financial undertakings that are subject to Articles 19 bis and 29 bis of Directive 2013/34/EU	*16.9*	*0.2%*	*29.2*	*0.4%*
- Investments from the insurance or reinsurance company, excluding investments continued for life insurance agreements in which the investment risk is borne by the policyholders, and which are focused on the financing of or are related to taxonomy-aligned economic activities	*Not applicable*	*Not applicable*	*Not applicable*	*Not applicable*
- Taxonomy-aligned exposures to other counterparties related to the total assets covered by the KPI	*440.0*	*6.2%*	*55.3*	*0.8%*

	Turnover-based	Capital spending-based
	%	%
Climate mitigation	Information not available	Information not available
- Transition activities	*Information not available*	*Information not available*
- Facilitating activities	*Information not available*	*Information not available*
Climate adaptation	Information not available	Information not available
Sustainable use and protection of water and marine resources	Information not available	Information not available
Transition to a circular economy	Information not available	Information not available
Pollution prevention and control	Information not available	Information not available
Protection and restoration of biodiversity and ecosystems	Information not available	Information not available

Nuclear energy related activities	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Information not available
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Information not available
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such	Information not available
Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Information not available
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Information not available
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Information not available

The figures and percentages in the tables were calculated with the aid of various parties.

For the listed companies in our portfolio, the figures and percentages were determined based on data from our external capital managers combined with the input from a specialised external party that verifies which percentage of the turnover and investments (capex) is aligned for the first two goals. The percentage of the turnover and investments (capex) which are eligible is also calculated. The input used from this external party was obtained in late January and is largely based on annual reports for 2022. Since reporting on all six goals was not yet available for 2022, the calculation is based solely on the two climate goals. The activities related to nuclear energy and fossil gas were also not reported on in 2022, which is why the information is not available.

Our real estate portfolio is considered to be 100 percent eligible. Ten percent has an energy label A or better, or a comparable rating in other countries. In addition, a number of our crematoria have energy label A. The alignment of our real estate portfolio is therefore available for the first two objectives. No information is available regarding alignment with the other objectives.

We have used information from the SFDR reports from the capital managers for the infrastructure and agriculture & forestry portfolios. These reports are for 2022 so only contain alignment information about the first two environmental objectives. Three of the ten capital managers with whom we work were unable to provide this report for 2022, which represents 19 percent of the capital invested in infrastructure and agriculture & forestry. Regarding the portfolios managed by these capital managers we therefore calculate 0 percent are eligible and 0 percent aligned.

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