

Annual Report DELA Group

2023



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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 and our member database by more than 85,000 members. This means that we have now in total over 3.3 million members and more than 5.5 million policyholders. The number of funerals we provided also saw a slight increase to nearly 54,000.

Based on the strength of the DELA group, we provide recognisable, warm and personal services. Every new employee takes part in the Warm Welcome Days, becoming familiar with our core values and DNA which then serves as the starting point for our daily activities.

To further reinforce our growth ambitions in 2023, we started a programme called 'business in control'. 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. Business in control 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

We are determined to be of even greater value to our members. Our cooperative nature is crucial in this respect; members have always had a clear input and help us enhance our service provision. We are also proud of new initiatives such as the remembrance place set up in Belgium as a place of comfort for parents who lose their child during pregnancy or birth. This idea is a good example of how we listen carefully to the actual wishes of the bereaved.

We also believe in joining forces to provide members and customers with an even broader range of solutions and services. In the Netherlands we acquired the remaining shares in the Associatie & IJmond funeral association during 2023 and finalised the operational integration of Yarden and CVU Uitvaartzorg. We are also pleased to have partnered with the municipality of Lingewaard (NL) to open the new 't Karbrugsche Veld crematorium with its modern, warm ambiance and ample flexibility. In Belgium we took a majority interest in Borgno (Mons) and acquired both Marion (Namur) and Vanheste (Bruges).

We are pleased that the general meeting agreed this year to extend membership of the cooperative to include current Belgian policyholders. It also confirmed 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.

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 members, not only when someone dies but increasingly at other stages of the journey of life. We see it is as important to continuously empathise with the expectations that members, policyholders, the bereaved and guests have of our daily activities.

In addition we have also been participating and investing in companies that strengthen solidarity and a sense of unity via Voor Elkaar Holding. Our partners aim to have a social impact via informal care support and financial support & planning. In 2023, the holding made a new investment in Prikkl, a coaching and advisory platform that helps people in the Netherlands make smart financial choices at all stages of their lives.

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.

We are proud that we can provide members and customers with an increasing number of digital solutions such as livestreams and online remembrance pages. Developments like the Funeral Planner (enabling people to start independently arranging a funeral), the Succession Simulator (a tool to calculate expected inheritance tax) and an app for grief processing in children (mijnherinneringaanjou.be) are just some of the options.

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 limited the rise in funeral costs by committing to competitive purchase prices and controlling 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 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 with our funeral services. Our colleagues do their utmost to make every goodbye a memorable one, while maintaining a focus on the wishes of the family and the deceased. 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 have an excellent reputation among members and non-members alike, scoring especially well in the field of financial support and our contribution to 'remembering and passing on'. 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.

Changes to the Executive Board

In the past year, it was announced that CEO and chairman of the Executive Board 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 members and customers.

Eindhoven, 26 April 2024

DELA Coöperatie U.A.

The Executive Board

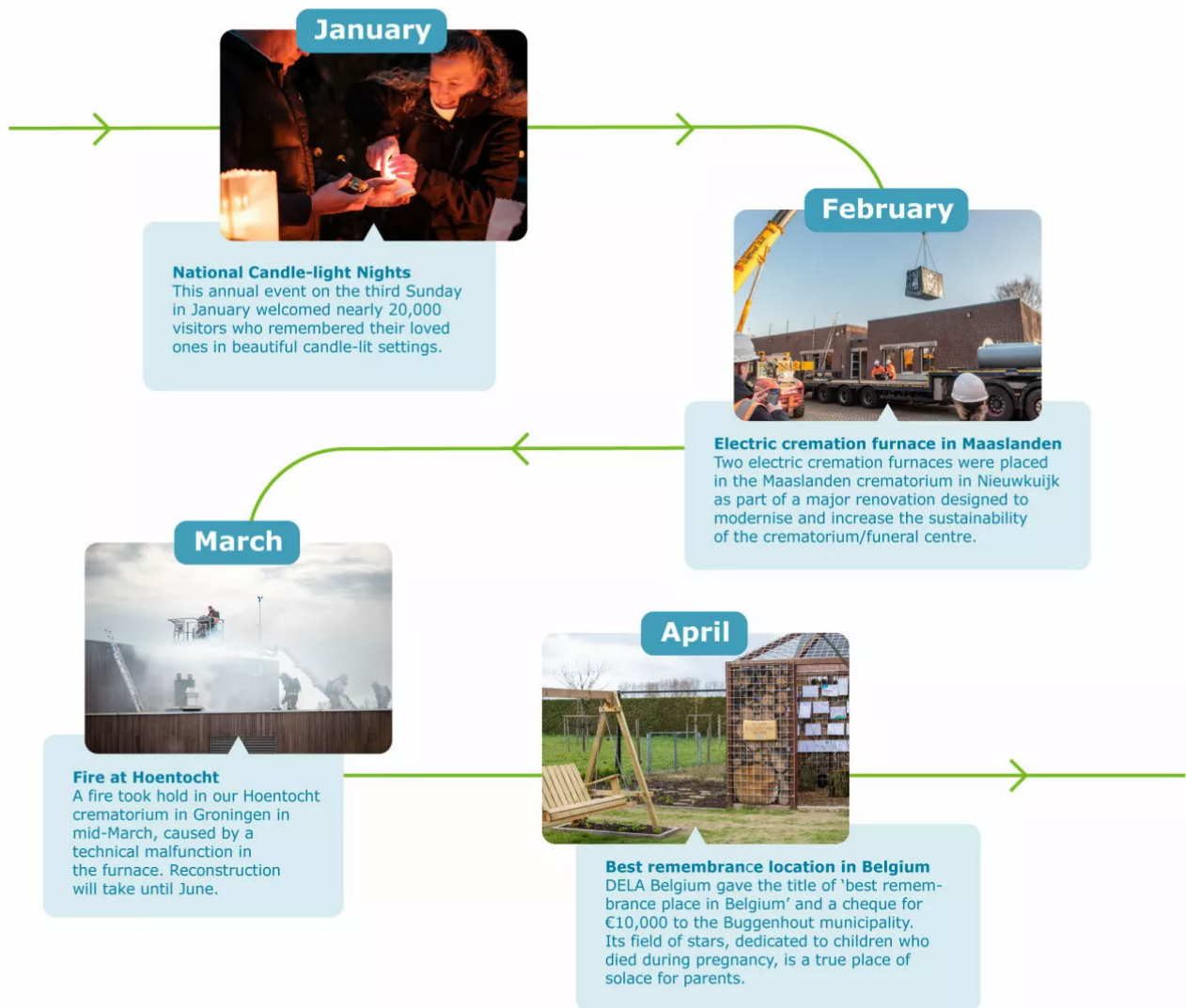
S.M.G. (Sandra) Schellekens - Lyppens, CEO / chair

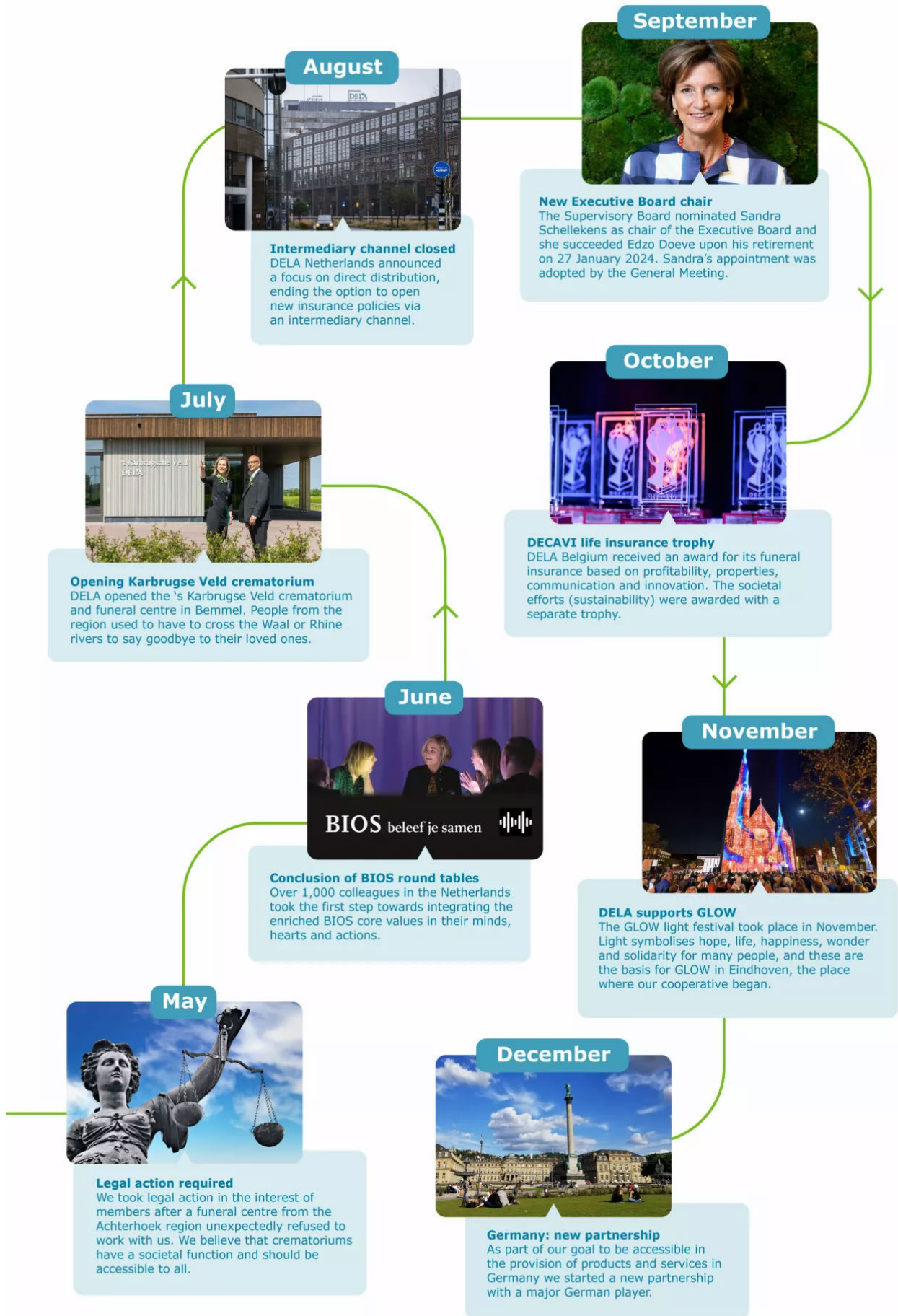
J.A.M. (Jack) van der Putten, CCO / vice chair

J.L.R. (Jon) van Dijk, CFRO



2023 in brief







Profile

The DELA cooperative (DELA unless indicated otherwise) is an international insurance company and funeral organiser.

DELA was established as a cooperative association over 85 years ago based on the concept that many hands make light work. Since 1937 solidarity has been the foundation underpinning the goal to ensure everyone can have a respectful funeral. This ambition is made clear by our name: DELA is short 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. In addition, our members have the final vote regarding important issues such as the appointment of members of the Executive and Supervisory Boards. They are also informed about and given the opportunity to contribute to the latest developments via the general meeting. We are always building on our shared interests.

'Members help define our policy and further develop our service provision'

DELA supports its members and policyholders every day in word and deed. Knowing that everything is properly arranged from our side gives a sense of peace and security. We always offer the utmost personal care and attention, and no matter what solution we provide it is accompanied by maximum effort and conviction.

Zooming in on the wishes and needs of members and policyholders enables us to better align our activities and services. This in turn stimulates innovation, growth and flexibility, making DELA more resilient and aligned to changing demands and circumstances.

Solidarity is the basis for everything we do. DELA plays a connecting role in society. Existing and new services alike are aimed at enhancing solidarity as we strive to make the world a better place for current and future generations.

DELA in the Netherlands has 77 funeral centres and 40 crematoriums. In Belgium, DELA offers funeral services from 134 funeral centres, two crematoriums and a repatriation centre. DELA Germany does not own any funeral facilities. Its office in Düsseldorf provides various insurance policies, directly via online channels or brokers. In addition to insurance, DELA Germany also provides aftercare via various partners as an extra benefit for the bereaved



In brief

Key figures



Customer satisfaction
63 in 2022



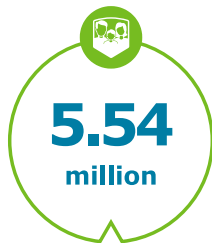
Reputation
66 in 2022



Employees
2,074 in 2022



Employee satisfaction
45 in 2022



Policyholders
5.49 million in 2022



Funerals
52,564 in 2022



Cremations
50,256 in 2022



Profit sharing
€ 43.7 million in 2022



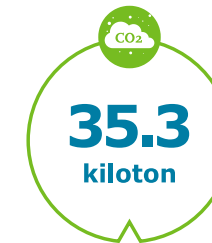
Gross turnover core activities
€ 1,034 million in 2022



Solvency
226% in 2022



Coverage
195% in 2022



CO₂-emissions
30,3 kiloton in 2022

Financial

	2023	2022	2021	2020	2019
Turnover					
<i>x €1,000</i>					
Gross written premium	712,701	669,011	592,472	516,792	480,179
Turnover funeral company*	383,684	365,121	317,723	267,633	244,865
Other turnover	757	39	3,236	148	10
Gross turnover	1,097,142	1,034,171	752,229	631,147	594,192
Distribution of investment results					
<i>x €1,000</i>					
Net investment results	336,648	-841,467	646,420	74,659	664,185
Minus: for future insurance payments**	-189,851	-178,841	-160,094	-144,482	-137,065
Remaining for financial position cooperative***	146,797	-1,020,308	486,326	-69,823	527,120
Profit share					
<i>x €1,000</i>					
Profit share	249,224	43,654	5,940	42,994	42,323
Balance sheet					
<i>x €1 million</i>					
Total assets****	9,453	9,005	9,680	7,120	6,939
Investment value****	8,842	8,470	9,080	6,592	6,482
Technical provision	8,021	7,532	7,172	5,155	4,870
Equity capital****	1,004	1,061	1,782	1,343	1,434
... as percentage of technical provision	13%	14%	25%	26%	29%
Insured capital					
<i>x €1 million</i>					
Insured capital	78,605	72,970	68,678	57,841	49,915
Coverage					
Average coverage*****	251%	195%	129%	122%	156%
Solvency					
Solvency II ratio	208%	226%	236%	221%	201%

* The elimination of turnover and purchasing costs has been adjusted for the 2022 book year as the elimination was incomplete. The correction has no influence on the gross margin and result.

** Based on actuarial interest added to the technical provision.

*** Income from investments, available for capital growth.

**** Adjustment in 2022 compared to previous publication due to the prior period error.

***** 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					
<i>NPS</i>					
Netherlands	57	58	56	61	60
Belgium	68	69	70	70	66
Germany	53	51	49		
Total*	62	63	64	66	62
Reputation					
<i>Netherlands, Stakeholderwatch pulse</i>					
Members	78	77	77		
Non-members	66	60	56		
Total	72	66	63		
<i>Belgium, Brand Fame Tracker: 'de uitvaartspecialist'</i>					
	80%	76%	73%	70%	67%
Employee satisfaction					
<i>Effectory eNPS</i>					
Netherlands	36	44	51		
Belgium	53	53	54		
Germany	8	-	-		
Total	38	45	52		
Employees					
<i>Fte, at end of the year</i>					
Netherlands	1,746	1,606	1,735	1,154	1,113
Belgium	434	430	416	408	392
Germany	45	38	28	23	19
Total	2,225	2,074	2,179	1,585	1,524
CO₂ emissions					
<i>x 1 tonnes. Net, excluding investments</i>					
Scope 1	10,261	4,520	5,765	2,913	1,355
Scope 2	694	2,172	2,552	517	-
Scope 3	24,332	23,574	27,005	26,155	34,133
Total	35,287	30,266	35,322	29,585	35,488
Netherlands	25,489	22,070	25,769	18,094	35,488
Belgium	9,748	8,130	9,450	11,491	-
Germany	50	66	103	-	-
Total	35,287	30,266	35,322	29,585	35,488

Insurance company

	2023	2022	2021	2020	2019
Customer satisfaction insurance					
<i>NPS</i>					
Netherlands*	44	46	51	53	50
Belgium	59	60	58	57	52
Germany	53	51	49		
Total*	56	57	56	52	40
Customer satisfaction customer service					
<i>NPS</i>					
Netherlands	43	45	39	50	45
Belgium	60	59	68	59	54
Total**	49	50	57	56	52
Insured persons					
<i>Balance at the end of the year</i>					
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
Premium revenue					
<i>x €1,000. After deduction of reinsurance</i>					
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

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

** NPS customer service total 2022 adjusted compared to previous publication due to adjustment in weighted average calculation.

Funeral company

	2023	2022	2021	2020	2019
Customer satisfaction rating by descendants					
<i>NPS</i>					
Netherlands	72	71	72	73	76
Belgium	82	81	82	80	78
Total	76	76	77	76	77
Funerals					
<i>Number</i>					
Netherlands	41,028	39,800	36,168	32,715	29,106
Belgium	12,679	12,764	11,995	13,446	11,136
Total	53,707	52,564	48,163	46,161	40,242
Cremations					
<i>Number in own crematoriums</i>					
Netherlands	43,083	42,955	32,747	26,296	24,137
Belgium	7,194	7,301	7,661	9,306	8,387
Total	50,277	50,256	40,408	35,602	32,524
Turnover*					
<i>x €1,000</i>					
Netherlands	312,060	298,580	258,431	206,656	191,841
Belgium	71,624	66,541	59,292	60,977	53,024
Total	383,684	365,121	317,723	267,633	244,865

* The elimination of turnover and purchasing costs has been adjusted for the 2022 book year as the elimination was incomplete. The correction has no influence on the gross margin and result.



Edzo Doeve retires

Edzo Doeve retires: highlights from 20 years at DELA

Edzo Doeve reflects on his time with DELA in this exclusive interview.

At the heart of society

Edzo Doeve started as the general director and only Board member of DELA in 2004. “While instantly touched by the dedication of the employees and importance of their work, I also felt a sense of sparseness and greyness. The two worlds did not line up and during a team-building session I suddenly realised why. Saying goodbye is mostly about something else entirely, namely moving on after a loss. People may approach us to organise a farewell, but our importance mainly lies in helping them move on with their lives and share memories. This insight helped us tell the story of DELA in a different way. We started thinking about our place in the world and concluded that, as an organisation, we have a very significant social task. A task that places us right at the heart of society.”

This new context created space for change. “We started adding more colour to our buildings and developed new services such as after-care for the bereaved. We also initiated some great partnerships, including with the Dutch women’s volleyball team. These things all generated energy.” Over the following years the service provision was enhanced and new ambitions & goals determined. Highlights included the development of a sustainable investment strategy and being the first funeral company to introduce an electric furnace. Nonetheless, Edzo emphasises, it’s not just the big steps that matter. The small details which may not be immediately visible are equally important. He is also very proud of DELA’s art collection, which now contains some 700 works by artists schooled in the Netherlands and Belgium. “They are showcased in our buildings and encourage people to contemplate. The pieces are comforting or tell a story, both of which can be of great value to the bereaved. Our art collection reflects the overall enhancement of our service provision.”

Membership growth

Under Edzo’s leadership, the number of DELA members gradually grew to more than 3.3 million over the 20 years. “We have always been good at addressing needs and changing course in due time,” Edzo explains. “When the online environment became increasingly relevant, we addressed this by developing channels. In addition to dedicated online marketing about the benefits of our products, we started telling the story of DELA. We created some superb campaigns in this process. ‘Why wait (to say something nice)’ shared our core belief that people can mean a lot to each other. ‘The seven of your Life’ successfully appealed to younger generations. And through it all, DELA grew into a warm, colourful organisation nestled at the heart of life.”

Using the strength of the cooperative

This growth was also made possible by increasingly exploring and utilising the strength of the cooperative. “A cooperative builds solidarity and shows that we are stronger together. DELA stands for ‘carry each other’s burdens’ and that begins by supporting each other before we can reap any rewards.” This approach proved very successful, especially in more difficult times. The new European regulations on solvency introduced in a context of extremely low interest rates proved challenging for long-term investors like DELA. “This is why we agreed to the so-called premium measure with the general meeting: when interest rates are extremely low, we can slightly raise our premiums. The logic of this measure has since proven its value and means that we can continue to realise good profits in the long term to ensure our funeral insurance policies hold their value.”

National coverage and international expansion

It was this financial robustness that allowed DELA to acquire Yarden. “Yarden is a good match for DELA due to the major cultural similarities in background and the geographical addition of services. Where Yarden was active, we were less present, and vice versa. The acquisition has given us a better representation in the north and east of the Netherlands. We were also able to offer a lower premium increase thanks to purchasing and scale benefits.”

In addition to the acquisition of Yarden DELA increasingly expanded its services across the border. We have been active in Belgium since 1989, and operating in Germany since 2018. “Our cooperative is built on two concepts, namely solidarity and continuity,” Edzo continues. “If the collective continues to grow, we can better guarantee both these concepts. The Dutch funeral insurance market appears to be saturated. Although we’re still growing it is very modest, making expansion in other markets essential. DELA has enjoyed healthy growth in Belgium over the past ten years and we now have Germany, too. I believe these developments guarantee the further evolution of the cooperative in the years to come.”

Everyone matters

Edzo underlines that all the above has only been possible by the incredible dedication of DELA’s employees. “It is vital that everyone enjoys giving their best every day. The fact that they are doing so is something we have achieved together. It is based on the philosophy that everyone matters, whatever their position or role, and that staff actually feel that too. We have participated in various initiatives to assess our employership and won quite a few awards in this field. These efforts have motivated us to further explore what makes us happy as colleagues, and how we can grow personally. We also organised round-table sessions in the Netherlands every three years, welcoming colleagues to nicely decorated tables where they exchanged ideas about what they find important in life. These types of initiatives have a genuine impact: we are really doing this together, everyone matters.”

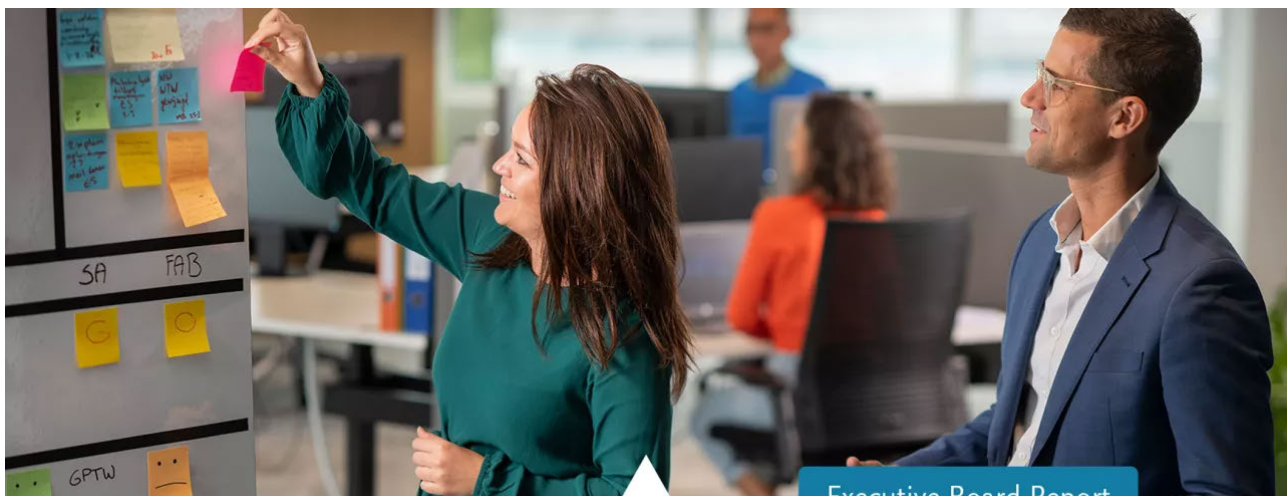
Voor Elkaar Holding enhances solidarity

The service provision around funerals has become more important over the past 20 years, says Edzo. As a result, DELA has provided its members not only with support with the funeral itself but also in making memories and moving on. In this context Edzo is proud of Voor Elkaar Holding, established in 2022 to enable DELA to expand its societal role. “Our cooperative is based on solidarity in the area of saying goodbye and moving on. As good as this is, there’s also a big need for solidarity in other areas such as caring for loved ones and financial support. VEH will contribute to the continuity of DELA as a whole over time and generate sufficient income, although we’re aware that the latter will take time.”

Confidence in the future

Edzo thanks all colleagues for their commitment, tireless efforts and heart for the cooperative. “Together we have built a strong organisation that is located at the heart of society and fulfils an important societal function. An organisation that is loyal to its origins and aware of its constantly changing environment. An organisation with a wealth of plans to ensure it can remain meaningful in the near future and beyond. I wish Sandra Schellekens the best of luck in her new role and am confident that DELA is in good hands with her and the other Executive and Supervisory Board members.”

Executive Board report



Executive Board Report

Our strategy

The origins of our cooperative 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. We help pass on memories, experiences and values.

This is achieved by means of practical and financial support. We share the profits we make with our members. Sometimes this results in a lower annual increase in the premium and, when things are less positive, we all pay slightly more. Members help determine our policy and further develop our services during the general meeting. Solidarity is key to everything we do, enabling us to reap the rewards 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: "We use the power of solidarity to connect society, secure the continuity of the cooperative and care for each other."

'In 2030 our cooperative will have strengthened the sense of solidarity within society'

Ambition

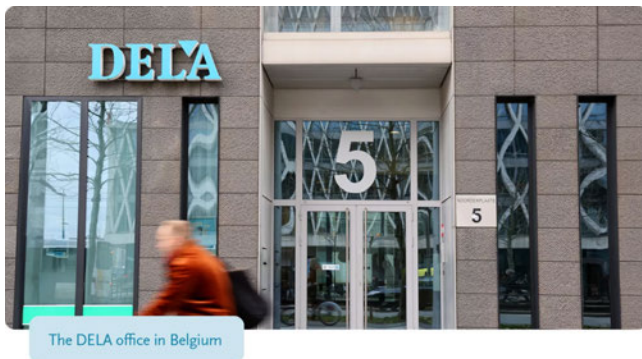
DELA is an expanding and thriving cooperative. We have remained loyal to the essence of where we started and this remains a prime aspect of our mission. At the same time, we are constantly evolving as we find new ways to broaden and give meaning to the principles of solidarity and continuity in the future.

DELA 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 in the domain of 'saying goodbye and remembering'. This means attracting new members and retaining existing ones by increasing interactions and enhancing our relationships, which in turn promotes the sense of solidarity. We are also looking to expand the services and products we provide to members, policyholders and the bereaved within our domain. A good example is the high-quality services designed to meet the specific emotional needs which arise at times of grief.

To realise our ambitions by 2030 we are broadening our activities and providing new services to promote solidarity via a separate entity called Voor Elkaar Holding ('voor elkaar' means 'for each other' in Dutch). This holding was established to be a part of and make investments in companies which promote solidarity and cohesion in society, taking the scalability and financial health of these companies into account.

Specific attention is paid to offering 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.

We also aim to grow further in Belgium in terms of both the number of people insured and in funeral market share. This will be achieved in various ways, including taking majority interests in other organisations such as in Borgno (Mons) and via acquisitions like those of Marion (Namur) and Vanheste (Bruges). The foundation for further growth is to use the strength of the group to shape a strong and recognisable funeral formula with personal service and a sustainable, healthy business. We want to be seen as a warm, reliable, empathic and inclusive organisation in our field. In concrete terms, this means more and better (online) communication and giving our members a voice in the development of our activities. We are hereby looking at initiatives that have long been active in the Netherlands in this framework, such as a member panel and magazine, as well as organising informative member events.



The DELA office in Belgium

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 members, 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.

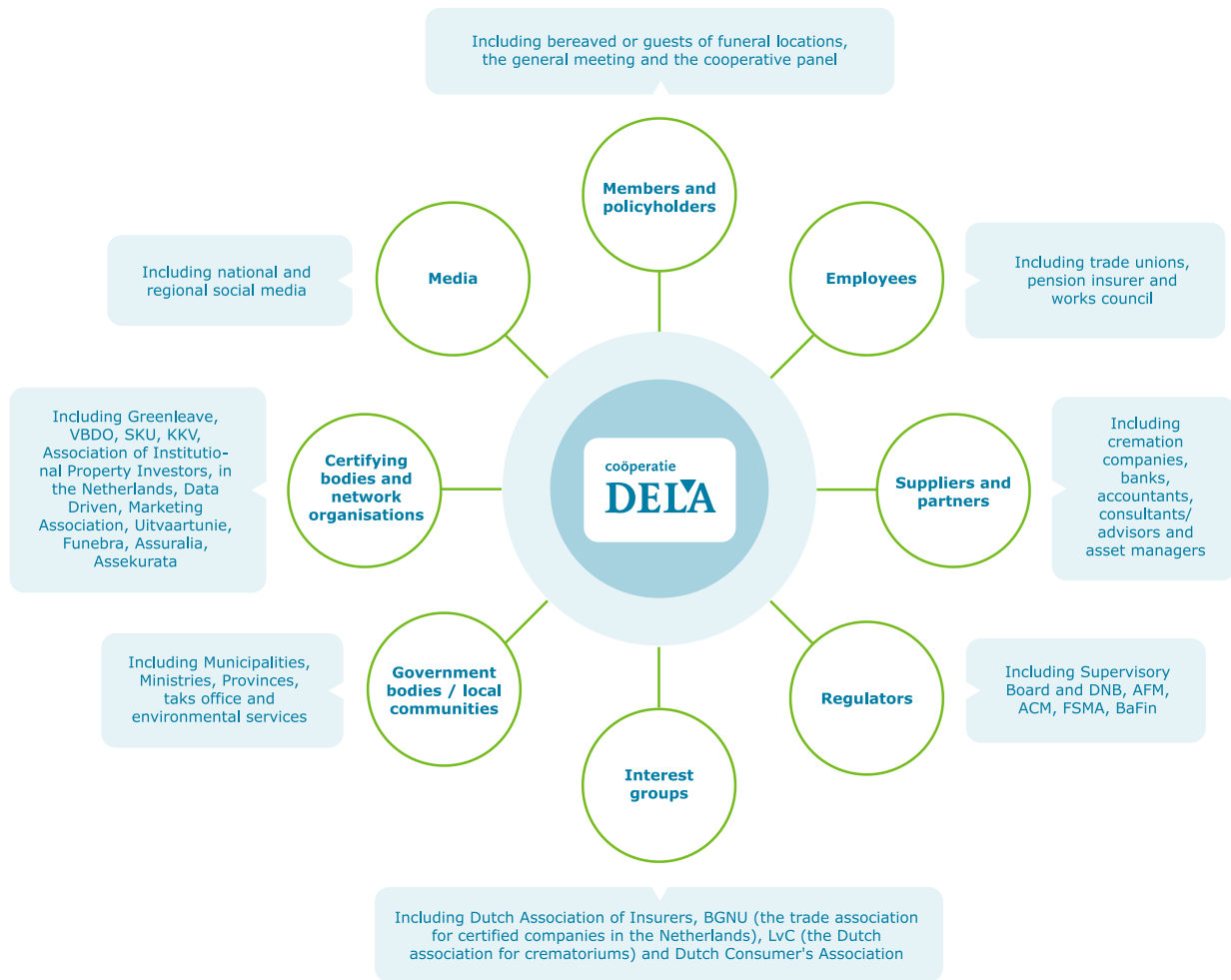
Corporate Social Responsibility

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 CO₂ emissions, using more eco-friendly materials and increasing the sustainability of our investments.

Our stakeholders

DELA 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 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, government bodies and other funeral businesses. 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 quality marks provided by the funeral care and data marketing privacy associations.

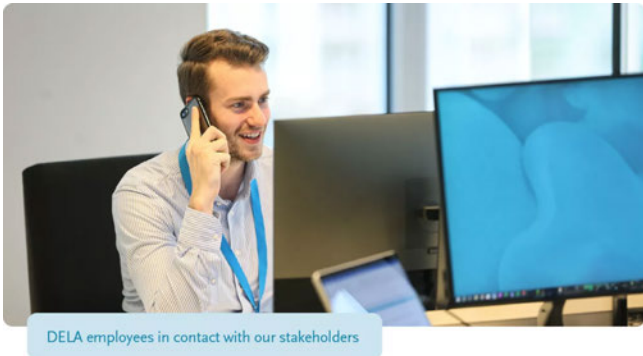
Our main stakeholders are reflected in the image below.



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 members and policyholders goes beyond policies alone, revolving around long-term connections. We use direct communication methods as well as periodic surveys via our online cooperative panel. This approach has resulted in valuable insights into issues such as sustainable investments and new services in our domain such as grief counselling.

Our collaborations with partners and suppliers are based on an open dialogue and mutual understanding: the basis for acting with integrity. Through regular meetings and exchanging ideas we aim to create a win-win situation. An example is our initiative to use more sustainable materials during funeral services, working closely with suppliers to explore more eco-friendly options. This underlines our sustainability goals, how we address climate change and our willingness to achieve positive change together. Increasing legislation and regulations are making relationships with partners and suppliers more formal, requiring clear, redefined frameworks 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.



DELA employees in contact with our stakeholders

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

DELA is positioned at the heart of society thereby 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. Inflation led to an increase in our funeral costs too and we were forced to raise prices at our funeral centres for items such as catering. We limit the premium increase via our profit-sharing scheme. In 2023, we were able to pay our members and policyholders a record sum of more than €249 million. As a non-profit cooperative 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.

Demographic developments

Both the Netherlands and Belgium had higher than normal mortality rates at the start of 2023, i.e. more deaths than would be statistically expected. In response we have added new creative solutions to our services. These include having initial contacts with the bereaved in digital form, with our digital funeral planner helping people consider their options. Further examples include adjusting our accessibility by telephone. All these measures are aimed at ensuring that everyone has an appropriate and dignified funeral.

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 and, although we are on the right path, there is still a way to go. Electric cremation systems are a major step forward in making the company more sustainable, as are smaller initiatives such as caskets made from mushroom mycelium and company clothing from recycled materials.

Challenges on the labour market

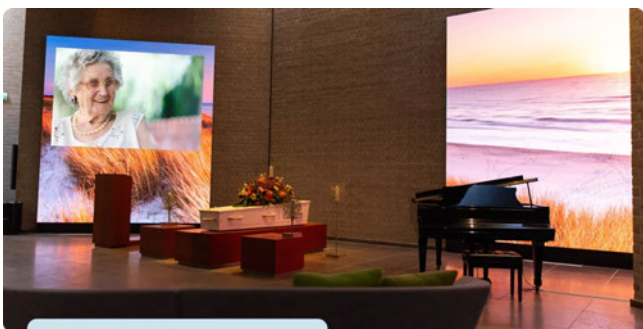
The labour market continues to be a challenge, with a shortage of personnel. As a good employer, we are maintaining the focus on our personnel policy, investing in employees and seeking flexible solutions. Following an employer reputation study, we further specified our campaigns and maintained a focus on fitness, good and flexible working conditions, absence due to illness, work training trajectories and 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.

On the other hand, we also have a responsibility to the employees at our service partners. It is crucial that they also benefit from decent working conditions and show respect for the privacy of our policyholders and the bereaved. We carry out diligent research and maintain constant supervision in order to uphold these standards.

Digitisation

Digitisation is progressing apace with regards to both funeral care as well as in the field of insurance and improves the entire customer experience. Digital tools are, for example, enabling new ways of dealing with grief and commemoration such as livestreams and online remembrance pages. Our funeral planning tool is increasingly popular, allowing the bereaved to start preparations for the funeral themselves, including deciding between a burial or cremation and designing the announcement. Digitisation in insurance has a focus on ensuring user comfort for policyholders and employees, and the use of data for personalisation or direct sales. The Dutch multi-year 'insuring the digital transition' programme 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.



Introduction Ledwall crematorium Heeze

(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' [business in control] 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 preferences

People often have clear ideas about how their funeral should be organised, with an increasing preference for more personal, small-scale goodbyes. At the same time, traditional ways are being replaced by services more tailored to the individual. We have addressed this trend in the Netherlands and Belgium with our locations and local presence. In Germany we are seeing a slow shift towards more personalised funeral services.

We are also seeing a growing demand for managing funeral insurance policies online, including consultations and arranging funeral wishes. This option is increasingly used by our policyholders. In all cases, sustainability and addressing the effects of climate change are a key basis for our policy. We use ecologically sustainable materials and provide options with minimal impact on the environment. From caskets to catering, our products and services are flexible and enable us to always offer custom solutions. From facilitating a sustainable funeral or providing unique alternatives such as a chip instead of the traditional coffee and cake, we make everything possible.



A place to remember stillbirths or children who died at birth –Belgium's loveliest remembrance location

Materiality analysis

In 2022 we performed a materiality analysis of the impact that DELA has on people and the environment and how we, in turn, are affected by our 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 us to present a sustainability strategy that is more in line with the expectations of our stakeholders and the CSRD requirements. It also enables us to make greater progress in the areas that matter most, which is in line with our goal to be a CSR business.

In the first step, we analysed our current stakeholders via an internal project group. We found that we needed to add 'nature' to our overview as a silent stakeholder. We also determined that our members, customers, employees and suppliers are the most important stakeholders affected.

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 up to 5.0. 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 our contribution to the transition to a CO₂ neutral economy. While DELA still produces net CO₂ 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-neutral 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, we anticipate transition risks such as the limited availability of resources and limited capacity of the national electricity grid.

Sustainable material use

Although DELA 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 also use company assets such as our company cars, buildings and office environment. To realise our sustainability ambitions, we select the right suppliers and work closely with them to ensure an environmentally friendly composition, production and supply of goods and services. We also actively work on reducing the amount of residual waste we produce.

Good Employer Practices

Our people 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. We contribute to the wellbeing of employees 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

We offer broad support in the field of saying goodbye and remembering. This goes beyond financial support. Personal service provision is aimed at the emotional and personal needs of our policyholders and the bereaved. We also offer 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 our 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 CO₂ 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

Our broad financial and practical service provision in the areas of funeral care and insurance allows DELA to support members, policyholders and the bereaved in word and deed. We take an engaged, honest and proactive approach to protecting the various interests at play. Our value creation model 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.

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

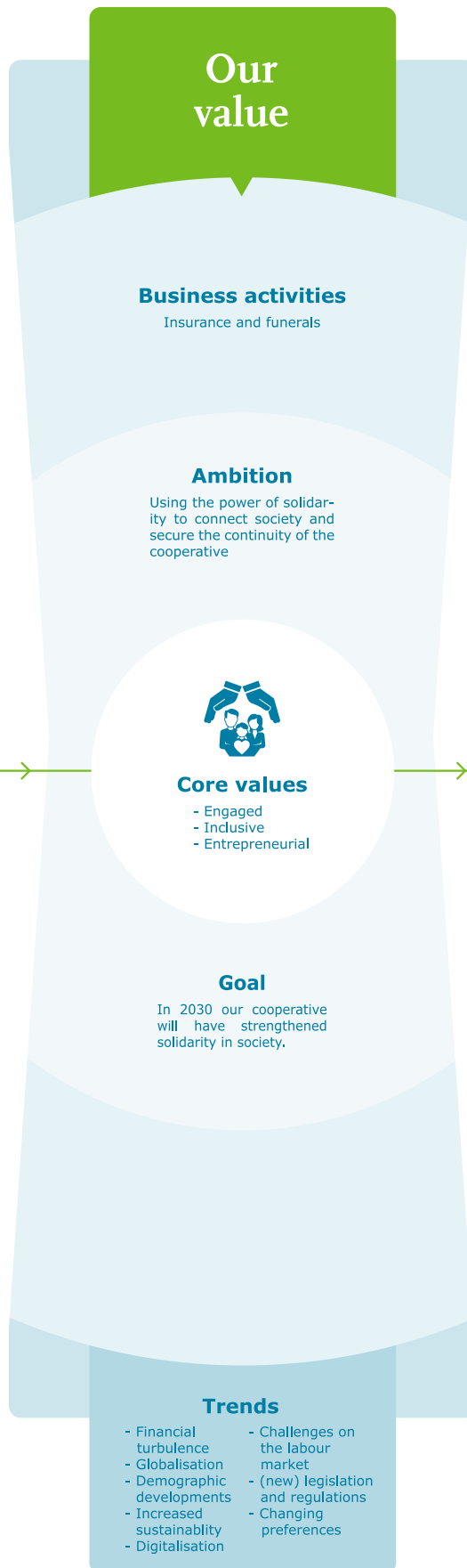
We invest the premiums of our members in the long term. Together, members carry the burden of building buffers to benefit from risky investments and combatting inflation. The power of a large collective also allows us to reap procurement benefits.

- 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



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.

- CO₂ emissions 35.3 kiloton
- 33% electric lease vehicles and 8 electric cremation furnaces
- 10th place VBDO benchmark

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



Executive Board Report

Our customers

As our primary stakeholders, we offer members, policyholders and the bereaved (together, our customers) financial security and support in saying goodbye and remembering loved ones. Insurance and funeral/cremation services are our core business. We are active in the Dutch, Belgian and German markets with insurance products and our own funeral companies in the Netherlands and Belgium.

Members

Members are represented via the general meeting and online cooperative panel. The general meeting has the final say over a number of key matters related to our cooperative, in particular the adoption of the financial statements, the appointment of directors and the Supervisory Board, and changes to our insurance products. Those attending the general meeting help determine our future.



Appointment of Sandra Schellekens as chair of the Executive Board

The cooperative panel was consulted a number of times. In addition to assessing communication publications throughout the year, we involved panel members in the development of new services. At the start of the year, we also investigated how inflation was affecting our members and what they expect in case of payment problems. This consultation showed that funeral insurance is not one of the first savings to be considered. The way we assist our members with payment issues was in line with member expectations and wishes too, and fits with our personal service provision.

Since the introduction of membership in Belgium at the end of 2022, we have proudly welcomed over 80,000 Belgian members. We have also developed various activities to disseminate the cooperative concept in Belgium. This includes a Belgian member magazine called Viva! and the DELA Fund to support social initiatives. We also organised several theme days for members, including one focused on the impact of inheritance tax.

Number of cooperative members

	2023	difference	2022
Members	3,311,447	+87,806	3,223,641

General meetings

There were two regular general meetings in 2023 and one special general meeting where Sandra Schellekens was nominated as chair of the Executive Board. In addition to a number of fixed items on the agenda specific topics were discussed relevant to the strategic development of our cooperative.

One of these items involved the CSRD. In line with our commitment to corporate social responsibility, we discussed the impact of this legislation on our core activities. In May 2023 we agreed to an adjustment to the premium measure code designed to make our cooperative more resilient against negative interest rates in the future and help us continue to be a financially healthy cooperative with sufficient reserves. Another topic was the expansion of the membership in Belgium. While only new Belgian policyholders could previously become a member of our cooperative, existing Belgian policyholders are now also welcome (UZPn en Classic & Gold). This expansion strengthens our member base and continuity as well as boosting the engagement of policyholders in Belgium.

An additional main subject was the exploration of whether other products than funeral insurance could be considered a product that would allow people to become member of the cooperative in the future. General meeting members raised a number of focal points, such as the cohesion with our insurance products, the possible impact on insurance premiums, the specific services included in the membership, and the financial processing thereof. Clarity on these issues is essential for understanding and should be included in the further development of these ideas. The introduction of new products and services is seen as a key element for guaranteeing the solidarity and continuity of our organisation in the future. A dedicated workshop was organised to obtain more knowledge and background about membership, zooming in on issues such as the available services and operational aspects. Members were given the opportunity to ask questions and understand more about the concrete impact on the membership. The focus was on clarifying the added value of membership. The feedback from members is of considerable value in refining our membership model and optimising communication about the relationship between the membership and existing insurance products. We are convinced that initiatives which actively involve members will help us continue to build a strong, transparent and sustainable future for our cooperative.

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.

Satisfaction levels are measured 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 dropped by one point but is still at a high level with all areas of our service.

The main positive feedback was related to the fast and adequate response times and personal attention. Keeping up the knowledge levels of our employees and proactively keeping customers informed where possible remains important. Satisfaction levels related to the customer service for Yarden policyholders remains a point of attention. The satisfaction of Belgian customers with our funeral services has slightly increased. And in Germany, we were able to improve satisfaction among brokers by being more proactive and providing support services to this segment.

In Germany, we were able to improve satisfaction among brokers by being more proactive and providing support services to this segment. Satisfaction among Belgian customers with our funeral care improved. This is thanks to our colleagues who work hard every day to ensure each send-off is memorable, while maintaining a close eye on the wishes of the family and the deceased. People continue to be very grateful for a helping hand and support in times of grief.

Customer satisfaction score

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

	2023	2022
Netherlands		
Insurance*	44	46
Funeral care	72	71
Customer service	43	45
Total	57	58
Belgium		
Insurance	59	60
Funeral care	82	81
Customer service	60	59
Total	68	69
Germany	53	51
Total Group	62	63

*NPS policyholders Netherlands 2022 adjusted from previous publications due to the addition of NPS for 'MijnDELA'

Reputation score

	2023	difference	2022
Netherlands, Stakeholderwatch pulse			
Members	78	+1	77
Non-members	66	+6	60
Total	72	+6	66
Belgium, Brand Fame Tracker: 'the funeral specialist'	80%	+4%	76%

DELA has a robust and strong reputation and our activities are partly focused on maintaining and strengthening this. We have a good reputation among both members and non-members, especially in the field of providing financial support and our contribution to saying goodbye and remembering. In Belgium, a strong content and PR plan contributed to the continued growth of our reputation as *the* funeral specialist in Belgium.

In addition to protecting and enhancing our own reputation, we also actively work on the reputation and quality of the sector as a whole. In addition to our own initiatives and efforts, legislative support is sometimes required to ensure our societal role can be successfully carried out. As part of Uitvaartorganisaties Nederland, a collaboration of various sectoral and trade organisations in the funeral sector, we have advocated seven changes to the Dutch Burial and Cremations Act. We presented this proposition to the Dutch Lower House in April 2023, and have since highlighted it in the public domain via social media and at various meetings.

Funerals and cremations

There were just over 169,00 deaths in the Netherlands in 2023 (2022: 170,000), and we arranged approximately 41,000 funerals (2022: 39,800) and more than 43,000 cremations (2022: 43,000). The number of funerals is lower than expected, especially due to a lower number of funerals for Yarden policyholders. We realised some 9,400 free market funerals (when the deceased is not insured with DELA), compared to approximately 8,400 in 2022. The number of cremations was in line with our ambitions. This was supported by the opening of the new 't Karbrugsche Veld crematorium in Bommel and the reopening of DELA Maastricht in Nieuwkuijk.

Number of arranged funerals and cremations

	2023	difference	2022
Funerals			
Netherlands	41,028	+1,228	39,800
Belgium	12,679	-85	12,764
Total	53,707	+1,143	52,564
Cremations			
Netherlands	43,083	+128	42,955
Belgium	7,194	-107	7,301
Total	50,277	+21	50,256

In 2023 we made preparations for a new campaign that began at the start of 2024 and is focused on our colleagues from the funeral company. They put a face to all aspects of the funeral business every day. Featuring real people with real stories, the campaign aims to show that our services are warm, personal and of a high quality, and it should provide an extra boost to the funeral business.

Belgium recorded some 111,000 deaths in 2023, compared to approximately 116,000 in the previous year. We arranged around 12,700 funerals (2022: approx. 12,800) and some 7,200 cremations (2022: approx. 7,300). The funeral company in Belgium is mainly focused on funerals for non-insured people. As a result of local marketing, acquisitions and majority interests, the number of funerals and cremations we provide is rising, although in contrast to the Netherlands the number of deaths was not higher than average in this country. The market share was lower than expected, and we are therefore focusing on more intensive marketing and strengthening cross-pollination with the insurer as DELA can arrange funerals upon policyholders' deaths.



A new building is opened in Belgium - fh Severens DELA

A pilot project in 2023, designed to increase familiarity by linking the name DELA to our local brand, has been continued and expanded in 2024. The strength of the DELA Group allows us to create a strong, recognisable funeral proposition. In Belgium we also worked on a product and service catalogue which will help clearly communicate our service provision in the Belgian market. For 2024, we are preparing a similar campaign to promote the funeral business in the Netherlands.

Every funeral we arrange is unique, personalised and of a high quality. At the same time, we ensure that we use sustainable products and establish partnerships with the right suppliers. We are a pioneer and innovator in the sector for sustainable funerals and can have a serious impact as a major player. In 2023 we boosted the domain of sustainable funerals by providing more detailed information about the various options in this field, such as eco-friendly caskets, waste processing and printing. Our goal is to reduce our negative impact on the environment. To do so, we are seeking out strategic collaborations with suppliers and partners who share our sustainable vision and have a heart for acting with integrity.

The toughest period for bereaved relatives often starts after the funeral. In addition to being in mourning, they are faced with numerous practical, financial, legal and administrative tasks. We help in these difficult times by offering practical support and tips based on individual situations. Aftercare is free for our policyholders. It is a standard element of DELA funeral insurance policies in the Netherlands and Belgium and for all funerals we arrange in the Netherlands.

At the end of 2023, we started a pilot project related to processing grief and coping with loss. Called LEAVES, it provides an online environment where people who have lost their partner can learn more about bereavement and its effects at their own pace. They can write down their experiences and receive support in their grieving process. In Belgium we are also planning an expansion of member benefits by building on our grief-related expertise.

Continuous development

In January it was announced that we were acquiring the remaining shares (30%) in Uitvaartvereniging Associatie&Ijmond (UNC), making us the outright owner. In September we announced that CVU Uitvaartzorg will continue under the name DELA. CVU Uitvaartzorg has been arranging funerals since the 1930s and is active in the Rotterdam Rijnmond and Gouwestreek regions.

With the merger of DELA and Yarden we took a close look at our operations and, more specifically, our funeral locations. In 2023 we unfortunately had to decide to close several locations if there were sufficient sustainable alternatives available in the direct surroundings. The starting point and focus of our cooperative is to fulfil our promises to members: inflation-proof payments at a premium that is kept as low as possible.

We also acquired two companies in Belgium, Marion and Vanheste, and a majority interest in Borgno. After a long renovation (and dry!) period after the flooding in Liege, we were finally able to reopen this location too. Other new locations were opened in Massemen and Pelt.

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 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 for realising this plan began in 2024.

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 members 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.

Due to the 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.



Belgian meeting for real estate agents

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. DELA is unique in Belgium for the way it both insures and arranges funerals.

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.



DELA Germany is working on its growth ambition

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.

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

New services to strengthen solidarity

In addition to insurance and funeral services, we are providing new services through third-party companies via Voor Elkaar Holding (VEH). This holding was established to be a part of and make investments in companies which promote solidarity and cohesion in society, taking their scalability and financial health into account. Specific attention is paid to support for informal caregivers and providing financial guidance.

As part of the DELA cooperative, VEH is a strong strategic and financial partner that helps companies develop. We contribute our capital and broad expertise in the field of marketing, finance, sales, IT and innovation to promote sustainable growth and also increase our societal impact.

In 2023 VEH further expanded its expertise and aligned its governance to the group governance structure. The process for new investments is ready and we are looking at how to further optimise this in the near future. There were several exploratory meetings with new companies to expand services in the field of financial support or informal care in the coming years. We are currently providing services via the following three companies:

- Prikkl: the coaching and advisory platform for financial insights.
- Salarise: a platform provided via employers which helps employees build their financial future by providing knowledge and insight, personal coaching and loans at good terms.
- Fello: a service that facilitates informal caregivers in their work and helps by taking over administrative tasks.

In late 2023 VEH made an initial investment in Prikkl. Prikkl aims to help Dutch people make smart financial choices at all stages of their lives. Moreover, the turnover of Fello tripled in 2023, and the activities of Salarise were broadened to appeal to an even larger target group. We also decided to make no further investments in The Right Meal in 2023, which led to the company's bankruptcy. The company has since been relaunched.



Executive Board Report

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 we had 3,060 employees (2,225 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.

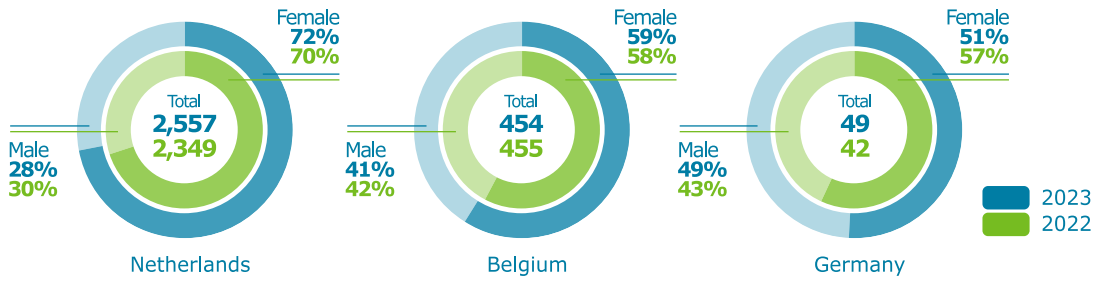
We use digitisation to bring people even closer together. One of our goals is to reduce our negative impact in terms of climate change, lower our carbon footprint and use more sustainable materials. Increasing the awareness and knowledge of sustainability demands constant efforts. Another focal point is securing a unilateral approach within DELA Group. The DELA Fund further stimulates initiatives aimed at benefitting society.

A number of adjustments were made in 2023 to enable us to do even more for our members and customers. Three innovation teams were set up in the Netherlands to offer new products and services related to 'saying goodbye and remembering'. Previously under the Customer Contact Centre, the 'aftercare desk' has now been made part of DELA Uitvaartverzorging to further optimise the customer journey and experience. 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

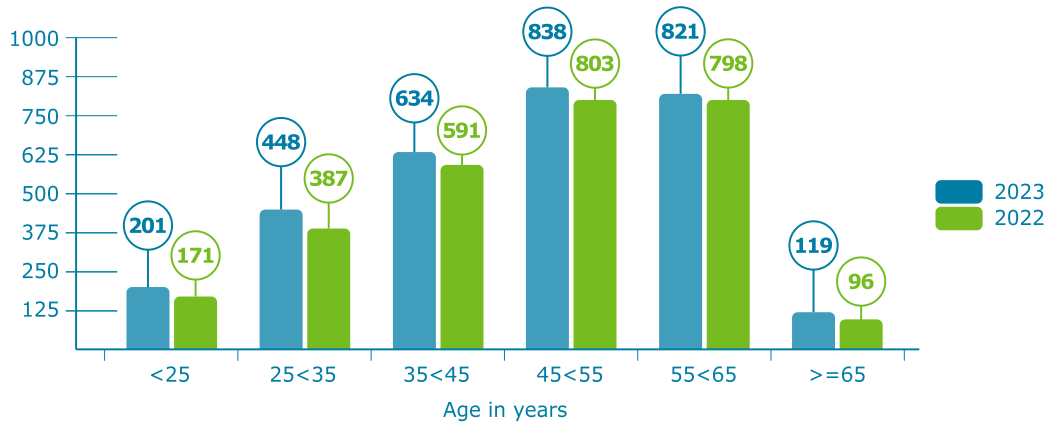
At DELA, we are committed to ensuring that our employee database reflects the full diversity of the society in which we operate, that everyone has equal opportunities and feels able to be themselves. DELA-wide, two-thirds of all DELA Group employees are female. In leadership positions, the 30 percent minimum rule for women and men is easily achieved. When personnel changes occur, we always take increased diversity into account.

Number of employees



Age structure of staff

In number



Employees by sector

Sector	Number		FTE	
	2023	2022	2023	2022
Netherlands				
Insurance	283	288	232	233
Funerals	1,998	1,795	1,270	1,135
Holding & Staff	276	266	245	238
Total Netherlands	2,557	2,349	1,746	1,606
Belgium				
Insurance	104	98	102	94
Funerals	273	279	257	259
Holding & Staff	77	78	75	77
Total Belgium	454	455	434	430
Germany				
Insurance	49	42	45	38
Total Germany	49	42	45	38
Total	3,060	2,846	2,225	2,074

Employee satisfaction

We measure 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. In Germany, the survey took place 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.

There is a strong company culture within DELA 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.

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

The Netherlands: enriched BIOS core values in minds, hearts and actions

Over 1,100 colleagues took part in the sixth edition of the Round Tables as the first step to integrating the enriched BIOS core values, engaged, honest, proactive and sharp, in their minds, hearts and activities. Colleagues interviewed each other during a variety of work sessions, asking what behaviour appeals to them. The result was that the 'S' for Sharp was mentioned most often. Although it is often still a challenge, it is understood that staying sharp is the best way to help DELA realise its strategy. In addition, employees still find it difficult to speak up. What prevents us from acting BIO and Sharp? Doing what we have always done seems easier than strengthening our core values. The event marked a good start for the further development of BIOS.

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.



Belgian DELA employees busy at work

Absence

We have set the goal for all employees to remain physically and mentally healthy and capable of quality work, both now and in the future. Absenteeism is high, with the trend for an increase in long-term absence continuing. Seasonal peaks in absenteeism due to flu-like illnesses pose another challenge in an already tight labour market. Moreover, a number of our employees are confronted with people's grief on a daily basis and this can be emotionally challenging. Other factors include physical strain, irregular working hours and the requirement for flexibility. Taken as a whole this leads to physical and mental challenges.

Absenteeism over 2023 was 6.7 percent in the Netherlands (2022: 6.8 percent), 7.5 in Belgium (2022: 7.5 percent) and 6.7 percent in Germany (2022: 5.7 percent). These relatively high levels required extra efforts from our advisors (such as prevention and 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 made a plan of approach for daily personnel continuity and to start implementing a new, unilateral roster policy in the funeral company. The new roster is aimed at supporting continuity, efficiency, the well-being of employees and the interests of customers. We will also 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 at their own location, which causes further delays. Embracing adapted activities ensures that employees retain the working rhythm that make further reintegration easier. We have created Werkspot to link this supply and demand.

Staff turnover

Turnover 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 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.

Occupational accidents

DELA closely monitors occupational accidents. All our employees are covered by the health and safety management system. In 2023, 67 work-related accidents were reported in the Dutch organization (2022: 36). They can be divided into three categories: 47 occupational accidents, 16 needle-stick injuries and four other accidents. The increase compared to the previous year can be explained by the expansion in the number of locations and employees as a result of the acquisition of Yarden. In addition, the registration of occupational accidents has been simplified.

In Belgium, a work-related accident is deemed to involve an event that leads to at least one day of absence. An incident indicates that something has occurred which does not lead to absenteeism. In 2023 there were five occupational accidents (2023: 10) and 15 incidents (2022: 13) in Belgium. In total six were related to a fall, nine occurred in traffic, and one was caused by lifting or hoisting activities. We aim to keep occupational accidents to a minimum by means of registration and evaluation.

No work-related accidents were reported at DELA Germany.

Role of the works council

DELA Netherlands and DELA Belgium each have their own works council 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 'Business in control' (Beheerst Ondernemen) programme, ending cooperation with the intermediary channel and the pilot project for a new catering concept. They also debated the 'reporting suspected misconduct' scheme and approved a new roster policy for funeral services. 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. We've developed a policy to give employees tools on how to 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 Executive and Supervisory 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 Monuta 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.

Digital customer journey for funerals

A project was started to ensure that the customer journey for funerals remain future-proof. Step-by-step we are building an online environment for the bereaved that is always based on how we can improve the customer journey for the bereaved at any point on that journey. Many issues are discussed during a visit from a funeral director, often leaving the bereaved feeling overwhelmed or uncertain. It is not always clear who will do what and when. The online agenda and task list support the bereaved in a straightforward way by providing an overview of what is expected of them.

CO₂ reduction

Recognising that this greenhouse gas makes a major contribution to global warming, we are aiming to reduce CO₂ 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 is even more ambitious, looking to reduce our CO₂ footprint to zero faster, especially for scope 1 and 2. In 2024 we will further enrich our CO₂ goals and detail our net-zero plan to employ various measures. These include lowering energy consumption in our buildings via renovations, clustering and/or their sale. In the Netherlands we will be electrifying our furnaces step-by-step while doing the same for our fleets in the Netherlands and Belgium. We will also be generating green power ourselves via the installation of solar panels.

We are confronted with various dilemmas in reducing the CO₂ 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 CO₂ emissions. Another focal point involves the availability of electric furnaces. The demand for this environmentally-friendly solution is currently larger than the supply. Thankfully, we are seeing new players enter the market and we are monitoring all new opportunities that arise. A crucial part of our efforts is increasing knowledge about CO₂ 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 CO₂ emissions of our own operations and for the products and services we provide. 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 CO₂ 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

<i>x 1 tonne</i>	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

CO₂ emissions increased by 17 percent in 2023 compared to 2022. Explanations for this increase include the stricter regulations and requirements for CO₂ emission calculations. The electricity consumption for charging lease vehicles was added to the calculation based on grey power as these often use external chargers (226 tons CO₂). 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 CO₂ in scope 1.

We have developed a climate transition plan to structurally reduce our CO₂ emissions that includes the projects for energy saving and increasing sustainability to structurally reduce our CO₂ 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. Over the past year, we installed three new electric furnaces in our Dutch crematoriums, which means that eight of our 47 furnaces are now electric. We cannot currently accelerate our electrification due to the limited availability and congestion of the electricity grid. Energy consumption has been further reduced by the closure of several locations due to the merger of CVU and UNC. 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've also taken a first step towards electrical funeral vehicles in the Netherlands.



Electric funeral transport DELA location Rijtackers in Eindhoven

We are also focusing on indirect emissions related to our value chain (scope 3), especially on the products and services we purchase related to funeral activities. This includes aspects such as funeral vehicles, hearses, caskets, printing, flowers, catering and visitor transport. To reduce emissions in this scope we implemented active strategies in relation to our suppliers. A key strategy is aimed at reducing the scope 1 & 2 CO₂ emissions of our suppliers. We support them with enhancing their insights and stimulating plans for CO₂ 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 and funeral 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 United Nations 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.

In 2023 we analysed a CSR roadmap with our existing suppliers for caskets, printing and funeral vehicles in the Netherlands. The suppliers committed to drawing up a step-by-step plan to support our sustainability ambitions.

When entering into new contracts we specifically focus on sustainable material use, especially for signage and catering. The latter also involves the aim for the '1-star better life' certification for meat products and a larger percentage of vegan/vegetarian products. The new signage mainly consists of recycled materials, including recycled PET, aluminium and acrylate.

Biodiversity

In 2023 we carried out detailed research into our impact on biodiversity, both at our premises and within our procurement chain.

Our premises have an intrinsic connection to nature and funerals, and therefore have the potential to have a positive impact on people and nature. By landscaping them in an eco-friendly way, we can increase biodiversity locally. This benefits the environment itself and has a positive impact on visitors in terms of green recreation and a pleasant micro-climate.

At the same time, we recognise the possible negative impact on biodiversity from our procurement. Risks such as deforestation, water consumption and pesticides in the production chain can have a harmful effect, but by making conscious decisions and selecting sustainable materials and products we can substantially reduce this.

Although there are risks for the global loss of biodiversity, the financial materiality is estimated to be low as the risks don't directly impact our primary operations. This is why we decided that biodiversity is not a material issue for us. We will nonetheless remain dedicated to reducing our negative impact and increasing the positive, both in landscaping our premises and purchasing products.

DELA Fund and sponsoring

DELA was founded through a sense of solidarity and the value we attach to social engagement. We believe it is important to contribute to society and be there for each other. Every employee is given the opportunity to spend one working day a year on volunteer work without having to use one of their own day offs.

We have our own DELA Fund in both the Netherlands and Belgium. Everyone can submit projects to the funds that are aligned with their themes. In the Netherlands the fund focuses on connecting the generations, while in Belgium it revolves around making the difficult times around saying goodbye more bearable.

The Dutch Fund received nearly 350 requests from associations and foundations and contributed to 183, with 147 receiving up to €1,500 and 36 between €1,500 and €10,000. We also collected warm winter coats from our personnel, which were distributed between Stichting Ervaring die Staat, The Salvation Army, t Hemeltje, De Kledingbank, Dress for Success, Awesome, de Kledingzolder and Huiskamer voor Vluchtelingen via 'Samen voor Eindhoven'. Another Eindhoven initiative is GLOW, a free light art festival where artists and designers from the Netherlands and abroad showcase their light art and design applications. Our employees took elderly residents from De Zonnebloem out for a meal and a tour of the light art objects. Meanwhile, we've been collecting toys for the past decade for an annual Christmas event aimed at making the holidays for children from families registered with the local food bank a little better. In addition, our annual Christmas card campaign saw some 18,000 children colour cards for the elderly living in care homes.

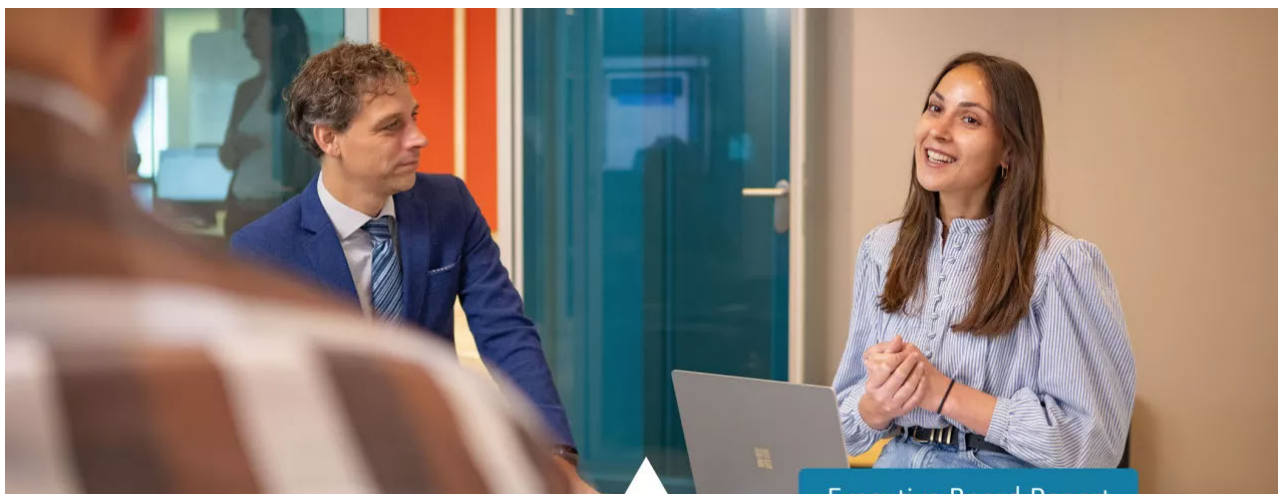
In Belgium we supported various volunteer organisations looking to make the last farewell a little less painful via the DELA-Do-Good-Days. Other initiatives that received support included Kompas, an organisation for people with a disability who often depend on their carers when confronted with loss and grief. A place of solace was created in their garden especially for them, designed to help people come to terms with their loss. Another initiative involved a contribution of 5000 candles to Reveil, an organisation aiming to help change the Flemish culture of grief. The DELA Fund also supported the 'De Panne Solace Capital 2023' project, which concluded with a large event at the De Panne cemetery on 1 November where the beach was illuminated with the 5000 candles we financed.



Belgian employees working during days for each other

In addition to the DELA Fund, sponsoring also helps us achieve the societal impact we hope for. Our goal is to facilitate tangible and positive change and disseminate this widely to serve as an example. In 2023 we once again sponsored the Roparun relay race where teams of people raise funds for cancer sufferers. DELA also took part with a team in the 32nd edition of the event, which raised over €2.6 million.

This year we decided to stop being a main sponsor for the Roparun from 2024 on, giving us the time and opportunity to explore other options. Our starting point remains to invest in initiatives which reflect our corporate social responsibility and effectively contribute to a sustainable impact on society.



Our finances

We are focused on offering certainty, care and continuity rather than maximising profits. Our members and 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 members a funeral policy that holds its value.

The premiums charged are the result of a policy instrument determined by the general meeting. Member interests are also key when determining the premium. We share in both the benefits and the burdens. This is ultimately the strength of our cooperative.

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 (2022: 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 Monuta portfolio acquired at the end of 2022.

Premium income after deduction of reinsurance premium:

<i>Amounts x €1,000</i>	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 for 2023 amounts to €36.1 million, which is lower than the €47.6 million in 2022 due to various incidental costs.

<i>Amounts x €1,000</i>	2023	difference	2022
Insurance company			
Premium income	712,701	43,690	669,011
Interest accrued from technical provision	189,851	11,010	178,841
Underwriting costs	-657,284	-41,282	-616,002
Technical margin	245,268	13,418	231,850
Operating expenses	155,537	13,631	141,906
Acquisition costs	13,622	-4,124	17,746
Operating result Insurance company	76,108	3,910	72,198
Funeral company			
Turnover*	383,684	18,563	365,121
Procurement costs*	-151,499	-2,715	-148,784
Gross margin	232,184	15,847	216,337
Operating costs	249,179	32,176	217,003
Financial income (-) and costs	-1,012	-296	-716
Operating result Funeral company	-15,982	-16,032	50
Operating result Voor Elkaar Holding	-2,652	-1,954	-698
Operating result Holding and staff	-4,026	2,216	-6,242
Operating result cooperative	-17,358	-1,266	-16,092
Effect group policies	-	1,616	-1,616
Operating result DELA Group	36,090	-11,510	47,600

* The elimination of turnover and purchasing costs has been adjusted for the 2022 book year as the elimination was incomplete. The correction has no influence on the gross margin and result.

The insurance company's result was €74.2 million, 3 percent higher than in 2022.

The result of the funeral company was minus €16 million (2022: €0.1 million). This can partly be attributed to a rise in the subcontracting of external funeral directors and transport as a result of the high level of absence due to illness and the need to train new employees. In addition, we had not processed all the higher energy costs and personnel costs due to inflation in our funeral rates in 2023, partly because the price for the DELA Uitvaartplan insured package had already been determined by the general meeting in May 2022.

The costs attributed to the VEH, staff departments and cooperative were €24.0 million (2022: €23.0 million), partly due to the extra expenditure on the new strategy and innovation projects.

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 €337 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 CO₂ 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 CO₂ emissions is a challenge as data comes from various providers and external capital managers. Moreover, not all companies we invest in report on their CO₂ 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 CO₂ 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 a asset manager as we believe it is extremely important that the manager is 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

DELA has its 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. This was organised 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.

In our dialogue with companies (engagement) we spoke with 380 companies 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% of cases voted against. This mainly involved issues such as administrative issues and remuneration. In late 2023 we had excluded 557 companies and 19 governments/countries.

As DELA we hold 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 inflation 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%		
		<u>-25%</u>		
Developments in insurance portfolio			4%	
Decreased inflation			4%	
Investment result			3%	
Other factors			0%	
			<u>11%</u>	
Year-end				<u>219%</u>

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, allocated profit sharing and the possible 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 profit distribution 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 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 226 percent to 208 percent at the end of the year and is still considered robust.

Due to developments in investment returns, the asset mix, interest rates, inflation and volatilities, the Solvency II ratio decreased by 6 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 resulted in an increase of the ratio by 8 percentage points. Other developments, such as the result of the holdings and the funeral business, a depreciation of the deferred tax assets and higher future costs, led to a decrease of 11 percentage points.

Solvency ratio developments in %-points:

	Start of year	Dampening effect	Enhancing effect	Year-end
Start of year	226%			
Adjustment of economic parameters (interest rates, inflation, volatility), asset mix, investment results		-6%		
Lower expected funeral cost inflation		-9%		
Other developments		-11%		
		<u>-26%</u>		
Adjustment of premium measure policy			8%	
			<u>8%</u>	
Year-end				208%



Executive Board Report

Our governance

Corporate governance involves due diligence, proper supervision and transparent accountability. Solidarity and the long-term interests of our members 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 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.

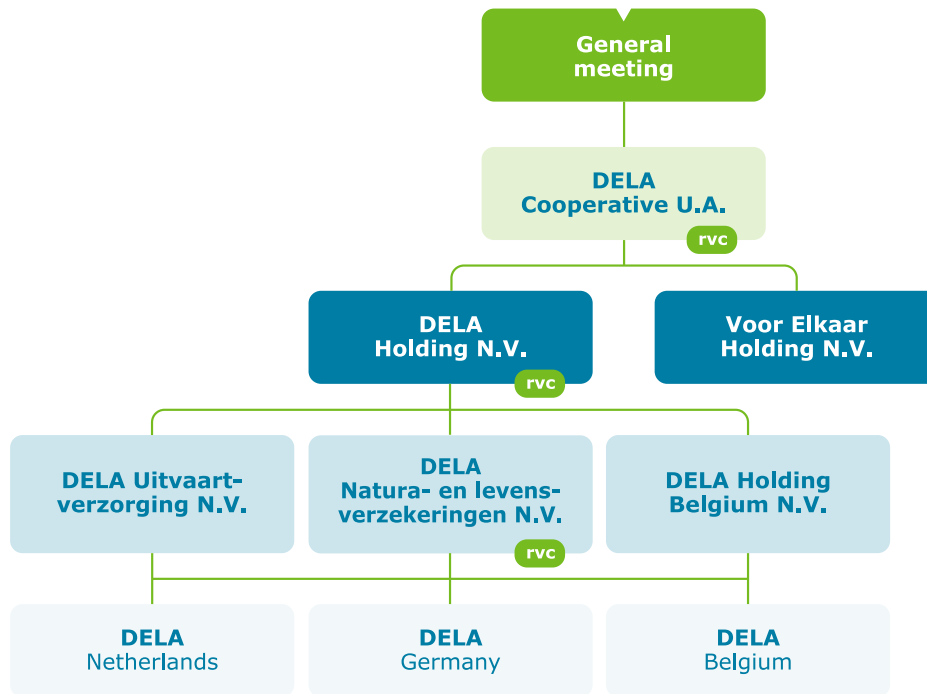
Our governance charter is evaluated on an annual basis and was last adapted at the end of 2022.

Legal structure

DELA Coöperatie UA (hereafter: 'DELA') 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.

DELA is a cooperative with exclusion of liability for its members. It is formed by all insured persons who become a member of the cooperative when entering into an insurance policy agreement with the cooperative. This was expanded in 2022 with the addition of DELA Belgium's Uitvaartzorgplan, which means that newly insured persons in Belgium can also become a member of the cooperative. This also applies to existing members in 2024.



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

DELA 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.

DELA Uitvaartverzorging NV is responsible for funeral activities in the Netherlands. Belgian funeral activities are covered by the DELA Holding Belgium NV.

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

Voor Elkaar Holding NV (VEH) was established to enhance solidarity and a sense of unity in society by means of cooperative business in the Netherlands. We always take the scalability and financial health of the relevant companies into account as we establish or invest in parties with a social mission. VEH is different from other investors and funds in the way it takes a unique position between private equity and philanthropy. VEH helps entrepreneurs develop their business further. Employing our capital and broad expertise in the fields of marketing, finance, sales, IT and innovation, we accelerate the growth of these participations both organically and via acquisitions. We also enhance their societal impact.

VEH has established an investment advice committee (IAC) which provides the Executive Board with solicited or unsolicited advice about the decision-making process related to the investments VEH aims to make. The IAC meets periodically.

Permits and supervision

DELA's registration number at the Chamber of Commerce is 17012026.

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.

Members

Only natural persons can become a member of the cooperative. To become a member, they must enter into an (insurance) agreement as determined by the general meeting. The cooperative is divided into 40 geographical departments. The numbers, names and boundaries of the departments are described in the rules of procedure. Each member of the cooperative is part of a department.

Belgian policyholders have also been able to become members of the cooperative since 2022, initially as part of the Eindhoven department. A separate Belgian department will be established once a total of 100,000 members has been reached, a figure which we expect to attain in 2024.

DELA cooperative honorary members

Mr F.H.J. Boons

Mr J.A.G. Dirks

Mr W.M. van den Goorbergh

Mr S.C.J.J. Kortmann

Mr J. Kremers

Mr C.C.M. Libregts

Mr J.P. de Pender

Mr E. Doeve

On 17 October 2023 we received the sad news that honorary member and former Executive Board member/director A.J.M. Lauenberg had passed away. He made a passionate contribution to our cooperative for many years.

Former CEO/Executive Board member Edzo Doeve was appointed an honorary member during the general meeting of 27 January 2024.

General meeting

The DELA general meeting acts as the 'highest body' and is formed by individuals chosen from the members of the cooperative. It is preferred that candidate to become a member of the general meeting have been a DELA member for at least five years.

The general meeting consists of one member and one replacement member from each department.

A complete and current overview of members per department is available on the DELA website via <https://www.dela.nl/over-dela/over-coöperatie-dela/governance/algemene-vergadering>

Both the members and their replacements attend the general meeting, which regularly takes place twice a year.

The general meeting discusses issues important to DELA, such as the business plan for the coming year and the annual report of the concluded book year. In addition, it determines the financial statements and (normally) discharges the Executive and Supervisory Board. The general meeting also appoints directors and Supervisory Board members. Its approval is required for changes to some insurance conditions such as the annual premium increase of the DELA UitvaartPlan.

The general meeting is also provided with information about (strategic) developments of importance to the cooperative such as taking a member-driven approach. Details on areas such as the DELA Fund, complaint procedures and funeral service methods are also on the agenda.

Confidential committee

A confidential committee comprised of four members is selected by the general meeting, tasked with promoting cooperation between the general meeting and the Executive Board and Supervisory Board within the framework of the general meeting's authorities. To facilitate this role the confidential committee is invited by the Supervisory Board to meet with them prior to each general meeting. In addition, the committee has at least one meeting a year with the Executive Board.

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

Supervisory Board

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.

The tasks and duties of the Supervisory Board include overseeing, monitoring and providing advice to the Executive Board on:

- realisation of the goals of the cooperative;
- the strategy and risks related to its activities;
- the setup and functioning of internal risk management and control systems;
- the financial reporting process;
- compliance with legislation, regulations and the risk policy;

In addition, the Supervisory Board is responsible for:

- compliance with and enforcement of the corporate governance structure;
- approving the financial statements, budget and material capital investments;
- selecting and appointing the external accountant and auditor;
- approving the risk tolerance;
- nominating members of the Executive Board for appointment and resignation;
- determining the remuneration policy.

The Supervisory Board evaluates the remuneration policy and the functioning of the Executive Board. The chair is the point of contact for any alleged irregularities regarding the functioning of Executive Board members. In fulfilling its duties, Supervisory Board members focus on the interests of the cooperative and its associated companies. They carefully consider the interests of the various stakeholders of the cooperative 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. The regulations are drawn up by the Supervisory Board and adopted by the general meeting. They serve as a supplement to the regulations and guidelines that apply to the Supervisory Board based on Dutch legislation and the cooperative's statutes.

Appointment and term

Each Supervisory Board member is appointed for a period of up to four years 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 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 Natura. 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 six members. All are part of the Supervisory Board of DELA Coöperatie UA, DELA Holding NV and DELA Natura- en levensverzekeringen NV.

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 Ondernemingspensioenfondsen 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.

Executive Board

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

Personal details of the Executive Board



Sandra Schellekens
CEO, chair



Jack van der Putten
COO, vice-chair



Jon van Dijk
CFRO

S.M.G. (Sandra) Schellekens – Lyppens (1965), CEO, chair

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.

J.A.M. (Jack) van der Putten (1959), CCO, vice-chair

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 (1957), CFRO

Male, Dutch citizen. Position in the DELA Group: CFRO, member of Executive Board (since 2014). Focal areas: strategy, finance, riskmanagement, tax and DELA Germany. Appointment period: indefinite. Additional function: board member Stichting Derdengelden Muntenburg Advocaat.

Independent business segments (ZBOs) and directors

DELA Group has independent business segments (ZBOs), namely DELA Netherlands and DELA Belgium. ZBOs have their own management team which report to the Executive Board. The management teams have regulations that include the responsibilities and authorisations of the team. One member of the Executive Board has been appointed as the primary person responsible for a business segment.

DELA Netherlands directors



From left to right: Véronique Klaassen (funeral care), Roos Fleuren (HR), Chris Beaulen (Insurance), Jack van der Putten (vice-chair/funeral services), Sandra Schellekens (CEO), Godelieve van Velsen (CFO) en Alfo Melisse (IT)

DELA Belgium directors



From left to right: Geert Deschoolmeester (CEO), Hanna Zijlstra (HR), Jan Strauven (IT), Francis Costenoble (CFO) en Wim Delplace (funerals)

An independent business segment management team is tasked with implementing the strategy, managing and providing management information for the consolidation of the group, dealing with formal/legal issues, and sound decision-making as defined in the statutes of the segment and the regulations. This management model ensures professional and well-balanced operations with proper checks and balances.

Voor Elkaar Holding and DELA Germany also operate largely independently with their own director who reports to the Executive Board of the DELA Group.

DELA Germany



Edwin Brouwers (Director)

Voor Elkaar Holding



Hans Voorn (Director)

Policy

Policy that applies to the entire group falls under the responsibilities of the Executive Board and is considered group policy. All policy is in principle group policy but should that prove not to be possible then a specific policy exists which relates to a ZBO within the group frameworks. The latter comes under the responsibilities of the management team of that segment. Group policy issues include sanctions, CDD (Wwft), branding, IT (including DORA), data management, security, privacy, investments, capital (management), ORSA, ALM, tax, reporting & control, communications, CSR, remuneration, risk management and internal control.

Investments

DELA Group's investment activities are run from the Netherlands. DELA has an investment advisory committee (BAC) which has an advisory and evaluating role to the Executive Board on investments. In addition, it is asked for advice regarding policy proposals, policy changes and the implementation of policy in this field. If the committee's advice is ignored by the Executive Board, the Executive Board must report this to the Supervisory Board. The investment advisory committee has an explicit advisory role and evaluates whether proposals are consistent, comprehensive and sound with

regard to return, risk and sustainability. The Executive and Supervisory Board maintain their own responsibilities. The investment advisory committee is composed of at least three external members who are appointed by the Supervisory Board as proposed by the Executive Board.

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 Executive 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.



Employees in Germany in consultation

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, 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

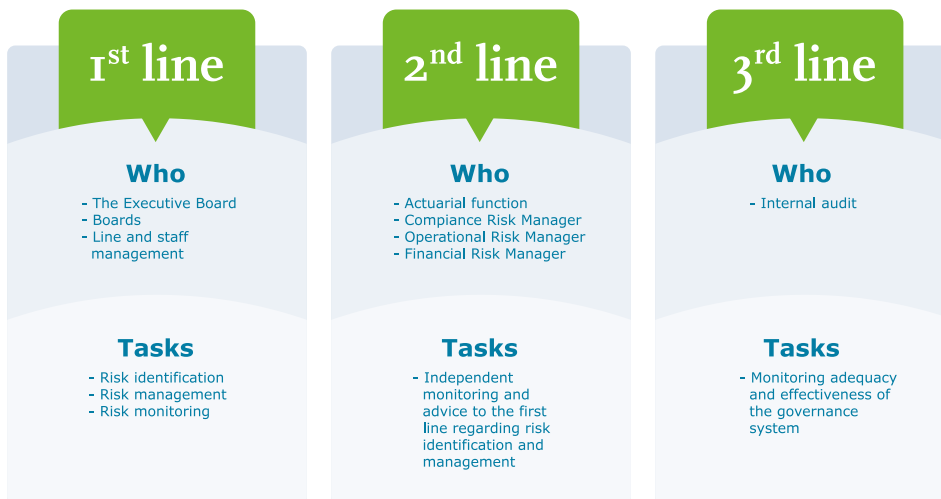
Risk management makes a direct contribution to long-term goals and provides an insight into the sensitivities and correlations of strategic, financial, operational and compliance risks to ensure that we can effectively address developments and take timely action to realise our goals and secure continuity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

In practice

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

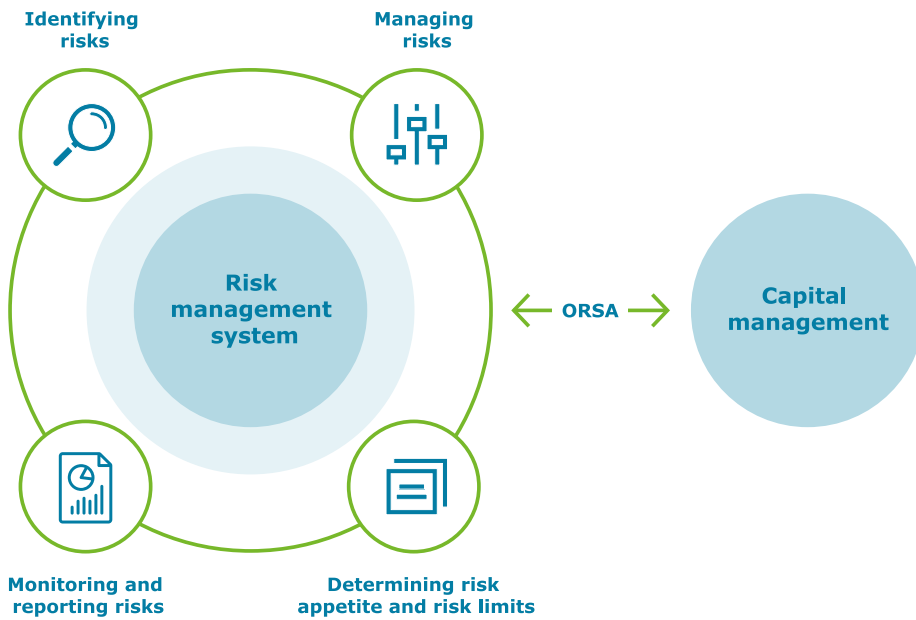
- The first line is primarily responsible for realising the formulated goals of the company and the demonstrable realisation of internal control measures and effective risk management. Responsibilities of the first line include the operations, results, definition of risk appetite, management and compliance 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

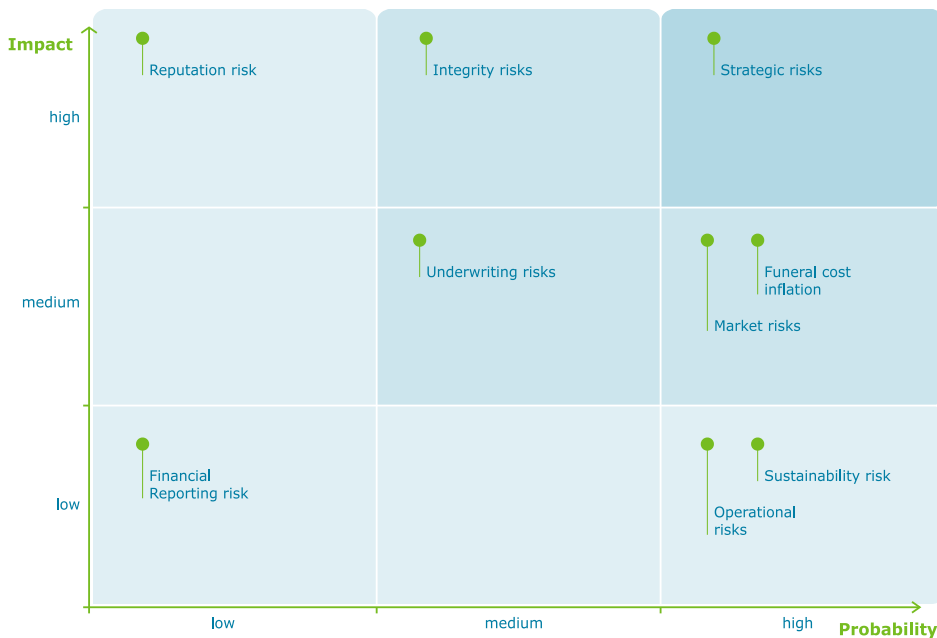
We follow a process for risk management that ensures an insight into the main risks and opportunities in all circumstances. Opportunities, risks and applicable control measures are always carefully weighed. The risk management process is continuous as summarised in the following figure.



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. 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 Executive Board evaluates the risk profile every year based on predetermined operational goals and the capacity of the organisation. 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 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 Assessment

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 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 initially increased significantly in 2023 due to the interest rate rises, but eventually dropped to 219% as rates fell. 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 amount 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 members with 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. The general meeting approved an adjustment to the premium measure, making it even more effective when interest rates are low.

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

Horizontal 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 in our funeral centres such as occupational accidents and errors related to cremations.

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 'Business in control' programme in 2023. This is aimed at improving the maturity of risk management of operational and compliance risks and further aligning them in the various ZBOs. 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, 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 DELA 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 Voor Elkaar Holding, possible adjustments to the new strategy, and the impact of changes in the Executive and Supervisory Boards in 2024 which may result in risks. 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 cooperative 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 the continuity of our cooperative. Solvency must be maintained, including with the help of an offensive investment policy, cost control and risk management. Good employership, a sound reputation, a focus on sustainability and a future-proof IT infrastructure are preconditions for success.



Recordings of a Dutch commercial 'Because every life deserves infinite attention'

Growth

Our goal is to achieve a net increase in the number of both insurance policies and members. Our activities are also aimed at arranging funerals in-house as much as possible and keeping the number of times policyholders choose another company for a funeral paid for by us to a minimum. DELA has a broad reach in the Netherlands with all our funeral centres and crematoriums, although we must ensure that the size of our company does not have a paralysing effect or that we come across as being distant. Detailed marketing plans should in particular increase our share in the 'free market' (funerals without a linked DELA insurance policy). We are giving the funeral company a further boost in the Netherlands by means of a national campaign focused on the perspectives of our employees, making their humanity, professionalism and warmth tangible.

In Belgium we will continue on our chosen path of making the most of the available distribution options. We still see room to grow as well and are exploring the launch of a new insurance product. Although our brokers and partners will continue to be of considerable importance, we are seeing an increase in the online segment in the insurance segment.

The funeral company in Belgium was mainly built on acquisitions in which we retained the local name. DELA is therefore not yet that well-known as a funeral company and we will promote the brand via a national campaign in 2024.

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

The cooperative model will always be at the core of our organisation. We will further strengthen our current member-driven approach in various ways, including by creating more space for local solutions in the funeral company. In addition, we will provide even greater clarity and efficiency to our products and services wherever possible. And we will continue to develop our warm and personal service provision so that we can play a meaningful role at various moments in life.

This approach extends beyond insurance and funerals. Voor Elkaar Holding is looming into areas such as informal care and financial support, for instance. And we continuously evaluate our products and services within the DELA Group via special innovation teams. We examine how we can mean even more to our members and customers, now and in the future and from a company-wide perspective that includes all divisions. With a constant eye on customer satisfaction, we are constantly looking for new ways to give further depth and meaning to our core values.

We will gradually develop the membership and our relationship with members and customers. 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.



DELA employees are busy with the next steps

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 CO₂ 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

There will be a change to the Board in 2024 and this transfer will be carefully realised to ensure continuity. In the Netherlands, we will also be finalising the integration of Yarden, with the brand being replaced by DELA at all locations.

These dynamic times require us to be resilient and determined in order to stay relevant to our members and customers. We can only achieve this by anticipating changing needs and market conditions while staying loyal to our cooperative 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 Executive Board

S.M.G. (Sandra) Schellekens – Lyppens, CEO / chair

J.A.M. (Jack) van der Putten, CCO / vice-chair

J.L.R. (Jon) van Dijk, CFRO

Supervisory Board report



Supervisory Board report

Dear members of the general meeting and other stakeholders, dear reader,

The Supervisory Board presents the annual report for 2023, which includes statements from the Executive Board and Supervisory Board as well as the financial statements. The statement from the Executive 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 Supervisory Board would like to take this opportunity to go over the key issues and other focal points of 2023. The various dialogues are also outlined along with the efforts made in relation to the ongoing education of board members.

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 succession of the Executive Board chair. Potential new investments by Voor Elkaar Holding were also an important issue with various dossiers being discussed together by the Supervisory and Executive Boards. We also explored in detail possible dilemmas in the further determination of the strategy and the related investments.

The lower operational result required continuous focus from the Supervisory Board, as did the tight labour market. Nonetheless, the Executive Board still managed to implement the multi-year strategy with conviction and resilience. Developments in relation to the 'Business in control' programme, the digital transition of the insurance company and the expansion of the member-driven approach 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 Executive Board

The Supervisory Board started planning the process regarding changes to the Executive Board of the cooperative as early as 2021. With several impending Executive Board retirements on the horizon, the Supervisory Board carefully anticipated these managerial changes 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. Ms Schellekens has been working for DELA Netherlands and DELA Belgium for many years in various positions, most recently as chair of the DELA Belgium Executive Board. She was appointed Executive Board chair in an extraordinary general meeting on 9 September 2023, effective from 27 January 2024.

The CFRO will also be reaching the age of retirement in 2024 and the Supervisory Board started the related succession process in 2023.



'The Future of Solidarity' conference in honour of the retirement of Edzo Doeve

Strategy

The Supervisory Board was well briefed on the strategy, course and goals of the cooperative throughout 2023. The innovation teams introduced in the summer to boost the member-driven approach were discussed in detail by the Supervisory Board, and we provided the Executive Board with related advice. Another focal point involved the further development of the membership principles and we saw a growth in the number of members in Belgium.

The extra general meeting of 9 September 2023 featured a workshop related to the new membership of the general meeting and Supervisory Board. The results of the workshop were deemed valuable by the Executive and Supervisory Boards, confirming that the right approach was being taken. It is in the nature of a cooperative to initiate these kinds of consultative activities with members.

The Supervisory Board was also closely involved in the broadening of activities (in addition to insurance and funeral services) via Voor Elkaar Holding. The Supervisory Board discussed at length with the Executive Board further developments related to current and new investments herein from a strategic perspective. These dialogues will continue in 2024.



Digital transition and business in control

In 2023, the Supervisory Board also had an ongoing dialogue with the Executive Board about the digital transition of the insurer and the 'Business in control' 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 business in control 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, the higher-than-average mortality rate 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 Executive 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 Executive Board and then readopted.

Other focal points

Based on the performance of the Executive Board in 2023, the remuneration and appointment committee advised the Supervisory Board to award variable remuneration over 2023. A decision was taken to stop variable remuneration for the Executive Board of the cooperative in 2024, following up on the previous termination for all employees in the Netherlands.

Having previously discussed the need for the appointment of an ethics committee, this was established at the end of 2023. The committee consists of employees from various segments of the cooperative and its first meeting will take place at the start of 2024.

The Supervisory Board was also briefed by the Executive 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. 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, 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 Executive Board in eight meetings. Some of the advice was related to strategy and other on the succession of the Executive Board chair. 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.

There were three general meetings in 2023, two of which were attended by the complete Supervisory Board. The chair was absent from the meeting on 28 January for personal reasons.

Regular contact between the chair of the Supervisory Board and the chair of the Executive Board was made throughout the year. The Supervisory Board also met twice with the confidential committee. An extra meeting of the remuneration and appointment committee took place related to the appointment of the new Executive Board chair. Several Supervisory Board members individually attended one or more meetings of the DELA Netherlands works council.

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 cooperative and 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. The change of accountant for book year 2025 was also extensively prepared and discussed in the audit committee.

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

The audit committee meetings focused on the monthly and quarterly reports of DELA Group, the quality of which was deemed to have improved. The budget and the 2024 DELA Group business plan were also prepared in the audit committee. 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 as it is not yet clear whether this would generate a greater insight. In addition, such a move would increase the administrative load. Further research on this subject will be carried out in the coming book year.

Several presentations took place related to the 'Business in control' 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 of DELA Natura 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 Executive Board. The committee monitors the developments of key positions and forms an opinion about the organisational culture.

In 2023 the committee focused on the succession of the Executive Board chair and the approach taken related to its future composition. A successor to the current CFRO will also have to be found in 2024. 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 implementation of a new work method related to the learning and performance programme led to the decision in 2023 to terminate the variable remuneration for the Executive Board as of 2024. 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, Executive Board, management and second tier. 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 28 January 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 Executive Board and any specific interests. DELA's Supervisory Board aims for a well-balanced and diverse composition.

The Supervisory Board discusses its own functioning at least once a year and once every three years with independent external support. 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 believes that it is functioning well.

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.

Ongoing 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'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 provided more insight into the member-driven approach with a focus on how the dedicated innovation and operational teams work together to realise member 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

In accordance with the statutes of DELA Coöperatie UA, the Supervisory Board has processed the annual report and financial statements of DELA Coöperatie UA and approved the supplemented data. The Supervisory Board discussed the documents with the Executive Board, the internal accountant and the external accountant Deloitte, and was informed about the intention from Deloitte to issue an unqualified auditor's report on the 2023 financial statements of DELA Coöperatie UA. The Supervisory Board proposes that the general meeting adopt the 2023 financial statements of DELA Coöperatie UA and grant the members of the Executive Board discharge for the applied policy in the reporting year. We also propose the general meeting grants the members of the Supervisory Board discharge for their supervision.

In conclusion

The Supervisory Board thanks all members, policyholders and bereaved for their confidence. 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 Coöperatie U.A.

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

Consolidated financial statements

Consolidated balance sheet on 31 December 2023

<i>Amounts x €1,000</i>	Ref.	31-12-2023	31-12-2022
ASSETS			
Intangible fixed assets	5.1	151,215	134,910
Investments	5.2		
Real estate		530,956	595,829
Participations		3,542	4,464
Other financial investments:			
- Shares and other variable income securities		1,949,308	1,792,117
- Bonds and other fixed-income securities		2,438,535	2,226,270
- Derivatives		14,749	64,574
- Mortgage loans		150,175	163,879
- Other loans		187,397	243,278
- Real estate funds		1,740,192	1,891,058
- Infrastructure funds		1,087,047	1,002,657
- Agricultural and forestry funds		250,547	103,686
- Mortgage funds		389,016	298,979
- Investments in cash and cash equivalents		72,010	72,667
- Other financial investments		28,718	10,894
		8,842,192	8,470,352
Receivables	5.3	260,799	183,427
Other assets	5.4		
Real estate in own use		31,998	49,995
Other tangible fixed assets		30,942	26,025
Inventory		2,241	2,238
		65,181	78,258
Accruals			
Accrued rent and interest		1,091	1,164
Accruals		31,244	29,466
		32,335	30,630
Cash and cash equivalents		101,136	107,707
TOTAL ASSETS		9,452,858	9,005,284

<i>Amounts x €1,000</i>	Ref.	31-12-2023	31-12-2022
LIABILITIES			
Group equity			
Equity	5.5, 5.7	1,003,276	1,057,561
Minority interest	5.6	891	3,164
		<u>1,004,167</u>	<u>1,060,725</u>
Provisions	5.8	27,962	9,631
Technical provisions	5.9	8,021,400	7,531,734
Long-term liabilities	5.11	159,454	168,559
Short-term debts and accrued liabilities	5.12	239,875	234,635
TOTAL LIABILITIES		<u><u>9,452,858</u></u>	<u><u>9,005,284</u></u>

Consolidated income statements for 2023

<i>Amounts x €1,000</i>	<i>Ref.</i>	2023	2022
Income			
Gross written premium	6.1	712,701	669,011
Gross investment result	6.2	373,710	-805,658
Turnover funeral company	6.1	187,843	191,776
Other turnover	6.1	757	39
		1,275,011	55,168
Costs			
Underwriting costs	6.3	461,443	437,829
Acquisition costs	6.4	20,609	17,746
External costs funeral company		151,499	148,860
Personnel costs	6.5	260,319	236,134
Depreciations	6.6	20,938	37,899
Management costs investments	6.2	37,062	35,809
Other operational costs	6.7	125,921	101,184
		1,077,791	1,015,461
Group result from ordinary activities before interest and taxes		197,220	-960,293
Interest			
Interest income		2,380	-335
Interest expense		6,043	4,494
		-3,663	-4,829
Group result from ordinary activities before taxes		193,557	-965,122
Profit sharing	5.9	249,224	43,654
Group result before taxes		-55,667	-1,008,776
Taxes	6.10	1,343	272,329
Minority interest result		29	177
Group result after taxes		-54,295	-736,270

Consolidated statements of cashflows for 2023

Amounts x €1,000	Ref.	2023	2022
Result after taxes	5.5	-54,295	-736,270
Adjustments for:			
Changes in value of intangible fixed assets	5.1	14,807	29,725
Changes in value of tangible fixed assets	5.4	6,131	5,349
Depreciation of allocated acquisition costs	5.9	17,933	15,771
Addition technical provision	5.9	471,733	343,651
Changes in value of investments	5.2	-20,876	914,193
Changes in value of minority interest	5.6	-29	-177
Other changes to equity	5.5	10	270
Changes to other provisions	5.8	18,331	-410,847
Changes in other tangible fixed assets	5.4	970	-
		509,010	897,935
Change in working capital:			
Changes in inventory		-3	642
Changes in receivables	5.3	-36,184	111,009
Changes in accrued assets		-4,386	-6,319
Changes in short-term liabilities		14,074	-32,220
Changes in financial fixed assets	5.12	210	-
		-26,289	73,112
		482,721	971,047
Total cashflow from operational activities		428,426	234,777
Interest received		2,681	274
Interest paid		-228	-1,550
Corporate income tax		-49,794	-79,972
		-47,341	-81,248
Cashflow from operational activities	(a)	381,085	153,529
Investments and acquisitions			
- in intangible fixed assets	5.1	-31,112	-23,695
- in participations	5.2	-	-
- in real estate	5.2	-23,193	-22,137
- in loans and securities	5.2	-2,570,142	-3,728,231
- in other tangible fixed assets	5.4	-17,342	-11,552
- in other financial investments	5.2	-17,289	-288
		-2,659,078	-3,785,903

Consolidated statements of cashflows for 2023, continued

<i>Amounts x €1,000</i>	Ref.	2023	2022
Disposals, payments and sales			
- in intangible fixed assets	5.1	-	-
- in participations	5.2	712	-465
- in real estate	5.2	79,226	129,669
- in loans and securities	5.2	2,200,363	3,391,052
- in tangible fixed assets	5.4	2,470	3,537
- in other financial investments	5.2	-	-
		2,282,771	3,523,793
Cashflow from investment and fund activities	(b)	-376,307	-262,110
Cashflow minority interest	5.6	-2,244	112
Payment and borrowing of long-term liabilities	5.11	-9,105	-2,680
Cashflow from financing activities	(c)	-11,349	-2,568
Change in cash and cash equivalents on balance	(a)+(b)+(c)	-6,571	-111,149
Cash and cash equivalents on 1 January		107,707	218,856
Cash and cash equivalents on 31 December		101,136	107,707

Notes on the consolidated balance sheet and income statement

I. General notes

I.1 Activities

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

I.2 Consolidation

DELA cooperative is at the head of a group of legal persons. The consolidation includes the financial data of the DELA cooperative, its group companies and other legal persons over which it has decisive control and central management. Group companies are legal persons over which DELA cooperative has decisive control, whether directly or indirectly, because it has the majority of the votes or can control the financial and operational activities in other ways. This takes into account potential voting rights that can be exercised directly on the balance sheet date.

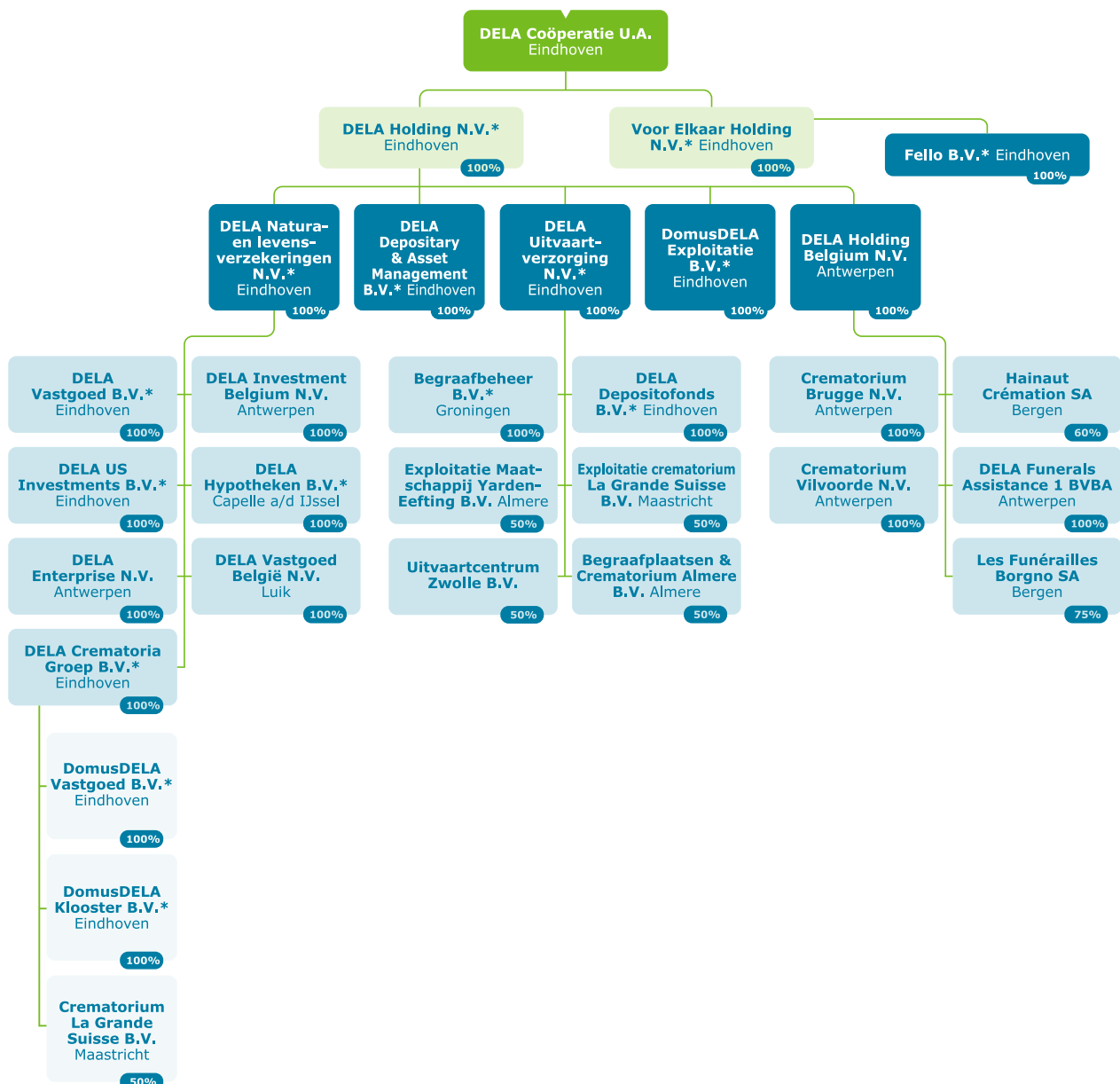
The group companies and other legal persons over which DELA cooperative has decisive control or central management are included in the consolidation for 100 percent. The minority interest in the group equity and group result are stated individually.

In the event of an interest in a joint venture, this interest is consolidated proportionally. A joint venture is an agreement to cooperate in which the control is equally divided between the two shareholders.

Intercompany transactions, profits and mutual receivables and debts between group companies and other legal persons included in the consolidation are eliminated. Unrealised losses on intercompany transactions are also eliminated unless an impairment applies. Valuation principles of group companies and other legal persons included in the consolidation are adjusted where necessary to align them to the valuation principles applied by DELA Group.

As the income statements for DELA cooperative are included in the consolidated financial statements, the company-only financial statements only includes a reflection of an abridged income statements in accordance with Article 2:402 of the Dutch Civil Code (hereafter: DCC).

The organisational chart of the companies included in the consolidation of DELA Group is provided below. This chart includes the data required as of 31-12-2023 based on Articles 2:379 and 2:414 DCC.



* DELA cooperative has guaranteed liabilities of these group companies as meant in article 2:403 DCC. They are exempt from the obligation to file.

Paragraph 5.2 includes an overview of the participations that are not consolidated.

The following transactions have taken place within DELA Group in 2023:

- DELA Uitvaartverzorging NV acquired the remaining 30% of shares in UNC Holding BV. Consequently, a mother-daughter merger took place between UNC Holding BV as the acquired company and DELA Uitvaartverzorging NV as the acquiring company;
- A mother-daughter merger took place between Yarden Franchise BV as the acquired company and DELA Uitvaartverzorging NV as the acquiring company;
- A mother-daughter merger took place between C.V.U. Uitvaartzorg BV as the acquired company and Tempero BV as the acquiring company;
- A mother-daughter merger took place between Tempero BV as the acquired company and DELA Uitvaartverzorging NV as the acquiring company.

All the aforementioned mergers were processed retroactively (1 January 2023) via the 'carry over accounting' method.

The following transactions also took place in book year 2023:

- DELA Vastgoed België BV acquired and obtained all shares in the capital of Entreprise de pompes funebres Marion BV at a purchase price of €1.5 million. The entity merged within DELA Vastgoed België BV in accordance with the carry over accounting method in book year 2023;
- DELA Vastgoed België BV acquired and obtained all shares in the capital of Vanheste BV at a purchase price of €1.6 million. The entity merged within DELA Vastgoed België BV in accordance with the carry over accounting method in book year 2023;
- DELA Holding Belgium NV bought 75% of the shares in Les Funérailles Borgno SA at a purchase price of €4.8 million.

1.3 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 and Supervisory Board members, other key officials in the management of DELA Group and close affiliates are also considered 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 where necessary. With regard to deaths reported for DELA Natura- en levensverzekeringen NV (DELA Natura) in the Netherlands, the subsequent arrangements are in principle in the hands of DELA Uitvaartverzorging NV (DELA UV) or its subsidiaries. Any costs are charged at regular transfer prices.

1.4 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 price 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 or the company is only being held for sale.

1.5 Estimates

To apply the principles and rules for drawing up the financial statements, the Board 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 the Board 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 and private equity firms (see section 5.2);
- The valuation of real estate for own use: funeral centres (see section 2.71);
- The applied principle for the technical provisions (see section 2.14);
- The valuation of the non-technical provisions (see section 2.12).

2. Principles for balance sheet and determination of results

2.1 General

The consolidated 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).

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 Group.

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 in 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 Group 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 Group 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 lifespan, which is assessed annually. The current expected lifespan of various goodwill positions is between 20 and 30 years.

2.4.2. Acquired insurance portfolios

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 lifespan, which is assessed annually. The current expected lifespan 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 5 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. Changes in the value of investments in real estate are recognised in the income statement. If these changes in value are cumulatively positive, a revaluation reserve is formed and charged against the free reserves, taking into account deferred taxes. Section 5.2 provides further details on the valuation method.

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 Group 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 income 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-income securities

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

2.5.5 Derivatives

DELA Group has forward exchange contracts and an option for extra shares in a participation; both are stated at fair value. In addition, DELA Group has convertible loans. This involves a compound financial instrument which comprises a loan and an embedded derivative, namely the option to convert the loan into shares. This embedded derivative is separately stated at fair value. The profit and loss from the revaluation into fair value on the balance sheet date is immediately processed in the income statement. It 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.

2.5.6 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.

2.5.7 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, infrastructure and agriculture & 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 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 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 5.2 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. An exception is the art collection which is valued at historical cost.

2.6 Receivables

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 Other assets

2.7.1 Funeral centres

The funeral centres owned by the funeral services entity are classified as property held for own use. They are valued at the acquisition cost minus any accumulated depreciation and, if applicable, impairment losses. Depreciation is based on the expected future useful life and calculated using a fixed percentage of 3 percent of the acquisition cost, taking into account any residual value. Depreciation starts from the moment the assets are put into use. No depreciation is charged on land. Periodic large-scale maintenance is capitalised using the component approach, with total expenditures allocated to the constituent parts.

2.7.2 Other tangible fixed property in own use

Other tangible fixed property in own use are valued at the historical cost, minus cumulative depreciations and, where applicable, impairments. The depreciations are based on the expected future term of use and calculated based on a fixed percentage of 3 percent of the historical cost, taking any residual value into account. Depreciation is applied from the moment an object is taken into use. Land is not subject to depreciation. Periodical large-scale maintenance is capitalised in accordance with the component approach, in which the total expenditure is attributed to the component parts.

2.7.3 Other tangible fixed assets

The other tangible fixed assets including inventories and vehicles are included at the historical cost minus depreciations based on the expected tangible fixed assets lifespan, taking any residual value into account. The costs of major maintenance are capitalised in accordance with the component approach and depreciated over the expected lifespan. Depreciation occurs linearly, under the following depreciation terms:

- Installations: 10 years;
- Inventory: 10 years;
- Hearses: 8 years;
- Other vehicles: 5 years;
- Company clothing: 2 years;
- Laptops: 4 years

2.7.4 Inventory

The inventory is valued at the historical cost in accordance with the FIFO (first in, first out) method or lower market value. The historical cost includes all costs associated with the acquisition as well as any costs incurred for storage in their current location and condition. The lower market value is the estimated sales price minus any directly attributable sales costs. The obsolescence of the inventory is taken into account when determining the lower market value.

2.8 Impairments of fixed assets

DELA Group 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 Group 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 Accruals

Receivables are valued at nominal value minus any provisions deemed necessary for potential losses resulting from doubtful debts.

2.10 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.

2.11 Minority interest

The minority interest in the group equity involves the third-party minority interest in the equity of the consolidated companies. The minority interest in the result of the consolidated companies is deducted from the group result in the income statement.

If the loss attributable to the minority interest exceeds the minority interest in the equity of the consolidated companies, the loss and any possible further losses shall be entirely borne by DELA Group unless and insofar as the minority shareholder has the obligation and is able to cover these losses. Should the consolidated companies start to make a profit again, this profit will be passed on to DELA Group until any loss covered by DELA Group has been fully repaid.

2.12 Provisions

2.12.1 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.

2.12.2 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 (2022: €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 Group 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.

2.12.3 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).

2.12.4 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. The tax rate at the end of 2023 in the Netherlands was 19 percent over a profit of up to €200,000 and 25.8 percent for higher amounts. In Belgium the tax rate at the end of 2023 was 25 percent. In Germany, the applicable nominal value of 30 percent is taken into account.

2.12.5 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 actual 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.

2.13 Discretionary profit sharing

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

2.14 Technical provision

2.14.1 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 5.10: Liability adequacy test).

2.14.2 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 €33.8 million remaining 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 at the moment of acquisition 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.

2.14.3 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 technical provision for DELA Activ Leben 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.

2.14.4 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.

2.14.5 Premiums

The premiums include surcharges for the coverage of the costs. When the premiums are received or are due, the surcharges are released and made available for the coverage of the actual costs, which includes ongoing costs and acquisition costs.

2.14.6 Acquisition costs

The deferred acquisition costs are deducted from the provision.

2.15 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.

2.16 Short-term liabilities

Short-term liabilities are valued in the same way as long-term liabilities, although they have a term of one year or less.

2.17 Accrued liabilities

Accrued liabilities are stated at nominal value.

2.18 Leasing

DELA Group 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.

2.19 Revenue recognition

2.19.1 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 in a constant ratio to the ongoing insurance.

2.19.2 Reinsurance premiums

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

2.19.3 Funeral company turnover

The income of the funeral company is included at the moment the services are delivered.

2.19.4 Other turnover

Other turnover accounts for the income resulting from other sources than the operational activities of DELA Group.

2.19.5 Net turnover

Net turnover is the income from the delivery of goods and services minus discounts and the like as well as the taxes imposed on the turnover, and after the elimination of transactions within DELA Group. One of these eliminations ensures payments by the insurer used for funerals at the funeral company.

2.20 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.

2.21 Personnel expenses

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

2.22 Other income and expenses

These are items that result from the ordinary operational activities but which are kept out of the operational result due to their nature, scope or incidental character. The goal is to enhance the analysis and comparability of the operational result over the years.

2.23 Depreciation of intangible and fixed assets

Intangible fixed assets and other intangible 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.

2.24 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. Notes on the cashflow statement

The cashflow statement was drawn up in accordance with the indirect method.

The financial resources in the statements consist of cash and cash equivalents, with the exception of deposits with a term of over three months. Cashflows in foreign currencies have been converted at the exchange rates at the end of each month.

Revenues and expenses resulting from interest, received dividends & rent and corporate income tax are included under the cashflow from operational activities. The historical cost of an acquired group company is included under cashflow from investment activities, insofar as payment took place in cash. The financial resources present in the acquired group company are deducted from the historical cost.

4. Risk

4.1 Solvency position

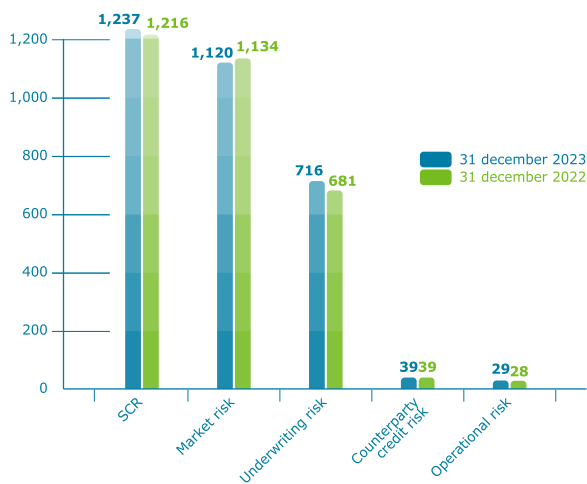
The solvency position of DELA Group is determined based on the standard model under Solvency II.

The Solvency II ratio fell slightly in 2023 as a result of developments related to interest rates, inflation and expected costs. Stress tests show that the solvency position remains robust, although DELA Group is sensitive to scenarios with a low interest rate and low inflation.

4.1.1.1 Development of solvency capital requirement

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

SCR composition

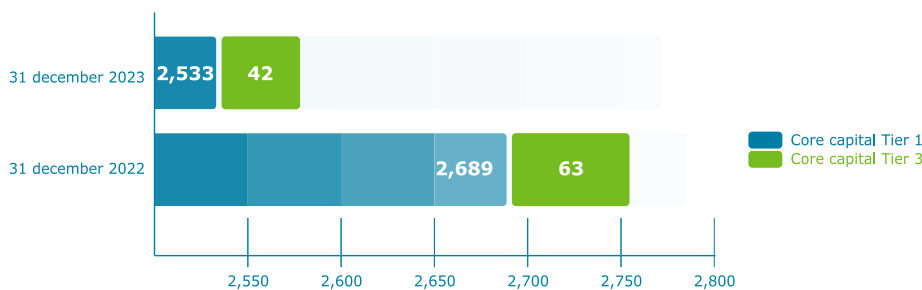


It is clear that the underwriting risks and market risks are the largest. The gross positions of both (without taking into account the mitigating effect of profit sharing) have increased, which has been largely compensated for by the mitigating effect of the profit share.

4.1.2 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 'not eligible' 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.

4.2 profile

DELA Group is exposed to a wide range of risks. The 'Our governance' section of the Executive Board Report indicates the main risk areas in the risk profile. It also describes the key developments in 2023 regarding the main risks.

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

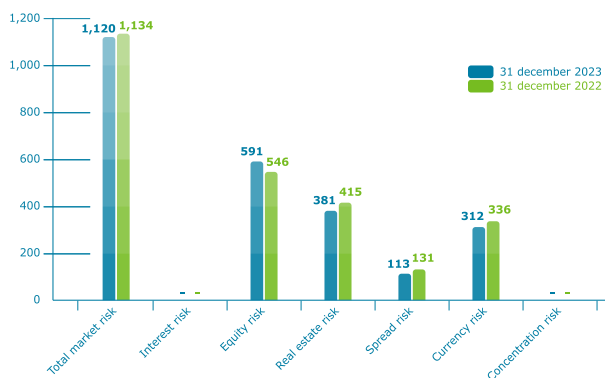
4.2.1 Market risks

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 Group 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 Group 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 development



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% limit.

4.2.2 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 Group mitigates the underwriting risk in various ways, including via its profit distribution and premium measure, but also via reinsurance, (medical) acceptance and a continuous focus on costs.

DELA Group 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

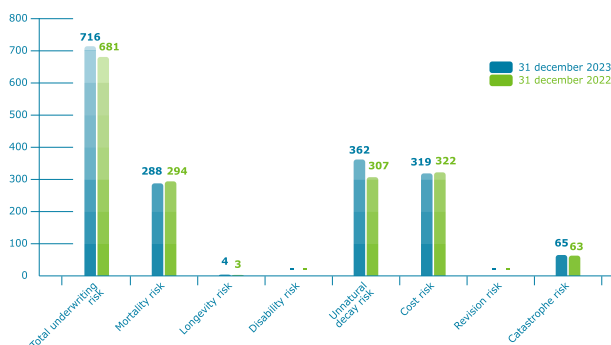
examines annually whether these starting points remain in line with the development of the relevant portfolios. The portfolio is large in numbers and scope, with a limited chance of fluctuations in the results.

In addition, DELA Group 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 build-up of the underwriting risk (amounts in € million).

Structure of underwriting risks



The underwriting risks 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 as the coverage ratio not being as far above the 210 percent limit.

4.2.3 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.

4.2.4 Liquidity risk

This is the risk that DELA Group 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 Group must have sufficient cash and cash equivalents to pay claims resulting from the existing insurance agreements and to pay for its annual expenses. DELA Group uses multiple banks in order to have access to a wide range of credit facilities. In addition, DELA Group has credit facilities with the custodian of the shares and bonds. DELA has fulfilled its financial obligations to policyholders and other creditors in 2023.

4.2.5 Operational risks

In addition to financial risks, DELA Group 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:

4.2.5.1 Internal and external fraud

DELA Group distinguishes between internal fraud and external fraud. Internal fraud is that committed by DELA Group employees who undertake unauthorised activities to enrich themselves and by doing so harm DELA Group. Examples are malversations, unjustified indemnities, purposefully declaring incorrect working hours, etc. External fraud is committed by someone from outside of DELA Group (third parties, suppliers, customers, etc.) whose unauthorised activities impact DELA Group. DELA Group does not accept any type of internal or external fraud in its risk appetite. The presence of various control measures, such as the division of functions and the four-eye principle, as defined in policy documents (e.g., fraud policy) and process descriptions means that internal fraud risks are considered low and external fraud risks medium for DELA Group.

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.

4.2.5.2 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 Group 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 Group.

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.

4.2.5.3 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 Group 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.

4.2.5.4 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 failing transaction processing or process management or relationships with suppliers are also included. DELA Group has formulated a number of statements in its risk appetite:

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

4.2.6 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 Group 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 Executive 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 Group (such as the processing and security of personal data).

4.2.7 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 Group. The sections below describe these risks in further detail.

4.2.7.1 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 Group. Stress tests show that the solvency position is robust, although DELA Group 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.

4.2.7.2 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 Group aims for a good service provision to members at the lowest premium possible. This is, in fact, a focal point in the ORSA. DELA Group has some influence over the development of funeral cost inflation and monitors this throughout the year.

4.2.7.4 Sustainability risk

The sustainability risk includes the risk of climate change. DELA Group 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.

4.2.7.5 Reporting risk

DELA Group 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 Group, 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.

5. Notes on the balance sheet

5.1 Intangible assets

Developments

<i>Amounts x €1,000</i>	2023	2022
Book value on 1 January	134,910	140,940
Investments	31,112	17,572
Revaluations	-2,442	-16,377
Acquisitions	-	6,123
Depreciations	-12,365	-13,348
Book value on 31 December	151,215	134,910

Intangible assets, cumulative

<i>Amounts x €1,000</i>	31-12-2023	31-12-2022
Acquisition costs	386,842	355,730
Cumulative value revaluations and depreciations	-235,627	-220,820
Book value on 31 December	151,215	134,910

Intangible assets, specification

<i>Amounts x €1,000</i>	Goodwill	Acquired insurance portfolios	Software systems	Other	Total
Book value on 31-12-2022	77,349	9,611	46,726	1,224	134,910
Investments	4,879	-	26,233	-	31,112
Revaluations	-2,442	-	-	-	-2,442
Depreciations	-5,595	-610	-5,855	-305	-12,365
Book value on 31-12-2023	74,191	9,001	67,104	919	151,215

The investments in book year 2023 mainly involve multiple software systems. In addition, the funeral company in Belgium has also been involved in various acquisitions.

In 2023 there was an impairment of €1.6 million to the goodwill position of Salarise due to an adjustment of future expectations.

At the end of the year, a sum of €17.7 million of the goodwill position was reserved to acquired Dutch and Belgian funeral activities. In addition, there was an impairment of €0.8 million in 2023. The valuation of this goodwill position at the end of the year strongly depends on the expected return on the one hand and the expected future operating results on the other. Any major deviation from the current estimates could potentially have a significant effect on the book value.

5.2 Investments

DELA Group manages risk positions using the periodical Asset & Liability Management (ALM) studies as it aims to realise long-term investment results that exceed the interest obligations resulting from insurance contracts and deposits and help meet profit sharing ambitions. The main investment goal in the insurance company is the maximisation of the investment return within the authorised risk framework.

5.2.1 Real estate

Developments

<i>Amounts x €1,000</i>	Ref.	2023	2022
Book value on 1 January (before prior period error)		521,889	672,637
Effect prior period error		73,940	73,246
Book value on 1 January (after prior period error)		595,829	745,883
Investments		23,193	22,137
Revaluations		-29,691	-43,216
Reclassification funeral homes		20,852	694
Disposals		-79,226	-129,669
Book value on 31 December		530,956	595,829
Acquisition costs		500,847	540,599
Cumulative value changes		30,109	55,229
Book value on 31 December		530,956	595,829

Real estate involves investments in direct properties. The balance sheet of DELA Group does not include any real estate investments from operational leasing in which DELA is the lessee. To realise a better geographical distribution of real estate investments, parts of the portfolio were sold from 2020 onwards and investments made in international real estate funds (investment category: real estate funds). The value of the properties (excl. crematoriums and funeral homes) which were still in the portfolio at the end of 2023 had fallen by approximately 6 percent during the year. The market rent of these assets rose by around 2 percent. At the end of 2023 the total value of this portfolio was 11.6 times the market rent (2022: 14.4 times).

A positive result of €3.1 million was realised over the disposals. The sales result is determined by the difference between the net sales return and the valuation on the balance sheet on the selling date.

Other real estate does not include assets that are not being used for company activities. The overview below shows a categorisation of the real estate objects.

Real estate, specification

<i>Amounts x €1,000</i>	31-12-2023	31-12-2022
Retail	67,855	152,096
Residential	4,020	6,085
Crematoriums	304,724	299,234
Funeral homes	98,464	73,940
Offices	33,665	35,051
Parking lots	-	3,410
Other	22,228	26,013
Total	530,956	595,829

The investments in retail mainly consist of retail properties at A-1 locations and shopping centres throughout the Netherlands.

Other real estate relates to DOMUSDELA. The fair value of DOMUSDELA Vastgoed and Klooster was externally evaluated in 2023. In 2022 the evaluation was based on the establishment costs as a period of less than five years is considered a start-up phase.

No real estate was under development on 31-12-2023.

Real estate, amounts in income statement

<i>Amounts x €1,000</i>	2023	2022
Rental income	43,298	44,972
Other income and costs	-25,603	-37,898
Operating costs	-13,533	-13,922
Total	4,161	-6,848

The rental contracts of commercial real estate are drawn up based on ROZ model 2012. Around 15 percent of the contracts have a fixed term and are extended automatically if not terminated. Around 41 percent have a fixed term with an extension rule of five years, and others have various fixed terms (usually one or three years). Some 11 percent of the contracts are indefinite and can be terminated at any time with a term of notice of one year. The rental contracts do not include an option to buy.

The negative 'Other income and costs' are mainly the result of an unrealised depreciation in value in the real estate. This is part of the investment results.

DELA Group has a limited exposure to operating costs related to vacant properties.

Contractual obligations on balance sheet date

<i>Amounts x €1,000</i>	31-12-2023	31-12-2022
For new builds	45	2,210
For redevelopment	-	-
Total	45	2,210

The valuations of real estate include estimates, which means there is a level of uncertainty in the value and a bandwidth should always be taken into account. The accuracy of an appraisal of a common object should be within a bandwidth of 10 percent (+ / -) of the value. The valuation method used for each real estate category is clarified below.

Valuation method for retail, residential, offices and parking lots

The valuation of real estate is partly based on available market data and is calculated by external appraisers. The appraisals are made in accordance with RICS appraisal standards and the regulations of the Register of Real Estate Appraisers in the Netherlands (NRVT). Both the RICS standards and the NRVT regulations – and therefore the appraisals – comply with the International Valuation Standards. Depending on the type of real estate, the BAR/NAR method, direct capitalisation method and discounted cashflow (DCF) methods are used. At least once every three years the value is determined by independent, external experts by means of a full valuation based on the private sale value in rented state. In the other years, the value is based on a reappraisal that is also made by external experts. The entire portfolio is valued by external appraiser CBRE. The company has an ISAE3402 type II attestation and the responsible appraisers are registered with NRVT. The applied discount rate is between 2 percent and 7 percent, depending on the applied risk premium determined per complex. The gross initial return is between 3.2 percent and 19.1 percent. In the event of a definitive and unconditional agreement to sell a real estate object, this real estate is valued at the agreed selling price.

Retail property

The direct capitalisation method or the DCF method are applied to calculate the fair value of the retail objects. The appraiser considers which method is best suited to determine the value of each object. The direct capitalisation method is mainly used for shops, the DCF method more commonly used for shopping centres. The direct capitalisation method determines the fair value based on the gross market rent value of the lettable floor surfaces of the buildings and/or premises, minus the operating costs and other expenses linked to the object, and related to a net return that is considered realistic in current market conditions.

Residential property

The DCF method is used to determine the fair value of residential objects. This calculation assumes a return over a review period of ten years. The cashflows consist of rental income and any proceeds from the sale of rented property to sitting tenants) minus the operating costs and other expenses linked to the object.

Offices

It is standard in the market to value offices based on the income approach and the comparative method. The valuation is therefore based on a combined BAR/NAR-DCF calculation.

Valuation method for crematoriums

Crematoriums are stated at fair value on the balance sheet date. Both the DCF method and direct capitalisation are used to determine this fair value for crematoriums older than five years. The applied discount rates are in line with the market and lie between 9.25 percent and 10.25 percent. In addition, the value is assessed by independent external experts once every five years. In the intervening years, the fair value is determined internally. The external valuation takes place on a rotational basis over the portfolio, which means that part of the portfolio is always determined annually by independent, external experts.

Crematoriums less than five years old are valued based on the establishment costs, as this is considered a start-up phase. In addition, an internal calculation method is used every year to see whether any impairments should take place.

Due to the lack of actual transactions in the market that could be used to validate the appraisal process, the appraisal of real estate comes with a significantly increased level of uncertainty. In the event of sales transactions in the period in which the financial statements are being drawn up and when there are deviations between the selling price and appraisal value, valuation of a real estate object is based on the realised selling price. Sales results and value changes of real estate stated at market value are processed in the income statement. In this statement, these value changes – insofar as they are cumulatively positive (at the building level) – are processed in the revaluation reserve in which deferred taxes are taken into account. The original cost price, where no correction for depreciation is made, is also taken into account.

Valuation method for funeral centres

The funeral centres owned by the insurer (or one of its subsidiaries) have been classified as investment property. These funeral centres are stated at fair value on the balance sheet date. The direct capitalisation method is used to determine this fair value for funeral centres older than five years. The value is assessed by independent external experts once every five years. In the intervening years, the fair value is determined internally. The external valuation takes place on a rotational basis over the portfolio, which means that part of the portfolio is always determined annually by independent, external experts. The funeral centres less than five years old are valued based on the establishment costs, as this is considered a start-up phase and is therefore the best estimate of the fair value.

Changes in value are accounted for in the income statement. If these changes in value are cumulatively positive, a revaluation reserve is formed and charged against the free reserves, taking into account deferred taxes. Revaluation reserves are monitored at object level.

5.2.2 Participations

Specification

Amounts x €1,000	Share in issued capital	31-12-2023	31-12-2022
- Société d'Étude et de Service pour la Crémation N.V., Rue des Nutons 329, Charleroi	35%	1,287	1,242
- Stoppelenburg B.V., Populierenlaan 122a, Krimpen aan den IJssel		-	712
- Neo Joule B.V., Sintelstraat 27, Maasbracht	18%	1,400	1,400
- The Right Meal B.V., Melkpad 49, Hilversum	16%	-	275
- Salarise B.V., Hoofdstraat 244, Driebergen-Rijsenburg	25%	657	657
- Jelsumerhof Beheer B.V., Sem Dresdenstraat 2A, Leeuwarden	25%	198	178
Total		3,542	4,464

Participations, development

Amounts x €1,000	2023	2022
Book value on 1 January	4,464	3,999
Investments	-712	-
Result participation	65	515
Dividend payments	-	-50
Revaluations	-275	-
Book value on 31 December	3,542	4,464

- DELA Funerals Assistance 1 BVBA has a 35 percent interest in Société d'Étude et de Service pour la Crémation NV;
- DELA Holding NV has a 18.4 percent interest in Neo Joule BV, which was set up to research various cremation methods;
- Voor Elkaar Holding NV has a 25 percent interest in Salarise BV. This peer-to-peer loan platform provides attractive, repayable loans for people with employee salaries. DELA Holding NV has the option to expand its interest to 100 percent;
- DELA Uitvaartverzorging NV has an interest of 25 percent in the funeral company Jelsumerhof Beheer BV

DELA Uitvaartverzorging NV sold its 20 percent interest in funeral company Stoppelenburg BV in 2023.

The Right Meal BV was declared bankrupt in 2023, although the company has since been relaunched since. Out of prudence the position was depreciated pending settlement.

5.2.3 Other financial investments

Development

<i>Amounts x €1,000</i>	Book value 31-12-2022	Acquisitions	Sales and payments	Revaluation and other mutations	Book value 31-12-2023
Shares and other variable income securities	1,792,117	716,253	-758,931	199,869	1,949,308
Bonds and other fixed interest securities	2,226,270	1,361,176	-1,245,236	96,325	2,438,535
Derivatives	64,574	-	-	-49,825	14,749
Mortgage loans	163,879	3,553	-17,434	177	150,175
Other loans	243,278	109,741	-178,762	13,140	187,397
Real estate funds	1,891,058	88,612	-	-239,478	1,740,192
Infrastructure funds	1,002,657	64,579	-	19,811	1,087,047
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	72,667	-	-	-657	72,010
Other financial investments	10,894	17,289	-	535	28,718
Total	7,870,059	2,587,431	-2,200,363	50,567	8,307,694

Other financial investments, other valuations

<i>Amounts x €1,000</i>	Balance value	Cost price	Market value
Shares and other variable income securities	1,949,308	1,575,952	1,949,308
Bonds and other fixed interest securities	2,438,535	2,546,375	2,438,535
Derivatives	14,749	-	14,749
Mortgage loans	150,175	150,175	146,113
Other loans	187,397	194,815	187,397
Real estate funds	1,740,192	1,697,934	1,740,192
Infrastructure funds	1,087,047	964,773	1,087,047
Agricultural and forestry funds	250,547	248,012	250,547
Mortgage funds	389,016	436,953	389,016
Investments in cash and cash equivalents	72,010	72,010	72,010
Other financial investments	28,718	28,308	28,718
Total	8,307,694	7,915,307	8,303,632

Unhedged foreign exchange positions

Amounts x €1,000	31-12-2023	31-12-2022
American dollar	1,736,290	1,636,057
Hong Kong dollar	124,586	146,125
South Korean won	88,647	64,138
Brazilian real	84,819	76,779
New Taiwan dollar	67,776	56,703
Indian rupee	61,605	54,409
Australian dollar	58,220	65,739
Other	515,707	494,336
Total	2,737,650	2,594,286

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	25.6%	25.9%
North America	36.0%	34.4%
Latin America	3.3%	3.7%
Middle East	2.4%	2.7%
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%
Luxury consumer goods	12.3%	11.9%
Industry	11.7%	11.2%
Health care	9.1%	10.3%
Consumer goods	6.7%	8.6%
Communication services	6.6%	6.5%
Energy	5.4%	5.7%
Raw materials	4.6%	6.2%
Real estate	2.6%	3.0%
Utilities	1.8%	3.0%
Total	100.0%	100.0%

Fixed-interest securities, categorised by rating

<i>Amounts x €1,000</i>	31-12-2023	31-12-2022
AAA	31.7%	27.5%
AA	14.6%	13.2%
A	6.8%	6.5%
BBB	16.6%	17.6%
< BBB	21.9%	25.0%
Other	8.4%	10.3%
Total	100.0%	100.0%

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.

Mortgage loans

The mortgage loans involve direct investments in mortgages, all provided with NHG accreditation. The fair value of the mortgage loans is €146.1 million. The fair value of the collateral for the mortgage loans at the end of 2023 was €335.8 million.

Other loans

Some €3.5 million of the loans were at a fixed-interest percentage of 3 percent on 31 December 2023. The security for these loans consists of a pledge on all outstanding shares in the relevant counterparty and a security deposit of €0.5 million.

In 2023 Voor Elkaar Holding NV (VEH) provided a convertible loan to Prikl of €1 million. The payment over the loan amounts to a fixed interest of 6 percent and runs until 2027 when VEH will have the option to convert the loan into a share interest. In addition, there are two call options on shares included in the agreement. The value of the conversion right and the call options cannot be determined reliably so, for reasons of prudence, were valued at €0.

In 2023, VEH provided a convertible loan to Salarise of €0.9 million. The payment over the loan amounts to a fixed interest of 6 percent and runs until 2028. In 2028, VEH has the option to convert the loan into a share interest. As the value of the conversion right cannot be determined reliably, it was valued at €0 to ensure prudence.

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 Group 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 Group 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 Group 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).

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).

Other financial investments

The amounts included under this section relate to the art collection, interests in non-listed private equity firm and a loan fund. The art collection is valued at cost price or lower market value; at the end of 2023 it amounted to €4.1 million (2022: €3.8 million). 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 report 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.

Securities lending

DELA Group lends shares and bonds. To limit the risk for DELA Group, 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).

5.3 Receivables

Specification

<i>Amounts x €1,000</i>	31-12-2023	31-12-2022
Deferred tax assets	116,498	82,893
Corporate tax	81,945	40,757
Taxes and social insurance premiums	26,215	11,185
Loans to the Board	85	107
Debtors	20,326	17,541
Receivables from insurance	-279	-251
Other receivables	16,009	31,195
Total	260,799	183,427

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

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

<i>Amounts x €1,000</i>	31-12-2023	31-12-2022
- Related to different tax valuations of:		
- technical provision	100,024	109,308
- loss set-off for previous years	86,218	-
- initial expenses	37,199	38,222
- securities	-31,554	55,309
- real estate	-78,822	-117,581
- other	3,433	-2,365
Total	116,498	82,893

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.

Loans to the Board

The mortgage loan to a Board member, as referred to in Article 2:383 section 2 DCC, is €85,000 (2022: €107,000). Of this loan, €85,000 (2022: €107,000) was provided at 3 percent. This loan was fully repaid in 2024.

5.4 Other assets

Real estate in own use, developments

<i>Amounts x €1,000</i>	2023	2022
Book value on 1 January (before prior period error)	96,116	99,580
Effect prior period error valuation	27,819	21,516
Effect prior period error classification	-73,940	-73,246
Book value on 1 January (after prior period error)	49,995	47,850
Investments	5,726	3,752
Revaluations	-970	2,825
Reclassification funeral homes	-20,852	-694
Acquisitions	-	45
Disposals	-1,383	-2,457
Depreciations	-519	-1,326
Book value on 31 December	31,998	49,995
Acquisition value	117,768	134,276
Depreciations and revaluations	-85,770	-84,281
Book value on 31 December	31,998	49,995

The disposals resulted in a book loss of €232,000 (2022: €22,000).

Other tangible fixed assets, developments

<i>Amounts x €1,000</i>	2023	2022
Book value on 1 January	26,025	26,198
Investments	11,616	7,621
Procurement due to acquisitions	-	134
Disposals	-1,087	-1,080
Depreciations	-5,612	-6,848
Book value on 31 December	30,942	26,025
Acquisition value	165,873	155,344
Cumulative depreciations	-134,931	-129,319
Book value on 31 December	30,942	26,025

The disposals resulted in a book profit of €17,000 (2022: book loss €330,000).

5.5 Group equity

Development

<i>Amounts x €1,000</i>	2023	2022
Book value on 1 January (before prior period error)	1,037,582	1,778,413
Effect prior period error	19,979	15,148
Book value on 1 January (after prior period error)	1,057,561	1,793,561
Result after taxes	-54,295	-736,270
Other changes in value	10	270
Book value on 31 December	1,003,276	1,057,561

The total result over the book year amounted to minus € 54.285.000

5.6 Minority share

Development

<i>Amounts x €1,000</i>	2023	2022
Book value on 1 January	3,164	3,229
Result after taxes	-29	-177
Other changes in value	-2,244	112
Book value on 31 December	891	3,164

The other mutation of the third-party share involves the expansion of the UNC share from 70 to 100 percent in 2023.

5.7 Solvency

DELA Group determines the solvency based on Solvency II, which are European calculation rules that take into account the risks included in the balance sheet of the insurer. DELA Group applies the Solvency II standard model for its calculations. This uses the interest rate term structure (including Ultimate Forward Rate) at the end of 2023 as determined by European supervisor EIOPA. The internal minimum solvency percentage deemed necessary has been set internally at 150 percent.

Solvency (based on Solvency II guidelines)

<i>Amounts x €1,000</i>	31-12-2023	31-12-2022
Required solvency	1,236,505	1,216,049
Available solvency	2,574,915	2,751,276
Solvency ratio	208%	226%

Although the Solvency II ratio went down, it is still considered robust. For the progress of the solvency ratio in 2023, refer to the 'Our Finances' section.

For further clarification of how the solvency ratios are determined, refer to the SFCR report (solvency and financial condition) provided on the DELA website.

5.8 Provisions

Development

<i>Amounts x €1,000</i>	Book value			Other value mutations	Book value
	31-12-2022	Allocation	Withdrawal		
Provision for deferred tax obligations	7,946	18,118	-	-	26,064
Provision for pensions	60	-	-	-60	-
Provision for work anniversaries	1,323	142	-77	-	1,388
Other provisions	302	208	-	-	510
Total	9,631	18,468	-77	-60	27,962

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

<i>Amounts x €1,000</i>	31-12-2023	31-12-2022
Related to different tax valuations for:		
- real estate	447	-348
- loss set-off for previous years	-14,945	-16,625
- initial expenses	15,867	15,309
- securities	24,096	7,581
- other	599	2,029
Total	26,064	7,946

5.9 Technical provision

Specification

<i>Amounts x €1,000</i>	31-12-2023	31-12-2022
Gross technical provisions	8,134,587	7,663,848
Reinsurance share	-14,228	-25,281
Surplus interest sharing	17,206	-
Allocated acquisition costs	-116,165	-106,833
Total	8,021,400	7,531,734

Technical provision, developments

<i>Amounts x €1,000</i>	2023	2022
Book value on 1 January	7,531,734	7,172,311
- From premiums	561,051	523,206
- Interest	189,851	178,840
- Profit sharing	249,224	43,654
- Benefits	-294,417	-201,332
- Risk premium	-187,990	-175,760
- Release for expenses	-18,442	-17,914
- Other changes	-279	-898
- Allocated acquisition costs	-9,332	-10,355
- Acquisition	-	19,982
Book value on 31 December	8,021,400	7,531,734

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

The share of reinsurers in the technical provision and the payments to which DELA Group 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.

Financial metrics life insurance 2023

<i>Amounts x €1,000</i>	Annual premium	Insured capital	Accumulated balance	Provision insurance obligations	Number of insured
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 profit sharing				17,206	
Allocated acquisition costs				-116,165	
Total	731,967	78,604,572	420,646	8,021,400	5,541,233

The increase in the annual premium and the insured capital is mainly due to the acquisition by DELA Group of a German insurance portfolio.

Financial metrics life insurance 2022*Amounts x €1,000*

	Annual premium	Insured capital	Accumulated balance	Provision insurance obligations	Number of insured
Funeral insurance	589,388	28,904,875	-	7,100,925	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	7,531,734	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 allocation of acquisition costs relates to paid provisions in Belgium and Germany. For the Dutch insurance portfolio, depreciation only took place on paid provision prior to 1 January 2013.

5.10 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 2023.
Profit sharing	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.
Costs	The costs for each coverage for the Netherlands and Belgium are determined based on the 2024 budget and the investment costs associated with the expected investment mix in 2024.
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).

5.11 Long-term liabilities

Specification

Amounts x €1,000	31-12-2023	31-12-2022
Deposit reinsurers	6,939	18,462
Deposit fund	142,738	139,941
Long-term loans payable externally	8,570	8,948
Other	1,207	1,208
Long-term liabilities	159,454	168,559

The 'Other' category includes a long-term obligation based on a loss-making contract.

5.11.1 Deposit by 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 Group. The deposit is subject to an interest of 3 percent to 4.5 percent a year (2022: 3 percent to 4.5 percent).

Deposit reinsurers, developments

<i>Amounts x €1,000</i>	2023	2022
Balance on 1 January	18,462	17,359
Received 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.

5.11.2 Deposit fund

This involves deposits by clients for future funeral services that are paid out at time of death. This item is therefore mainly of a long-term nature.

Debts resulting from the deposit fund, developments

<i>Amounts x €1,000</i>	2023	2022
Balance on 1 January	139,941	141,547
Added interest	6,098	3,756
Received deposits	5,178	5,346
Surrendered policies	-777	-744
Procurement due to acquisitions	138	-
Payments	-7,840	-9,964
Book value on 31 December	142,738	139,941

The interest rate over the deposit fund is based annually on the ECB deposit interest rate on 31 December of the relevant year plus 0.75 percent, with a minimum of 2.5 percent to 6.0 percent a year depending on the starting date and deposited amount.

The interest rate for the deposit funds which were formerly part of (the acquired) Yarden deposits in 2023 was 0.44 percent (2022: 0.01 percent).

5.11.3 Monetary loans

This involves loans entered into by subsidiaries with applicable interest rates ranging from 1 percent to 4 percent.

Monetary loans, developments

<i>Amounts x €1,000</i>	2023	2022
Balance on 1 January	8,948	12,332
Procurement due to acquisitions	-37	74
Payments	-341	-3,458
Book value on 31 December	8,570	8,948

Of the monetary loans, €0.2 million has a term of less than one year, €1.6 million between 1 and 5 years, and €6.7 million a term of more than 5 years.

5.12 Short-term liabilities

Specification

<i>Amounts x €1,000</i>	31-12-2023	31-12-2022
Advance premiums	74,414	68,371
Creditors	8,759	9,229
Corporate tax	17,765	26,371
Other taxes and social security costs	15,430	4,435
Future payments	70,648	67,796
Short-term share of long-term liabilities	90	98
Other debts and accrued liabilities	52,769	58,335
Book value on 31 December	239,875	234,635

Grave maintenance (included in the item 'Other debts and accrued liabilities' above)

The accrued interest (€6.6 million) is determined based on the advance received income resulting from contracts relating to the maintenance of graves and the expected future loss on the maintenance contracts existing on the balance sheet date. Former contracts are depreciated linearly over a term of 15 years. New contracts are depreciated in accordance with the contract term.

5.13 Assets and obligations not included in the balance sheet

5.13.1 Liability

DELA cooperative has issued a liability statement for most of the subsidiaries involved in the consolidation as referred to in Article 2:403 DCC. The subsidiaries involved are included in section 1.2.

5.13.2 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.

5.13.3 Bank guarantees

DELA Group has issued a total of €0.1 million in bank guarantees. These were mainly issued for rental contracts with external parties.

5.13.4 Multi-year financial obligations

Specification

<i>Amounts x €1,000</i>	Between one		
	Less than one year	and five years	Longer than five years
Rent obligations	1,781	5,591	3,397
Lease obligations	3,316	7,100	-

5.13.5 Credit facilities

DELA Group 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.

DELA Group has a credit facility at Rabobank with a maximum of €4 million. The interest percentage due is the EONIA interest rate plus 1.6 percent.

5.13.6 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 \$43.3 million (which equals €39.2 million on the balance sheet date).

In 2023 DELA Group did not enter into any new agreements for investments in real estate 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.

5.13.7 Future contractual rental income

DELA Group is entitled to future rental income as a result of ongoing rental agreements.

Future contractual rental income

Amounts x €1,000

	Less than one year	Between one and five years	Longer than five years
Rental income	7,130	19,675	22,556

5.13.8 Fiscal unity

Fiscal units have been composed in the DELA Group for corporate tax (VPB) and turnover tax (OB) in both the Netherlands and Belgium. Every company within the tax unity is severally liable for the taxes due. The table below shows the composition of these tax entities:

Composition of tax entities

	Corporate Tax Netherlands	Turnover tax Netherlands	Corporate Tax Belgium	Turnover tax Belgium
DELA Coöperatie U.A.	Yes	Yes	No	No
DELA Holding N.V.	Yes	Yes	No	No
DELA Natura- en levensverzekeringen N.V.	Yes	Yes	No	No
DELA Vastgoed B.V.	Yes	Yes	No	No
DELA Hypotheken B.V.	Yes	Yes	No	No
DELA Crematoria Groep B.V.	Yes	Yes	No	No
DomusDELA Vastgoed B.V.	Yes	Yes	No	No
DomusDELA Klooster B.V.	Yes	Yes	No	No
DomusDELA Exploitatie B.V.	Yes	Yes	No	No
DELA Uitvaartverzorging N.V.	Yes	Yes	No	No
DELA Depositofonds B.V.	Yes	Yes	No	No
DELA US Investments B.V.	Yes	Yes	No	No
Begraafbeheer B.V.	Yes	Yes	No	No
DELA Depository & Asset Management B.V.	Yes	Yes	No	No
Voor Elkaar Holding B.V.	Yes	Yes	No	No
Fello B.V.	Yes	Yes	No	No
Crematorium La Grande Suisse B.V.	No	No	No	No
Exploitatie crematorium La Grande Suisse B.V.	No	No	No	No
Begraafplaatsen & Crematorium Almere B.V.	No	No	No	No
Exploitatie Maatschappij Yarden - Eefting B.V.	No	No	No	No
Uitvaartcentrum Zwolle B.V.	No	No	No	No
DELA Holding Belgium NV	No	No	Yes	Yes
Crematorium Brugge N.V.	No	No	Yes	Yes
Crematorium Vilvoorde N.V.	No	No	Yes	Yes
Hainaut Crémation SA	No	No	No	Yes
DELA Funerals Assistance 1 BVBA	No	No	No	Yes
DELA Natura-en levensverzekeringen N.V. filiaal België	No	No	Yes	Yes
DELA Vastgoed België N.V.	No	No	No	Yes
DELA Enterprise N.V.	No	No	Yes	Yes
DELA Investment Belgium N.V.	No	No	Yes	No

5.14 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.

6. Notes on the income statement

6.1 Income

Specification

<i>Amounts x €1,000</i>	2023	2022
Gross written premium		
Gross written premium Netherlands	480,749	487,609
Gross written premium Belgium	161,889	146,089
Gross written premium Germany	70,063	35,313
	712,701	669,011
Turnover funeral company		
Turnover funeral company Netherlands	312,060	303,408
Turnover funeral company Belgium	71,624	66,541
	383,684	369,949
Internal turnover	-195,841	-178,173
	187,843	191,776
Income from investments	373,710	-805,658
Other insurer turnover	757	39
Total	1,275,011	55,168

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

6.2 Net investment result

Realised and unrealised investment result, specification 2023

<i>Amounts x €1,000</i>	Realised profit	Realised loss	Unrealised result	Asset management costs	Total
Real estate (a)	17,489	-	-19,417	20,622	-22,550
Participations (b)	-	193	-	-	-193
Other financial investments (c):					
- Shares and other variable income securities	203,474	159,611	204,817	6,440	242,240
- Bonds and other fixed-income securities	110,419	169,078	230,277	2,330	169,288
- Derivatives	134,173	58,634	-49,817	442	25,280
- Mortgage loans	5,046	-	-	533	4,513
- Other loans	21,942	4,672	13,321	1,367	29,224
- Real estate funds	54,659	591	-235,040	38	-181,010
- Infrastructure funds	34,682	-	18,250	-	52,932
- Agricultural and forestry funds	1,903	-	6,194	-	8,097
- Mortgage funds	8,067	29	7,474	-	15,512
- Other financial investments	1,494	3,424	535	5,290	-6,685
	575,859	396,039	196,011	16,440	359,391
Net investment result (a) + (b) + (c)	593,348	396,232	176,594	37,062	336,648

Realised and unrealised investment result, specification 2022

Amounts x €1,000

	Realised profit	Realised loss	Unrealised result	Asset management costs	Total
Real estate (a)	24,639	-	-13,273	18,997	-7,631
Participations (b)	471	-44	-	-	515
Other financial investments (c):					
- Shares and other variable income securities	453,644	203,652	-619,164	5,912	-375,084
- Bonds and other fixed-income securities	171,340	224,229	-364,846	4,003	-421,738
- Derivatives	73,925	304,021	105,416	436	-125,116
- Mortgage loans	6,718	-	-	946	5,772
- Other loans	17,894	7,784	-24,712	1,149	-15,751
- Real estate funds	50,112	439	29,192	337	78,528
- Infrastructure funds	28,528	-	50,048	242	78,334
- Agricultural and forestry funds	-	-	-660	-	-660
- Mortgage funds	4,093	-304	-58,310	-	-53,913
- Other financial investments	64	308	-692	3,787	-4,724
	806,318	740,129	-883,728	16,812	-834,351

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
Real estate (a)	-6,188	-16,362	-22,550
Participations (b)	-193	-	-193
Other financial investments (c):			
- Shares and other variable income securities	42,528	199,712	242,240
- Bonds and other fixed-income securities	71,373	97,915	169,288
- Derivatives	-442	25,722	25,280
- Mortgage loans	4,513	-	4,513
- Other loans	18,446	10,778	29,224
- Real estate funds	54,355	-235,365	-181,010
- Infrastructure funds	33,122	19,810	52,932
- Agricultural and forestry funds	1,903	6,194	8,097
- Infrastructure funds	8,067	7,445	15,512
- Other financial investments	-3,796	-2,889	-6,685
	230,069	129,322	359,391
Net investment result (a) + (b) + (c)	223,688	112,960	336,648

Direct and indirect investment result, specification 2022

<i>Amounts x €1,000</i>	Direct	Indirect	Total
Real estate (a)	-2,130	-5,501	-7,631
Participations (b)	515	-	515
Other financial investments (c):			
- Shares and other variable income securities	61,113	-436,197	-375,084
- Bonds and other fixed-income securities	81,707	-503,445	-421,738
- Derivatives	-436	-124,680	-125,116
- Mortgage loans	5,772	-	5,772
- Other loans	14,198	-29,949	-15,751
- Real estate funds	49,720	28,808	78,528
- Infrastructure funds	28,528	49,806	78,334
- Agricultural and forestry funds	-	-660	-660
- Mortgage funds	4,402	-58,314	-53,912
- Other financial investments	-1,843	-2,881	-4,724
	243,161	-1,077,512	-834,351
Net investment result (a) + (b) + (c)	241,546	-1,083,013	-841,467

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.

6.3 Underwriting costs

Specification

<i>Amounts x €1,000</i>	2023	2022
Payment on death	61,051	64,813
Funeral costs	154,402	133,807
Expiration	30,508	4,028
Pension insurance payment	11	11
Capital payments	77,743	70,877
Annulment payments	433	312
Surrendered policies	83,361	36,012
Technical provisions allocation	249,775	306,142
Intercompany payments insurer to funeral company	-195,841	-178,173
Total	461,443	437,829

6.4 Acquisition costs

Specification

<i>Amounts x €1,000</i>	2023	2022
Direct acquisition costs	29,941	28,101
Allocated acquisition costs	-27,265	-26,126
Depreciation of acquisition costs	17,933	15,771
Total	20,609	17,746

The acquisition costs involve provisions paid to third parties.

6.5 Personnel costs

Specification

<i>Amounts x €1,000</i>	2023	2022
Salaries	139,883	133,630
Social security costs	27,217	25,672
Pension costs	24,854	17,904
Outsourced work	51,647	41,432
Other personnel costs	16,718	17,496
Total	260,319	236,134

The recent high inflation rates prompted a decision to index the pension agreements. This resulted in additional pension costs in 2023.

6.6 Depreciation of and other value changes to intangible and tangible fixed asset costs

Specification

<i>Amounts x €1,000</i>	2023	2022
Depreciation of intangible fixed assets	14,807	29,725
Depreciation of tangible fixed assets	6,131	8,174
Total	20,938	37,899

6.7 Other operating costs

Specification

<i>Amounts x €1,000</i>	2023	2022
Building and inventory	34,641	22,548
Vehicle costs	10,061	8,705
ICT costs	38,485	31,467
Advertising costs	25,356	24,331
Third-party services	29,143	28,473
Office costs	11,028	10,587
Incidental income	-7,721	-16,168
Incidental costs	643	1,885
Donation to Stichting DELA Fonds	501	602
Other costs	897	299
Minus: activation of software systems	-17,113	-11,545
Total	125,921	101,184

The increase in building and inventory costs in 2023 was mainly due to rising energy prices.

The incidental income in 2023 mainly involves the definitive calculation of the pro rata VAT percentage.

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

6.8 Remuneration of Executive and Supervisory Board members

The Executive 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 Executive Board members in the book year comprised a fixed component of €1.177 million (2022: €1.142 million), a variable component of €144,000 (2022: €180,000) and a pension contribution of €262,000 (2022: €241,000).

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

6.9 Audit fees

The fee for auditing the financial statements involves the total fee for the book year to which the financial statements relates, regardless of whether the activities were already performed by the external accountant during the book year. In this book year and the previous, the following amounts in audit fees were charged to the result:

Audit fees 2023

<i>Amounts x €1,000</i>	Deloitte NL	Deloitte abroad	Total Deloitte
Audit of the financial statements	902	282	1,184
Other audit engagements	208	-	208
Total	1,110	282	1,392

Audit fees 2022

<i>Amounts x €1,000</i>	Deloitte NL	Deloitte abroad	Total Deloitte
Audit of the financial statements	853	264	1,117
Other audit engagements	232	-	232
Total	1,085	264	1,349

The aforementioned fees involve the activities performed at DELA Group by audit firms and independent external accountants as referred to in Article 1, section 1 of the Accounting Organisations (Supervision) Act (Wta) and the charged fees of the entire network of which the audit firm is part. The other auditing activities mainly involve checking the annual statements for the supervisor. The amounts are exclusive of sales tax.

6.10 Tax on results from ordinary activities

The taxes on the negative results before tax to the amount of €55.7 million can be clarified as follows:

Taxes on results, specification

<i>Amounts x €1,000</i>	2023	2022
Corporate tax due in reporting year	2,498	26,126
Previous years	-3,379	-10,990
Acute corporate income tax	-881	15,136
Deferred corporate tax	-462	-287,465
Total	-1,343	-272,329

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

<i>Amounts x €1,000</i>	2023	2022
Result from ordinary operations before tax	-55,667	-1,008,776
Nominal tax percentage	25.8%	25.8%
Nominal tax amount	-14,362	-260,264
Impact of participation exemption	22,715	-43,090
Corporate tax previous years	-3,379	-10,990
Tax differences	-6,317	42,015
Total	-1,343	-272,329

The effective tax burden deviates from the nominal rate. Participation exemptions apply due to interests of over 5 percent in investment funds. Taxes over previous years mainly involve a change in how the participation exemption on an investment fund is applied. The 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 2.7 percent (2022: 2.7 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 Group. 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 Group 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 Group will not have to pay extra corporate income tax as it complies with the minimum rate of Pillar-2 legislation in every jurisdiction.

7. Average number of employees

DELA Group had an average of 2,953 (2022: 2,919) employees over 2023, 455 (2022: 447) of which in Belgium and 46 (2022: 36) in Germany. Of these employees, 9 (2022: 9) worked for asset management and real estate management, with the personnel costs of €1.2 million (2022: €1.0 million) coming under the investment costs.

8. Claims

No material claim is pending by or for DELA Group

Eindhoven, 26 april 2024

DELA Coöperatie U.A.

The Executive Board

S. (Sandra) Schellekens- Lyppens, CEO / chair

J.A.M. (Jack) van der Putten, CCO / vice-chair

J.L.R. (Jon) van Dijk, CFRO

Supervisory Board

J.W.T. (John) van der Steen, chair

J.J.A. (Hans) Leenaars RA, vice- chair

G.C.A.M. (Frits) van Bree RA, secretary

W.A.P.J. (Willemien) Caderius van Veen

G.M. (Georgette) Fijneman

G.H.C. (Georges) de Méris

Company-only financial statements

Company-only balance sheet on 31 December 2023

After result appropriation.

Amounts x €1,000	Ref.	31-12-2023	31-12-2022
ASSETS			
Fixed assets			
Participations	10	1,006,459	1,046,025
Receivables from group companies	11	3,500	3,500
Other investments		3,310	3,027
		1,013,269	1,052,552
Current assets			
Receivables from group companies	11	9,967	18,254
Other receivables		70,632	16,519
		80,599	34,773
Cash and cash equivalents	12	297	330
TOTAL ASSETS		1,094,165	1,087,655
LIABILITIES			
Equity capital			
Revaluation reserve	13	401,855	437,905
Statutory reserves	14	35,437	33,200
Other reserves	15	565,984	586,456
		1,003,276	1,057,561
Short-term liabilities			
Liabilities to group companies		88,746	29,601
Other liabilities		2,143	493
		90,889	30,094
TOTAL LIABILITIES		1,094,165	1,087,655

Company-only income statements for 2023

<i>Amounts x €1,000</i>	2023	2022
Result of participations after tax	-39,576	-720,190
Company result after tax	-14,719	-16,080
Result after taxes	-54,295	-736,270

Notes on the company-only balance sheet and income statement

9. General

9.1 Principles

The company-only financial statements were drawn up in accordance with the legal stipulations in Title 9 Book 2 DCC and the authoritative statements of the Dutch Accounting Standards for annual reporting, published by the Dutch Council for Annual Reporting.

The principles for valuation and the determination of the results for the company-only financial statements and the consolidated financial statements are the same. As the 2023 operational income statements of DELA cooperative have been processed in the consolidated financial statements, only the summarised company-only income statements are included in accordance with Article 2:402 DCC. Participations in group companies are valued in accordance with the equity value in compliance with section 5.2 of the consolidated financial statements.

For the principles used in the valuation of assets and liabilities and the result determination, we refer to the clarification in sections 2 and 3 related to the consolidated balance sheet and income statement.

9.2 Prior period error

A policy change was implemented in the financial statements for the valuation of the funeral centres in the real estate for own use portfolio. From the financial statements 2023 onwards, the funeral centres will be valued at fair value, where previously cost price minus depreciation was applied. The reason for the valuation principle change is to be more consistent in the valuation of real estate in the financial statements. The change was implemented retrospectively, which means that the comparative figures over book year 2022 have been adjusted accordingly. The table below shows the impact on the presentation of the value on the balance sheet and the change of the result for book year 2022.

Change in presentation of comparative figures

Amounts x €1,000

	Financial statements 2022	Effect prior period error	Financial statements 2023
Corrections in the balance sheet			
Participations	1,026,045	19,979	1,046,024
Equity capital	1,037,582	19,979	1,057,561
Corrections in the income statement			
Result of participations after taks	-725,021	4,831	-720,190

10. Participations

The participating interests concern a 100% interest in DELA Holding NV and a 100% interest in Voor Elkaar Holding NV.

Participations, development

<i>Amounts x €1,000</i>	2023	2022
Balance on 1 January (before prior period error)	1,026,046	1,750,752
Effect prior period error	19,979	15,322
Balance on 1 January (after prior period error)	1,046,024	1,766,074
Result of participation	-39,576	-720,365
Paid dividend	-	45
Other value changes	11	270
Balance on 31 December	1,006,459	1,046,024
Acquisition value	607,409	607,409
Cumulative changes	399,050	438,615
Balance on 31 December	1,006,459	1,046,024

11. Receivables

Receivables from group companies, developments

<i>Amounts x €1,000</i>	31-12-2023	31-12-2022
<i>Fixed assets</i>		
DELA Holding NV	3,500	3,500
<i>Current assets</i>		
DELA Holding NV	9,967	18,254
Total	13,467	21,754

The average balance of these current account relationships is subject to an interest of 3,5 percent (short-term) and 7,0 percent (long-term).

12. Cash and cash equivalents

The cash and cash equivalents are freely available to the legal person and consist entirely of bank balances.

13. Revaluation reserve

Development

<i>Amounts x €1,000</i>	2023	2022
Balance on 1 January	437,905	387,037
From other reserves related to change in value of investments without frequent market listing	45,944	98,970
To other reserves related to sale of investments without frequent market listing	-81,994	-48,102
Balance on 31 December	401,855	437,905

Revaluation reserves related to value changes in investments without frequent market quotations are statutory reserves.

14. Other statutory reserves

A statutory reserve was established equal to the amount of the capitalised expenses of internally developed software systems.

Other statutory reserves, developments

<i>Amounts x €1,000</i>	2023	2022
Balance on 1 January	33,200	28,198
To other reserves related to release of statutory reserve in participations	-2,089	-2,562
From other reserves related to establishment of statutory reserve in participations	4,326	7,564
Balance on 31 December	35,437	33,200

15. Other reserves

Development

<i>Amounts x €1,000</i>	2023	2022
Balance on 1 January (before prior period error)	566,477	1,363,178
Effect prior period error	19,979	15,322
Balance on 1 January (after prior period error)	586,455	1,378,500
From appropriation result book year	-54,295	-736,445
To revaluation reserve related to change in value of investments without frequent market listing	-45,944	-98,970
From revaluation reserve related to sale of investments without frequent market listing	81,994	48,102
Establishment of statutory reserve	-2,237	-5,002
Other change in value	11	270
Balance on 31 December	565,984	586,455

16 Statement of changes to own equity

Proposal for the appropriation of the 2023 result

It is proposed that the positive result after tax of €54.3 million is added to the other reserves. In anticipation of confirmation by the general meeting, this appropriation is already in the financial statements.

Appropriation of the 2022 result

The 2022 financial statements were adopted in the general meeting of 13 May 2023. The general meeting determined the appropriation of the result in accordance with the proposal.

Statement of changes in equity

<i>Amounts x €1,000</i>	2023	2022
Balance on 1 January (before prior period error)	1,037,582	1,778,413
Effect prior period error	19,979	15,322
Balance on 1 January (after prior period error)	1,057,560	1,793,735
From appropriation result book year	-54,295	-736,445
Other changes in value	11	270
Balance on 31 December	1,003,276	1,057,560

17 Assets and obligations not included in the balance sheet

DELA cooperative is part of a Dutch fiscal unity for corporation tax (VPB) and turnover tax (OB). Every company within the fiscal unity is severally liable for the taxes due.

18. Average number of employees

DELA Cooperative had 1 employee (2022: 1) in 2023, none of which were abroad (2022: none).

Eindhoven, 24 april 2024

DELA Coöperatie U.A.

The Executive Board

S. (Sandra) Schellekens- Lyppens, CEO / chair
J.A.M. (Jack) van der Putten, CCO / vice- chair
J.L.R. (Jon) van Dijk RA, CFRO

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

Other information

Statutory result appropriation

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

INDEPENDENT AUDITOR'S REPORT

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

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

Our opinion

We have audited the financial statements 2023 of DELA Coöperatie U.A., ("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 Coöperatie U.A. 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 consolidated and company balance sheet as at 31 December 2023.
2. The consolidated and 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 Coöperatie U.A. 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.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 20,000,000. 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 1,000,000, 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 Coöperatie U.A. is at the head of a group of entities. The financial information of this group is included in the financial statements of DELA Coöperatie U.A..

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

We have performed audit procedures ourselves at group entities DELA Coöperatie U.A., DELA Holding N.V., DELA Vastgoed B.V., DELA Crematoria Groep B.V., DELA Uitvaartverzorging N.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), DELA Hypotheken B.V. en DELA Holding Belgium N.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 consolidated 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 Coöperatie U.A. 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 Coöperatie U.A.’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 Coöperatie U.A.’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 Coöperatie U.A. as to whether DELA Coöperatie U.A. 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.

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.

Description of key audit matter	How we addressed the key audit matter
<p>Estimates used in determining and testing the adequacy of the technical provisions for insurance contracts</p> <p>DELA Coöperatie U.A. has significant technical provisions on the balance sheet for EUR 8,0 billion. Quantification of these technical provisions is inherently uncertain and requires that management makes 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 on the development of mortality, lapse and expense rates.</p> <p>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.</p>	<p>In order to address this risk, we have performed the following:</p> <p><u>Internal control procedures</u></p> <ul style="list-style-type: none"> • 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.

Description of key audit matter	How we addressed the key audit matter
There is a risk that technical provisions have not been appropriately valued.	<p data-bbox="823 434 1078 461"><u>Substantive procedures</u></p> <ul data-bbox="823 510 1430 1845" style="list-style-type: none"><li data-bbox="823 510 1430 730">• Performed several test of details including checks on the reliability of the data contained in the policy administration 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.<li data-bbox="823 779 1430 1128">• 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.<li data-bbox="823 1178 1430 1433">• Assessed the liability adequacy test prepared by DELA Coöperatie U.A. 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.<li data-bbox="823 1482 1430 1603">• 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.<li data-bbox="823 1653 1430 1742">• Performed substantive procedures in relation to the reliability of information derived from the IT systems.<li data-bbox="823 1792 1430 1845">• Reviewed the disclosures included in the financial statements.

Description of key audit matter	How we addressed the key audit matter
	<p>Our observation:</p> <p>We deem the methodology and assumptions applied by DELA Coöperatie U.A. 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 2.14, 5.9 and 5.10 in the financial statements are adequate.</p>
<p>Valuation of real estate investments</p> <p>As per 31 December 2023, DELA Coöperatie U.A. has a portfolio of investments in real estate with a fair value of EUR 531 million. The portfolio consists of retail, residential, crematoria, funeral centers, office and other properties. As of 31 December 2023, the fair value of the real estate was EUR 531 million, of which EUR 305 million was in crematoria property.</p> <p>At the end of each reporting period, management determines the fair value of its real estate investment portfolio in accordance with the requirements of Dutch Accounting Standard 213. DELA Coöperatie U.A. 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 Coöperatie U.A. uses a combination of external valuation reports and internal valuation models.</p> <p>Since the valuation of real estate investments includes an inherent estimation uncertainty, any change in the key assumptions can have a significant impact on both valuation and result; this in relation to the relative size of the investment portfolio 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.</p>	<p>In order to address this risk, we have performed the following:</p> <p><u>Internal control procedures</u></p> <ul style="list-style-type: none"> 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. <p><u>Substantive procedures</u></p> <p>We evaluated the professional competence of the external appraisers, including consideration of their qualifications and expertise.</p> <p>With regard to the significant assumptions in the valuation of real estate investments, we have:</p> <ul style="list-style-type: none"> Determined that the valuation methods applied by management, and as included in the external valuation reports and internal valuation models, are appropriate. 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).

Description of key audit matter	How we addressed the key audit matter
<p>Other financial investments valued at fair value that are based on valuation techniques with significant non-observable inputs</p>	<ul style="list-style-type: none"> Assessed the adequacy of the disclosures related to the assumptions used in the valuations and sensitivity analysis as included in the financial statements.
<p>DELA Coöperatie U.A. has, as of 31 December, 2023 other financial investments (EUR 3.5 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.</p> <p>These so-called level 3 investments, without a frequent market listing mainly concern unlisted investment funds:</p> <ul style="list-style-type: none"> - Real estate funds - Infrastructure funds - Agricultural and forestry funds - Mortgage funds <p>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.</p> <p>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.</p> <p>Due to the significant degree of estimates in the valuation process, combined with the size of the investments, there is a risk of misstatements.</p>	<p>Our observation:</p> <p>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 2.5.1 and 5.2.1 in the financial statements are adequate.</p> <p>In order to address this risk, we have performed the following:</p> <p><u>Internal control procedures</u></p> <ul style="list-style-type: none"> 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. 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. <p><u>Substantive procedures</u></p> <ul style="list-style-type: none"> Took note of the valuation principles used by the fund managers to assess whether this is in line with DELA Coöperatie U.A.'s valuation principles.

Description of key audit matter	How we addressed the key audit matter
	<ul style="list-style-type: none">• 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 Coöperatie U.A. 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.• We have reviewed the disclosures included in the financial statements. <p>Our observation:</p> <p>We deem the methodology and assumptions applied by DELA Coöperatie U.A. 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 5.2.3 in the financial statements are adequate.</p>
<p>Disclosure relating to the solvency position, based on Solvency II regulation</p> <p>For DELA Coöperatie U.A. the Solvency II ratio as per 31 December 2023 is 208%. 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 Coöperatie U.A., we considered auditing this information to be important.</p>	<p>In order to address this risk, we have performed the following:</p> <p><u>Internal control procedures</u></p> <p>Assessed the design and implementation of internal controls regarding the determination of the Solvency II ratio.</p> <p><u>Substantive procedures</u></p> <ul style="list-style-type: none">• Performed a critical challenge of the assumptions, parameters and results for which the audit team included actuarial specialists.

Description of key audit matter	How we addressed the key audit matter
There is a risk that the calculated Solvency II ratio is misstated in the financial statements.	<ul style="list-style-type: none">• 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 tested 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. <p>Our observation: We deem the methodology and assumptions applied by DELA Coöperatie U.A. 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 in note 4.1 and 5.7 in the financial statements are adequate.</p>

Report on the other information included in the annual accounts

The annual accounts 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
- Executive 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 Executive 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 Executive 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 Coöperatie U.A. 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 Supervisory 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 cooperative 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', 'Executive Board report' and 'Annexes' jointly make up the 'Statement from the Executive 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 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 Executive Board report was reviewed by various stakeholders during its writing and delivery, including several members of the Executive 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 or minus 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 cash flows 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

Call option

A call option is a tradable right to buy an underlying asset value at a specified price within a specific time period.

CCO

Chief commercial officer

CEO

Chief executive officer

CFRO

Chief financial and risk officer

CO2 footprint

A CO2 footprint is an inventory of the total amount of emitted greenhouse gases, expressed in CO2 equivalents. CO2 emissions are caused by the combustion of fuels. Too much CO2 in the atmosphere leads to climate change. A CO2 footprint indicates the extent to which an organisation impacts climate change and where CO2 emissions can be reduced. A CO2 footprint is categorised in Scope 1, 2 and 3. Scope 1 involves direct CO2 emissions; scope 2 indirect CO2 emissions via the acquisition of electricity and gas; and scope 3 involves all other indirect CO2 emissions.

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 promoters 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 analysis 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 promoters. 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 Executive Board report, Our strategy
Description of policy related to environmental matters	Executive Board report, Our organisation, CO2 reduction Executive Board report, Our organisation, Sustainable material use
Description of policy related to social matters and treatment of employees	Executive Board report, In brief, Profile Executive Board report, Our strategy, Our significance Executive Board report, Our organisation, Our employees Executive Board report, Our governance, Corporate governance, acting with integrity
Description of policy related to respect for human rights	Executive Board report, Our governance, Corporate governance, acting with integrity
Description of policy related to tackling corruption and bribery issues	Executive 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;	Executive 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	Executive Board report, Our strategy, Our significance Executive Board report, Our organisation, Our employees Executive Board report, Our organisation, CO2 reduction Executive 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)	Executive Board report, Our organisation, Our employees Executive 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 so-called '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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