

DELA Group Annual report 2021

DELA Coöperatie U.A.
(abridged version)



coöperatie
DELA

Cover photo: **Funeral at Crematorium Hoentocht, Groningen**

This report is a translation and condensed version of the Dutch annual report 2021 dated 30 April 2022, which includes a summary of the statutory financial statement which was composed as follows: the original consolidated balance sheet as on 31 December 2021 and the operational result statement over 2021 were copied integrally from the statutory financial statement. The statutory financial statement is based on Title 9 Book 2 of the Dutch Civil Code (BW). This summary suffices with repeating the principles for the material financial statement items. The notes that are required based on Title 9 Book 2 of the Dutch Civil Code are included in a simplified version, taking into account the intended purpose of these summarised financial statements. The summary also includes comparative figures. Consulting this summary cannot replace consultation of the statutory financial statement over book year 2021 as various simplifications are made in the summary. Readers who would like more information can download a copy of the statutory financial statement via the website jaarverslag2021.dela.nl (only available in Dutch). All other chapters have been copied integrally from the original annual report.

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



Table of content

1 In brief	4
Foreword	5
Profile	8
2021 in numbers	11
Vision and strategy	16
Personal details of the Executive Board	19
Personal details of the Supervisory Board	20
2 Executive Board report	22
The takeover of Yarden	23
Our members	26
Our connections	33
Our reputation	40
Our people	44
Our organisation	58
Our finances	70
Prospects	78
3 Supervisory Board report	82
4 Governance & risk management	90
Governance	91
Risk Management	100
5 Condensed financial statement	104
Summary	105
Consolidated balance sheet as on 31 December 2021	106
Operational income statement	108
Notes on the consolidated balance sheet and operational income statement	110
6 Other information	122
7 Audit statement	124
8 Annexes	126
Annex 1: About this report	127

Annex 2: Memberships and codes of conduct	129
Annex 3: GRI table	130
Annex 4: Definitions & abbreviations	133

1 In brief

Foreword

There is no escaping the fact that 2021 started and ended in lockdown. After more than a year of protective measures, by the summer people were starting to think we were slowly moving out of the pandemic. Life even seemed 'normal' for a while in September but, as the number of infections rose again in the autumn, society was forced to revert to restrictions. Our employees saw it all happening again as mortality rates rose. Although it took a lot of energy to scale back up for this new pandemic wave, we stayed true to DELA's principles. Convinced of our vision that every goodbye should be respectful, our work continued. The pressure on colleagues increased due to the rise in the number of funerals, which in turn led to more absence through illness, quarantines, children at home and care leave. We helped and supported each other throughout and are proud of the way DELA coped. With all due respect to other employees, we would like to especially thank those on the frontline of our funeral company and the people who supported them.

Yarden takeover and integration

The Yarden takeover was realised in the summer as DELA safely (re)accommodated around one million insured people. Yarden had been suffering financial issues for some time due to the continued low interest rates and resulting high financial obligations. The idea behind the takeover was that a strong collective would support a weaker one to create a single, even stronger collective. Thanks to the takeover, DELA welcomed around one million policyholders as well as a large number of funeral centres and crematoriums. This increased our scale and enhanced DELA's coverage in the Netherlands with its own locations. It is a good example of a win-win situation: the takeover allows DELA to offer Yarden financial stability with protection against inflation and a reinforced service provision while increasing the chance of profit distribution for our own members in the long term.

The takeover meetings started in 2019. While the process was long, both parties always believed we had to do what was right for everyone, acceptable for society and fitting for who we are... And we are pleased with the result.

There is still a lot of work to do in terms of integration. Our primary focus is on fulfilling our promises to members and clients. While we cannot unfortunately offer all staff job security, we are approaching the process carefully, with respect and maximum transparency, and taking the time to ensure a proper integration. Following a sizeable operation involving many integration and formation plans, all Yarden employees had been informed of their future by the end of 2021. The plans were approved by the works councils of both Yarden and DELA, marking the completion of a major goal for 2021.

Results, operational

Customer satisfaction was once again very high, although it did come under pressure in the Netherlands during the final quarter due to the reduced reachability of our customer contact centre. Many callers had questions about the necessary improvement of access security to our online services, and understaffing due to the pandemic also played a role. DELA Belgium realised a slight improvement in customer satisfaction, with a significant improvement for the customer service department.

Up to and including 2020, DELA had used the Great Place to Work (GPtW) survey to measure employee satisfaction. This method had brought us a lot over the years, continuously stimulating us to improve. Despite achieving first place several years in a row, however, we looked for a new benchmark based on our conviction as an organisation that there is always more to learn. The benchmark we chose to use involves a survey by Effectory and the initial results

have been good. Compared to the average of all participating companies we scored higher in all themes. Comparing our scores to the best performing companies showed that room for improvement remains. This was exactly the point of the exercise of course and we have already set to work to achieve this.

DELA has seen growth in the number of people insured in all three countries that we serve. DELA Netherlands, Belgium and Germany each autonomously welcomed more than 30,000 insured people. The so-called 'free market' funerals lagged behind our growth plan in the first half of 2021. This was partly due to the fact that, as a market leader, we applied the COVID protective measures in the strictest sense, which cost us customers. In the second half of the year, when fewer restrictive measures applied and we were able to offer similar services to our competitors, we realised a clear recovery in this segment. Now, in 2022, we are working on further increasing our commercial strength in this market segment.

DELA has an excellent reputation. The takeover of Yarden and our visibility in relation to the pandemic helped further improve this in 2021, giving us the highest reputation score seen to date.

Results, financial

Financially, the results for 2021 are in line with our goals. The operational result improved by 41 percent to €54 million. The investment result was a considerable €646 million. While DELA's business model with its offensive investment strategy means the value of our investments fluctuates every year, this was certainly to our advantage in 2021 with a net yield of 9.3 percent. We ended the year with a group result after tax of €435 million. Although this is a fine outcome, it doesn't mean much in DELA's case: where we were able to share profits in years of loss, this was not the case in 2021 due to the extremely low interest rates. Our results fluctuated considerably due to our investment mix. Everything ultimately revolves around our solvency, and this was undeniably robust at 266 percent by the end of 2021. This allows us to keep the premium increase for the 'natura' (in-kind) funeral policy low for our members over time. Thankfully, we were also able to limit funeral cost inflation in 2021.

On track

In addition to the high volume of activities caused by COVID-19 and the Yarden takeover, DELA successfully embarked on a new course based on solidarity & continuity. We are placing membership centre stage in all the countries in which we operate under the 'saying goodbye and sharing memories' banner. This goes far beyond providing insurance and funeral services alone. It builds on initiatives from previous years, with an increased focus that continues outside the DELA brand under the flag of the cooperative. Taking solidarity & continuity as the starting point, our InnovationLab is looking at new domains in the Netherlands in order to build an additional pillar for the cooperative. While this requires lots of patience, the first steps have been taken and we are used to long-term projects and distant horizons.

At the time of writing this annual report we were shocked by the sudden outbreak of war in Ukraine. This makes it harder for us to look to the future with clarity. There is a strong sense of engagement with the events in Ukraine and the millions of refugees, including among our staff. While this affects our operations in various ways, we have to remain confident in our strength. Or more to the point: the conflict in Eastern Europe makes it even more important to reconsider our own values and fight to preserve them.

The DELA cooperative celebrated its 85th birthday on 11 March 2022 – a wonderful milestone. In the decades in which we've been active, DELA has stayed loyal to who we are and what we represent. Nowadays, we are a cooperative of millions of individuals, and to keep with the times we will continue to move with the social, economic and technological changes and stretch our boundaries further. Both now and into the distant future.

Eindhoven, 30 April 2022

DELA Cooperative

The Executive Board

E. (Edzo) Doeve, CEO / chair

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

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



Profile

The DELA cooperative is an international insurance company and funeral organiser. We ensure a dignified send-off for our policyholders and customers. We support bereaved family members as they say farewell and create an environment where memories and experiences can flourish. In this way, we help bind generations together. Our strength lies in our cooperative model, which is based on solidarity and continuity. The cooperative represents over five million insured people in three countries. We are here to help everyone. We are here for each other.

Cooperative business model

The establishment of funeral company 'Draagt elkanders lasten' [carry each other's burdens – tr.] 85 years ago was the result of a steadfast conviction and a great deal of determination. Since then DELA has developed into a strong collective with a unique cooperative business model.

What makes DELA so unique is the way the cooperative has successfully developed a sustainable business model based on the ideal of solidarity. By ensuring a strong collective of people, creating financial buffers and facing up to challenges over time, the cooperative has proved its worth from generation to generation.

Our foundation: solidarity and continuity

Supporting people in difficult times, regardless of background, social status or wealth, gives our work meaning. We are a cooperative and that means we have two key principles as our foundation: solidarity cannot exist without continuity and vice versa.

Solidarity

First the solidarity. As the saying goes, many hands make light work. We achieve more together by being a strong collective based on equality and reciprocity. Together we are the cooperative and that means actively sharing burdens and benefits. We all contribute when times are tough and we all reap the rewards when times are good.

This solidarity is not without obligations. You have to opt to connect with the cooperative via DELA membership. The fact that solidarity works is proven by the millions of people who have joined.

Continuity

We strive to retain a sustainable and robust cooperative model where the financial foundations are strengthened by growth and the broadening of our sources of income. We aim for a long-term relationship with members and creating added value for members and customers alike is key. Growth is not a goal in itself, but it is crucial to the continuity of the cooperative. Membership growth allows us to keep premiums as low as possible and preserve solidarity from one generation to the next. This keeps our cooperative healthy and ensures continuity, our second key principle.

By and for members

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

DELA has over 5.3 million insured, with nearly 3.2 million individuals in the Netherlands also being members of the DELA cooperative. In 2022, Belgian policyholders also gained access to cooperative membership, and we are still investigating this option for German customers. We will consider whether member access will be possible for Yarden policyholders in the medium term. Members are organised in 40 geographical departments, four of which were added in 2021 as a result of the Yarden takeover. Each department chooses a representative and a replacement. Together, they form the general meeting and act collectively as DELA 'shareholder', giving members the final say on DELA's general policy.

Investing for the long term

DELA has a yearly premium income of nearly €600 million and manages assets of more than €9 billion. Unlike non-life insurers, DELA has an insurance portfolio made up of long-term liabilities. This has consequences for our investment policy, which is therefore carefully aligned with our obligations.

Another unique characteristic of the cooperative related to solidarity is that members carry a limited risk themselves. In exceptional market conditions, the premium can be additionally increased (up to a certain limit) to preserve the solvency of the collective. This allows the premium to be kept low in normal market conditions.

International

DELA is made up of insurance and funeral companies in the Netherlands and Belgium. In the Netherlands we have 99 funeral centres and 46 crematoriums. In Belgium, DELA facilitates a respectful goodbye via 64 funeral centres (from 122 locations), 3 crematoriums and a repatriation centre. DELA also became active as an insurer in Germany in 2018.

The Yarden takeover in 2021 initially resulted in an addition of 47 funeral centres and 24 crematoriums. Meeting the conditions for approval of the takeover, DELA sold two of Yarden's funeral centres in 2021. Another six Yarden crematoriums (with three funeral centres) and one DELA crematorium (which also accommodated a funeral centre) are due to be sold in 2022. This means that, on balance, the Yarden takeover resulted in an additional 41 funeral centres and 17 crematoriums.

Creating value for our stakeholders

For society

DELA is a cooperative with a mission, established in 1937 to give everyone the opportunity to have a respectful goodbye, regardless of background or social status. Being connected to others and facilitating people to share memories creates a more meaningful existence. By listening and asking questions, we help others discover more meaning.

For our members and customers

DELA achieves this mission by insuring and arranging funerals. With over 150 funeral centres, 54,500 funerals a year and over five million people insured, DELA is market leader in the Benelux region and a scale-up in Germany. We facilitate people with funerals or cremations, repatriation, after-care and related financial services, all at an affordable price.

As a cooperative, DELA supports everyone with word and deed. For members we invest in our service provision, allowing everyone in society to use our facilities, including the crematoriums and funeral centres. Our members gain the most benefits via their membership.

In addition to being insured with us, we aim to develop valuable contacts with members on issues related to the 'saying goodbye and sharing memories' domain. This goes beyond funerals alone, involving issues such as registering funeral wishes, employing a notary service and providing support in custody cases, inheritance matters, the mourning process and more. Services are developed based on member needs, which we can only do by listening carefully. We also increasingly focus on the 'sharing memories' concept – in addition to the period of the funeral itself, we encourage people to share and pass on values, events, stories and life lessons.

For our loved ones

Everything we do is about connecting the generations. Death is part of life. Life may go on after we lose a loved one but it isn't always easy. DELA helps those left behind to get on with their lives via after-care and services related to custody, inheritance and donations. What you give is what you eventually leave behind so we stimulate the passing on of memories, experiences and values while people are still with us.

For our people

Our employees are the driving force behind the cooperative. At the end of 2021 DELA employed some 3,000 people (around 2,200 FTE). Committed, honest and enterprising, they work tirelessly to realise DELA's mission in three countries by expanding our membership, giving people quality insurance products, ensuring good investment results, providing an excellent service and dignified funerals, offering sustainable and cost-efficient activities, and contributing to our own employee satisfaction. They see DELA as an organisation that is also engaged with their wellbeing, treats them fairly, trusts them and provides space for personal development and growth.

2021 in numbers

CUSTOMER SATISFACTION

64

NPS (2020: 66)

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REPUTATION

76

RepTrak score (2020: 74)

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EMPLOYEE SATISFACTION

52

Effectory eNPS (2020: not available)

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INSURED PERSONS

5.30 million

(2020: 4.25 million)

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FUNERALS

54,416

Number (2020: 51,590)

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CREMATIONS

40,408

Number (2020: 35,602)

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DISTRIBUTION OF PROFIT

€ 5.9 million

Appropriated (2020: € 43.0 million)

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NET TURNOVER

€ 752 million

(2020: € 631 million)

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SOLVENCY

266%

Solvency II ratio (2020: 270%)

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COVERAGE

129%

Year average (2020: 122%)

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CO2 EMISSIONS

38.0 kilo tonnes

Footprint (2020: not comparable)

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EMPLOYEES

2,177

Fte (2020: 1,585)

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Group, non financial

	2021	2020	2019	2018	2017
Customer satisfaction					
<i>NPS</i>					
Netherlands*	56	61	60	53	52
Belgium**	70	70	66	52	43
Total* (weighted by respondents)	64	66	62	53	49
Reputation					
Netherlands, members	84	82	80	79	80
Netherlands, non-members*	71	69	67	65	65
Netherlands (RepTrak pulse)	76	74	72	71	71
Belgium ('DELA = the funeral specialist')	73%	70%	67%	70%	72%
Employee satisfaction					
<i>GPtW score***</i>					
Netherlands		88	88	89	84
Belgium		87	87	87	83
Total		88	88	88	84
<i>Effactory eNPS***</i>					
Netherlands	51				
Belgium	54				
Total	52				
Employees					
<i>Fte, at end of the year</i>					
Netherlands	1,735	1,154	1,113	1,115	1,017
Belgium	415	408	392	369	357
Germany	28	23	19	11	6
Total	2,177	1,585	1,524	1,495	1,380
CO2 emissions					
<i>x 1 tonnes. Net, excluding investments ****</i>					
Scope 1	4,577	338	324		
Scope 2	2,602	-	-		
Scope 3	30,804	18,728	35,169		
Total	37,983	19,066	35,493		
Netherlands, excluding Yarden	21,109	19,066	35,493		
Netherlands, Yarden	7,824	-	-		
Belgium	8,990	-	-		
Germany	60	-	-		
Total	37,983	19,066	35,493		

* Excluding Yarden.

** Adjusted from previous publications due to recalculations.

*** From 2021 switched from GPtW score to Effactory score.

**** 2021: DELA Netherlands (including Yarden), DELA Belgium en DELA Germany. Up to 2020: just DELA Netherlands.

Group, financial

	2021	2020	2019	2018	2017
Turnover					
<i>x € 1,000</i>					
Turnover insurance	592,472	516,792	480,189	450,891	438,191
Turnover funeral company	317,723	267,633	244,865	241,155	237,110
Minus: internal turnover	-161,202	-153,426	-130,872	-127,680	-121,028
Other turnover	3,236	148	10	109	3,418
Net turnover	752,229	631,147	594,192	564,475	557,691
Distribution of investment results					
<i>x € 1,000</i>					
Investment results	646,420	74,659	664,185	-139,287	422,973
Minus: for future insurance payments*	160,094	144,482	137,065	130,314	124,624
Minus: for premium limitation insurance**	5,940	42,994	42,323	42,321	17,753
Remaining for financial position cooperative***	480,386	-112,817	484,797	-311,922	280,596
Balance sheet					
<i>Unless indicated otherwise: x € 1 million</i>					
Balance sheet total	9,894	7,120	6,939	6,159	6,111
Investment value	9,080	6,592	6,482	5,686	5,742
Technical provision	7,172	5,155	4,870	4,584	4,291
Equity capital	1,778	1,343	1,434	1,048	1,251
... as percentage of technical provision	25%	26%	29%	23%	29%
Insured capital					
<i>x € 1 million</i>					
Insured capital	68,678	57,841	49,915	42,987	38,548
Coverage					
Average coverage****	129%	122%	156%	175%	189%
Solvency					
Solvency II ratio	266%	270%	296%	373%	309%

* Added to the technical provision based on actuarial interest.

** Distribution of profit.

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

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

Insurer

	2021	2020	2019	2018	2017
Customer satisfaction					
<i>NPS*</i>					
Netherlands	51	53	50	43	42
Belgium	58	57	52	39	30
Total (weighted by respondents)	54	55	52	40	34
Insured persons					
<i>Balance at the end of the year</i>					
Netherlands	4,287,483	3,304,917	3,255,079	3,218,355	3,176,382
Belgium*	908,822	878,088	856,458	835,392	758,456
Germany	103,786	67,195	29,496	4,100	-
Total	5,300,091	4,250,200	4,141,033	4,057,847	3,934,838
Premium revenue					
<i>x € 1,000. After deduction of reinsurance</i>					
Uitvaartplan, Netherlands	294,910	277,669	264,662	257,445	254,172
Leefdoorplan, Netherlands	30,309	30,200	29,542	26,044	23,947
Spaarplan, Netherlands	79,571	69,694	60,587	58,091	57,741
Yarden, Netherlands	29,728				
Total Netherlands	434,518	377,563	354,791	341,580	335,860
Belgium	136,258	128,763	121,912	108,905	98,913
Germany	21,696	10,466	3,476	297	-
Total	592,472	516,792	480,179	450,782	434,773

* Excluding Yarden Customer Services.

Customer service

	2021	2020	2019	2018	2017
Customer satisfaction					
<i>NPS*</i>					
Netherlands	39	50	45	35	32
Belgium	68	60	54	32	26
Total (weighted by respondents)	53	55	46	35	32
Contact by phone					
<i>Number</i>					
Netherlands**	297,102	254,651	244,297	290,906	261,461
Belgium	143,940	167,959	199,762	255,227	242,744
Total	441,042	422,610	444,059	546,133	504,205

* Excluding Yarden.

** Including Yarden as from 1 August 2021.

Funeral home

	2021	2020	2019	2018	2017
Customer satisfaction rating by descendants					
<i>NPS*</i>					
Netherlands	72	73	76	71	70
Belgium	82	80	78	74	71
Total (weighted by respondents)	77	76	77	72	70
Aftercare services					
<i>Number of consultations</i>					
Netherlands* (by phone)	49,621	45,959	38,977	33,580	31,920
Belgium (in person and by phone)	9,604	10,076	8,851	8,745	8,792
Total	59,225	56,035	47,828	42,325	40,712
Funerals					
<i>Number</i>					
Netherlands	42,421	38,144	33,645	33,422	31,821
Belgium	11,995	13,446	11,136	11,461	11,795
Total	54,416	51,590	44,781	44,883	43,616
Cremations					
<i>Number in own crematoriums</i>					
Netherlands	32,747	26,296	24,137	23,984	22,781
Belgium	7,661	9,306	8,387	8,367	10,013
Total	40,408	35,602	32,524	32,351	32,794
Turnover					
<i>x € 1,000</i>					
Netherlands	258,431	206,656	191,841	188,635	182,508
Belgium	59,292	60,977	53,024	52,520	54,602
Total	317,723	267,633	244,865	241,155	237,110

* Excluding Yarden.

Vision and strategy

DELA has been around for 85 years in 2022, and our mission has remained faithful to that of our founders throughout this time. We have a robust cooperative business model and principles which determine how we create value for our stakeholders, and how the members of the cooperative create value based on mutual solidarity. Our long-term strategy and ambitious goals light the way to the future, with solidarity and continuity serving as the foundation of our cooperative. Saying goodbye and sharing memories are our current domains. In 2021 we further developed the foundation for the strategy period up to and including 2025.

The strategy for the period 2021-2025 was initially established in the autumn of 2020. In the Netherlands we somewhat temporised the further development of the strategic goals, especially in view of the Yarden takeover. In addition, all national organisations prioritised the extra business due to Covid-19. The year 2021 was therefore a year of transition, in which we further developed the chosen course, including our ambitions for our six main goals for 2025.

Solidarity and continuity

Many hands make light work. Together we can get things done. A powerful collective based on equality and reciprocity. Together we are the cooperative: when the going gets tough we all play our part, and when things get better we all reap the rewards. The fact that solidarity works is proven by the millions of people who have joined our cooperative. The growth in the number of insured means we can keep the premiums as low as possible and sustain this mutual solidarity for the long term. From generation to generation. Solidarity is not possible without continuity, and vice versa. DELA's members and management together guarantee the continuity of the cooperative.

'Our mission is to use the power of solidarity to bring society together and ensure the continuity of the cooperative. In doing so we support each other.'

Goal 2021-2025

DELA Group

DELA Group has set itself the following ambitious goal for 2025: "In 2025 our cooperative has given new meaning to solidarity and cooperative business." The goal can only be achieved when the goals of the independent business segments in the DELA Group are realised.

The goal of DELA Netherlands and DELA Belgium is to grow within the domain of saying goodbye and sharing memories. This will realise new members and help retain current ones, increasing the interactions with existing members and enhancing our relationship with them. We aim to provide support in more issues involving goodbye and memories.

The current developments will continue for DELA Germany where, in addition to growth via brokers, we are developing our online channel.

Another aspect of the ambitious goal of DELA Group is growth outside the current domain, which may involve developing new business models related to solidarity in other social areas than end-of-life. For this development we have established an InnovationLab outside of the independent business segments.

DELA Netherlands

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

DELA Belgium

The ambitious goal in Belgium revolves about being even more valuable to our customers and around growth: "In 2025, over 600,000 families will feel more hope and perspective in their own life at times of death." The 600,000 represents a combination of insured families and realised funerals. In Belgium, too, we want to intensify the relationship with our customers and use this to refine our products and services so they are optimally aligned to demand. In addition, we will focus on growth both in terms of insurance and funeral services. With the latter we will also place an emphasis on realising a sustainable financial return.

DELA Germany

In the coming years, we will explore the options for a separate membership in Germany, and investigate whether customers would be willing to pay for it. We also want to ensure our products offer more mutual solidarity, namely by sharing the burdens and the benefits. The market for funeral insurance in Germany is relatively new. As a party in the domain of saying goodbye, DELA aims to increase this market and in doing so stimulate further growth of the cooperative.

Innovation

DELA aims to make solidarity work for as many people as possible and in as many ways. We are convinced that solidarity and the strength of the collective can also make a difference in other domains than saying goodbye and sharing memories. Via autonomous developments and takeovers, DELA aims to develop new, healthy business models which also help realise the growth of our member database.

Saying goodbye and sharing memories

The mission of DELA Group is focused on encouraging connections through solidarity. This entails: 'using the power of solidarity to connect society and ensure the continuity of the cooperative. This is how we support each other.' The mission is based on the conviction that we are here for each other. That we help carry each other's burdens so we can all enjoy the benefits together. We also believe that solidarity and the power of the collective can make a genuine difference. And that solidarity works, including in other domains than saying goodbye and sharing memories.

Main goals

Six main goals have been formulated to make the ambitious goal more concrete; three under solidarity and three under continuity.

Solidarity

Solidarity starts by developing a valuable membership experience via an instinctive connection among members with what the cooperative represents on the one hand, and by developing what DELA can do for its members on the other. This involves providing support in the domain of saying goodbye and sharing memories with an increasing number of products and services to enable a long-term connection and relationship with our members. DELA aims to further strengthen its reputation as a reliable, professional, supportive and humane business among both existing members and society as a whole. Together with our solidarity and cooperation, this makes DELA unique and distinctive.

Continuity

Realising our solidarity ambitions places certain demands on our organisation. The employees are the driving force behind the cooperative. DELA makes considerable investments in our people to ensure they are engaged, proud and healthy and have sufficient space for personal development. The COVID-19 period showed that we are flexible as an organisation and have a lot of resilience and perseverance. Important preconditions for accelerating the organisational development involve the digitisation of processes and systems and the proper organisation of processes, protocols and the resulting space for flexibility. This helps ensure continuity and supports the realisation of the goals related to membership and domain development. At the same time, we also focus on sustainability and corporate social responsibility in order to run a fully climate-neutral business by 2030.

Our solid financial policy ensures a strong financial foundation. To further guarantee the continuity of the cooperative in the long term, DELA aims to further broaden this basis with income from various products and services. The less we depend on the in-kind funeral insurance policies in the Netherlands with which everything started 85 years ago, the better.

Solidarity and continuity



Personal details of the Executive Board

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

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

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

Male, Dutch citizen. Position in the DELA Group: CCO, Member of Executive Board (since 2010) and Deputy Chair (since 2010). Focal areas: strategy, insurance, cooperative issues, funeral care and services, customer intelligence and processes, customer service and innovation. Also active as Director DELA Netherlands (since 2010) and CEO of Yarden Holding BV (from 2 August 2021). Employment period: indefinite. Additional functions: chair of Stichting Onbeperkt Genieten, member of Supervisory Board UNC Holding BV.

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

Male, Dutch citizen. Position in the DELA Group: CFRO, Member of Executive Board (since 2014). Focal areas: strategy, external supervision, finance, control, actuarial, tax, capital management, real estate and financial and secondary risk management. Also active as CFO Yarden Holding BV (from 2 August 2021). Employment period: indefinite. Additional functions: treasurer of Stichting Los Niños, board member Stichting Derdengelden Muntenburg Advocatuur (from April 2022), member of Supervisory Board and chair of audit committee Finances and Real Estate at Stichting Oktober.

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



Personal details of the Supervisory Board

The Supervisory Board has six members. All members are part of the Supervisory Board of DELA Coöperatie UA, DELA Holding NV and DELA Natura- en levensverzekeringen NV. In addition, four Supervisory Board members and Janhein Pieterse form the Supervisory Board of Yarden Holding BV. The members in this Board are indicated with an asterisk (*) below.

Mr. J.W.Th. (John) van de Steen* (1954), chair

Male, Dutch citizen. Appointed in 2019, currently serving first 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, member of Executive Board of Vereniging AEGON, Ambassador for Royal Concertgebouw Orchestra, vice-chair and member of the Supervisory Board of RAI Holding BV (until 16 April 2021).

Mr. J.J.A. (Hans) Leenaars RA* (1952), vice-chair

Male, Dutch citizen. Appointed in 2015. Currently in second term. Position: professor emeritus in administrative information management at University of Amsterdam, 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.

Mr. G.C.A.M. (Frits) van Bree RA (1952), secretary - from 4 September 2021

Male, Dutch citizen. Appointed in 2021 by members of the general meeting, currently in first term. Position: retired. Former senior staff member Finance, De Nederlandsche Bank (DNB). Additional functions: council member Vereniging Eigen Huis.

Hans Leenaars (left), John van de Steen, Georges de Méris, Georgette Fijneman, Frits van Bree, Willemien Caderius van Veen



Mrs. 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: chair of the Review Committee Pensioenfonds Lloyds Register Nederland, member of Supervisory Board of Woningcorporatie Trivire, chair of the Supervisory Board) Stichting Icone (from 24 October), chair of Supervisory Board of Bedrijfstakpensioenfondsen voor de Agrarische en Voedselvoorzieningshandel (until 30 November), member of Supervisory Board of Woningcorporatie Waterweg Wonen (until 1 July).

Mrs. G.M. (Georgette) Fijneman (1966) – from 5 February 2022

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.

Mr. G.H.C. (Georges) de Méris RA FCA* (1961)

Male, Dutch citizen. Appointed in 2019 by members of the general meeting, currently serving first term. Position: external consultant Corporate Finance, Forensics & Recovery Joanknecht. Additional functions: member of Supervisory Board of Omroep Brabant, member of Supervisory Board of Theaterfestival Boulevard, member of Supervisory Board of Hy2Care BV, member of Supervisory Board of Caelus BV, member of Supervisory Board of Matisse BV, chair stichting Stop Diabetes Invest, board member Stichting FSO (from March 2022).

Positions ended in year under review

Mr. J.P. (Jan Pieter) de Pender (1954), secretary - until 5 June 2021

Male, Dutch citizen. Appointed in 2009, position ended after serving third and final term.



2 Executive Board report

The takeover of Yarden

DELA and Yarden: moving forward together

We start the Executive Board report by discussing the Yarden takeover, with Yarden Holding BV becoming a subsidiary of DELA on 2 August.

Background

Yarden had been in financial difficulties for some time due to the continued low interest rates and related low solvency, especially in relation to claims from around 390,000 package policyholders. DELA saw an opportunity to provide Yarden policyholders with continuity and realise scale benefits for DELA members. The idea behind the takeover from a solidarity perspective is that a strong collective helps a weakened one create an even stronger collective. Thanks to the takeover, DELA welcomed around one million additional policyholders and a large number of funeral centres and crematoriums, giving DELA a better coverage in the Netherlands from its own locations. It is a good example of a win-win situation: thanks to the takeover, DELA can provide financial stability and inflation protection to Yarden package policyholders while simultaneously increasing the chance of profit distribution for its own members.

Before the takeover

The process involved a long trajectory, with various stumbling blocks on the way:

- In 2007 Yarden unilaterally converted its policies into a simplified model via a so-called en-bloc provision.
- In August 2018 it became clear that this simplification had not been realised legally so all package policies were reinstated.
- In November 2018, Yarden informed the Dutch central bank (DNB) that it could no longer meet its statutory solvency requirements.
- In July 2019 Yarden again appealed to the 'en-bloc' clause in the conditions of the funeral insurance policies as a way to enable financial recovery.
- In October 2019 DELA announced plans to take over insurance and funeral company Yarden.
- A large part of 2020 was spent on preparing the takeover.
- A group of 19 policyholders launched a court case against Yarden in the summer of 2019, disagreeing with the depreciation of their policy. A preliminary injunction granted by the court resulted in uncertainty regarding the legality of the in-kind policies.
- In late September 2020 DELA stopped the takeover as it was important that Yarden could continue to recover while remaining independent, something which the injunction made uncertain. The recovery action was required to improve the financial position and a major condition for DELA to allow the signed agreement with Yarden to become a takeover.
- In November 2020 Yarden appealed against the court's verdict.
- In December 2020 the court rejected the claim from the policyholders, stating that the en-bloc provision was the last resort for the policyholders and that Yarden had no other way to comply with its statutory solvency requirements.
- After the Financial Services Complaints Tribunal (Kifid) and the court determined that Yarden was allowed to unilaterally change the policy conditions of the package policies in the interest of its financial recovery, DELA and Yarden resumed takeover talks.
- In May, the Consumer Association decided to halt its preparations for proceedings against Yarden's recovery plan. Confident that Yarden's recovery plan would now continue the takeover became possible again for DELA.

- On 5 May the agreement was signed.
- On 2 August, Yarden Holding BV was taken over by DELA Holding NV, a subsidiary of DELA cooperative. The Yarden association is not part of the takeover and will continue autonomously with DELA's support.

Insurances and investments combined

Insurer Yarden Uitvaartverzekeringen NV, the daughter of the acquired Yarden Holding BV, merged with DELA's insurance segment DELA Natura- en levensverzekeringen NV on 4 August. This means that DELA has combined all its insurance activities in one company. The invested capital of Yarden's insurer represented a value of €1.62 billion on the takeover date, and was taken under DELA's management. See the 'Our Finances' section of this report for more about the consequences of the Yarden takeover on investments and (technical) facilities.

[Our Finances > Yarden takeover](#)

ACM conditions, preserving the free market

The Dutch central bank and the Netherlands Authority for Consumers and Markets (ACM) approved the takeover, which increased both the number of people insured and the number of DELA crematoriums. To prevent DELA from becoming too large in some areas in the Netherlands, ACM proposed that DELA sell seven crematoriums (including the four related funeral centres) and two separate funeral centres. DELA had already taken this into account and, in view of Yarden's dire situation, was given the opportunity to realise the sale after the takeover. This involves Yarden crematoriums in Beuningen, Heerlen, Groningen, Schagen, Utrecht and Venlo-Blerick. In the Rotterdam region, DELA would sell its own crematorium in Spijkenisse. For the separate funeral centres, it involved the Yarden locations in Veldhoven and Venray.

The service provision of the locations to be sold continued until the moment of sale, while an independent party maintains supervision to ensure quality, price and service are kept at the same level.

On 17 August, it was announced that the Yarden locations in Veldhoven and Venray were sold as a whole to Van der Stappen Uitvaartverzorging. Van der Stappen was already co-owner of both funeral centres (with Yarden), which meant the sale was able to proceed quickly.

The seven crematoriums including the four related funeral centres are currently in the sales stage.

DELA will not acquire any economic interest or influence on the sold crematoriums and funeral centres in the coming decade without prior written permission from ACM. After the crematoriums have been sold, the ACM conditions related to preserving a free market will have been fulfilled.

Package policy policyholders: no extra fee for package coverage for a period of 10 years

As part of its financially independent recovery, Yarden maximised the value of around 390,000 package policies in the summer of 2019. From that time the policyholders had to pay additional costs due to the increased price of the funeral. In the period 2007-2018, Yarden unjustifiably considered a package policy as money insurance. This meant that the bereaved received too little remuneration for the insured services on a package policy. DELA is actively working on refunding the bereaved in these cases in the following ways:

- **Funerals from July 2019 to December 2019**

Yarden had been working on refunding the bereaved in these cases since July 2019. DELA has actively continued this process and a number of people have been refunded.

- **Funerals from 2 August 2021**

For deaths after the takeover date, DELA will fully compensate extra paid costs on the insured Yarden package funeral services from up to ten years after the takeover date if DELA's own funeral company arranges the funeral. An added fee will apply after this date, taking into account that the average value of the package policy of Yarden policyholders is expected to rise in the coming years as a result of indexation.

Consequences for DELA policyholders

In the long term the takeover offers various benefits to DELA policyholders, including the fact that premiums won't rise and insurance conditions remain the same. The addition of Yarden also creates an even stronger collective in the Netherlands with:

- National coverage with own funeral centres and crematorium.
- Synergy and cost benefits.
- Extra chance of profit distribution: the cooperative capital is expected to grow due to extra premium income and investment results. While initially involving an investment, this is expected to pay for itself over time and become a benefit.

Start of integration

The takeover saw the daily management of Yarden transferred to DELA. Yarden will be fully integrated within the DELA organisation and DELA is taking its time to ensure the process goes smoothly. The Yarden brand will gradually disappear from the market for insurance and funeral services. See the 'Our people' section of this report for details of the integration process in 2021.

[Our people > Yarden integration](#)

In this annual report, DELA presents as many figures as possible on an integrated basis. Yarden was only active in the Netherlands so is part of DELA Netherlands. While not all figures are available and/or comparable in this year of transition, as many details as possible are provided in the tables.

The integration strategy can be summarised in the following points:

- Member and customer interests are leading;
- The DELA model is leading;
- 'Best practices' from Yarden are taken on board and will be rolled out DELA-wide where possible;
- The head office is located in Eindhoven. The Almere location will be closed (in time);
- Personnel consequences for management/holding are inevitable. The Yarden conditions and Yarden Social Scheme apply;
- Products and prices of the funeral company will be harmonised;
- Yarden policies will be managed from DELA systems;
- We will study the options for commercial conversion from Yarden to DELA products;
- The Yarden brand will no longer be actively used and be phased out in stages.

Our members

The number of insured people increased significantly in 2021. Although the Yarden takeover represented 90% of this growth, the portfolio also expanded independently of this effect: the net growth excluding Yarden was around 102,900 policyholders, slightly lower than the previous year.

The increase of the average funeral costs was limited to 3 percent.

There were four member meetings in 2021, including two extra meetings. A major focal point was the Yarden takeover and the possible consequences thereof for Yarden policyholders and DELA members.

Markets

The Netherlands: focus on 'free market' funerals

The funeral market is likely to grow in our core market of the Netherlands due to the expected demographical developments. In light of the scope of DELA's current market share, it is difficult to see our share increasing further autonomously, although the Yarden takeover allowed us to make a significant leap in the year under review.

There is no reason to rest on our laurels regarding the market share in 'free market' funerals (funerals without related insurance). Although the first goals have been achieved, increasing a national market share takes time and restrictions due to the pandemic stilted growth. We will continue on the chosen path and increase our marketing activities in 2022.

Vergoeding Familie is a financial payment for the bereaved of a deceased person who held an in-kind policy but arrange the funeral with a party other than DELA. DELA does not offer a payment for in-kind policies as it arranges and pays for the funeral service via the premium. The premium is based on the cost price of the funeral. When families choose to employ another party than DELA to arrange the funeral, they receive a payment that is based on the cost price of the services if DELA would have provided them. Due to the procurement benefit of the collective, this is always lower than the market value. Obviously, this is a situation that DELA hopes to limit as our strategy focuses on members who explicitly choose an in-kind insurance policy, including the scale increase and sharing of fixed costs over a collective that is as large as possible. Studies show that these customers choose a local funeral business at an early stage. In the year under review, we started a study into the underlying motives and hope to learn more in 2022 in order to better inform the bereaved about our in-kind policy and what this means in practice.

Belgium: continued growth, start of cooperative

The market for funeral insurance in Belgium is still relatively young, with just 11 percent of the population currently having a policy. Maintaining growth over the years is the challenge here, as is realising synergies between insurance and funeral care – DELA is unique in Belgium as it provides both. Our insurance division gives financial security for the funeral while our funeral services support the bereaved with funeral care, crematoriums, repatriation and after-care. Belgium has a capital insurance actively for sale. The funeral segment does not yet have national coverage.

In 2020 DELA made a plan to stimulate growth in the funeral segment. This involves additional acquisitions, providing extra services and improving the cost coverage and local cooperation in the areas in which DELA is active. We worked on implementing this plan in the year under review with three acquisitions of funeral companies. Considerable effort is going into expanding the number of takeovers in 2022.

Insurance is sold in Belgium via brokers, agents, partners and online. The latter channel is much smaller than in the Netherlands, responsible for less than 10 percent of policies. Limitations related to COVID-19 meant brokers were less active in 2021 than normal and DELA was not able to visit them as much. Nonetheless, DELA's reputation remains strong. The company is top-of-mind and customers insured with DELA are convinced of its quality. The 'saying goodbye' theme is not as easily discussed in Belgium, however, with people living in Wallonia especially reluctant in this regard.

In late 2021, DELA entered into a partnership with insurer Ethias, which now includes the DELA funeral arrangement policy in its 'Leven' product range. DELA and Ethias share the same values and principles in how they deal with employees and customers. Moreover, Ethias also has a strong belief in solidarity and thinks beyond insurance alone.

Germany: plenty of room for development

DELA Germany now includes life insurance and funeral insurance policies in a market that is large and growing. A starting point for DELA is that all growth abroad must be at the service of the cooperative as a whole. Despite the realised growth, DELA Germany was not able to fulfil its own ambitions in 2021. Online sales growth was slower than expected. The web server and applications became operational later in the year than anticipated, causing a planning backlog which could not be recovered. Nonetheless, DELA Germany showed a healthy growth in 2021 and the prospects for 2022 are even better.

Number of insured persons

The size of our total portfolio, measured by the number of insured, is a major priority for DELA. We again achieved growth across all three product groups: funeral insurance, life insurance and savings plans. The increase of new policyholders occurred in all countries and contributes to the continuity of the cooperative.

Consolidated, the net growth was 1.05 million insured (2020: over 109,000). Although the Yarden takeover represented 90 percent, the portfolio also grew without the effect of the takeover; the net growth excluding Yarden was around 102,900, a little less than the previous year. In all three countries, the Netherlands, Belgium and Germany, the net growth excluding Yarden was over 30,000 insured. The strategy to increase international coverage in order to control growth at the DELA Group level was again effective in 2021.

Insured persons

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

	2021	Net growth	2020
Uitvaartplan, Netherlands (funeral insurance)	2,997,526	+33,447	2,964,079
Leefdoorplan, Netherlands (life insurance)	290,665	-2,710	293,375
Spaarplan, Netherlands (savings insurance)	52,262	+4,799	47,463
Yarden, Netherlands	947,030	+947,030	
Netherlands	4,287,483	+982,566	3,304,917
Uitvaartzorgplan, Belgium (funeral insurance)	613,732	+36,397	577,335
Inactive portfolios, Belgium	295,090	-5,663	300,753
Belgium	908,822	+30,734	878,088
Risikoleben, Germany (life insurance)	76,029	+21,701	54,328
Sterbegeld, Germany (funeral insurance)	27,757	+14,890	12,867
Germany	103,786	+36,591	67,195
Total	5,300,091	+1,049,891	4,250,200

'From policies to membership, we strive for sustainable and warm relationships with our members, meeting their wishes with new products and services.'

Edzo Doeve, CEO

Insurance products

Funeral insurance

DELA Netherlands

The DELA funeral plan in the Netherlands saw further growth. The net growth was around 33,400 (2020: around 42,600). There was a high influx at the start of the year, which receded in the second half. DELA achieved good results in terms of customer retention.

Average funeral costs

DELA closely monitors average funeral costs in the Netherlands on an annual basis. Our policy is focused on our members, paying out insured claims and compensating for the inflation of funeral costs as far as possible.

The average funeral cost was €4,513 (2020: €4,383) a rise of €130 or 3 percent compared to the previous year (2020: a rise of €85/2 percent). By the end of 2021, the Yarden package policy represented a value of €3,340 and increased 2 percent in the year under review.

Inflation rise

The average inflation in the Netherlands, based on the consumer price index (CPI), was 2.68 percent over the 12 months of 2021. The inflation increased significantly over the year, however. In January, the inflation was at 1.56 percent compared to the year before, while in December it had increased to 5.71 percent.

Average funeral costs

in €. Netherlands

	2021	Difference	2020
DELA pre-arranged set package, per adult	4,513	3.0%	4,383
Yarden pre-arranged set package	3,340	2.0%	3,274

DELA Belgium

Net growth of insured persons in the active insurance portfolio in Belgium was considerably higher in 2021, at around 36,400 (2020: around 28,600). Although a lockdown was still in place, DELA had relatively more opportunities to visit brokers and agents in the year under review than in 2020. We were also seeing the first effects of the broadening of the distribution.

DELA Germany

DELA introduced a funeral insurance policy in Germany in 2019 that covers funeral costs and includes a profit-distribution scheme giving policyholders the same benefits as Dutch members of the cooperative. Successful elements such as value retention and indexation are some of the other product characteristics. In 2021 we welcomed some 14,900 policyholders on balance (2020, the first full year since the introduction: around 9,700).

Life insurance

Net growth in life insurance policies was negative in the Netherlands: the portfolio saw a reduction of around 2,700 insured (2020: increase of around 2,500). In the year under review this score continued to be affected by the challenging housing market for first-time buyers and the ending of the compulsory life insurance for all NHG mortgages (mortgage with National Mortgage Guarantee) per 1 January 2020. This was implemented for existing NHG mortgages in early 2020 as well. Life insurance policies are mainly sold via intermediary channels. DELA is seeing an increase in competition in the Netherlands. DELA's market share fell in 2021 at 4.7 percent (2020: 6.1 percent).

In Germany, where DELA launched its life insurance in 2018, the conditions are very different and in 2021 we welcomed around 21,700 policyholders (2020: around 28,000). While there is sufficient space in the market, the delay in automation was part of the reason we didn't achieve our growth ambitions here. Moreover, DELA is not yet widely known in Germany, although the Dutch have a good reputation for being reliable and friendly. The idea of a cooperative is also attractive to Germans. In 2021 DELA achieved a market share of 6.5 percent with its life insurance policies, calculated based on insured capital (2020: 7.5 percent).

Savings plans

DELA also offers savings plans on the Dutch market, a good way for consumers to put money aside for the long term at a fixed interest rate of 2 percent. This product offers a worthwhile alternative to banks now that they offer such low interest rates. Savers deposit a periodic or one-off amount and receive a guaranteed return at the end of a term of at least 10 years. The net growth totalled around 10 percent with 4,800 policyholders (2020: around 4,700, a net growth of over 10 percent).

Member interests

Member database

In the Netherlands, policyholders and co-insured individuals are members of the cooperative and therefore represent the collective 'owners' of DELA. The cooperative therefore has a total of around 3.18 million members.

Cooperative members

Number

	2021	2020	2019	2018	2017
Members	3,179,843	3,143,893	3,095,165	3,060,582	3,023,997

Access to DELA cooperative membership

Open to Belgian market

On 5 February 2022 the member council opened up the possibility of becoming a member of the cooperative in Belgium, a significant step in fully disseminating the cooperative principle in the country. The cooperative represents a system of standards and values related to how we do our work: a good balance between customer satisfaction, financial continuity, social awareness and employee satisfaction. Cooperative membership is aimed at intensifying relationships with our clients that are not limited to individual transactions.

Belgian members join the geographical division of Eindhoven and are represented in the general meeting via this division.

DELA Belgium aims to welcome some 200,000 customers in five years.

German market: build-up phase

Once the number of insured in Germany reaches a certain number – for now we are considering a cut-off point of 100,000 – we would like them to become members too. Although they are not yet members, they already benefit from a form of profit distribution (depending on the product) in the same way as the Dutch and Belgian insured.

General meeting

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

> [Governance & risk management > Governance](#)

The general meeting was held on four occasions in 2021.

The following items were discussed on 23 January:

- Welcoming new and saying goodbye to departing members and replacement members. A number of vacancies became available in late 2019 due to deaths. Two vacancies also became available in 2020 when members moved to an address outside of the geographical area they represented. In the general meeting, we said goodbye to Ms Ruesink (Achterhoek) and Mr Will (Rotterdam). Two replacement members became full members of their department: Mr W. ten Hooven (Achterhoek) and Ms A.L. Weijenberg (Drenthe, N.W. Overijssel). The following new replacement members were welcomed to the general meeting: Mr E. Ruesink (Achterhoek), Ms L. de Kinkelder (Noord-Limburg, Land van Cuijk) and Ms S.D.M. Duijsings-Mahangi (Rotterdam). One replacement member transferred to a different geographical department as a result of a move, namely Ms P.W.M. Zomer (from Groningen to Drenthe, N.W. Overijssel);
- The minutes of the Confidential Committee with the Executive Board and the Supervisory Board;
- DELA's new course;
- The business plan and budget for 2021;
- Changes to the premium scheme to enable an extra increase of more than 0.75% in the case of a coverage lower than 120% plus negative interest in order to keep the cooperative's solvency at a healthy level;
- The approval of the capital policy;
- The role of the Confidential Committee.

The proposed Yarden takeover was discussed on 3 May, including the fact that DELA had reached a new agreement with Yarden Association about the takeover of all shares of Yarden Holding NV. DELA had withdrawn from the process in 2020 due to the risk of claims. The improvement compared to the previous agreement means DELA is better protected against the legal risks of possible claims and any associated costs.

The takeover provides DELA members with access to a national funeral company with DELA's quality of service. In addition, it offers greater security for the continuity of the larger policyholder database and the resulting cost coverage. While the financial benefits for the members will be limited in the short term, the takeover gives us a better grip on average funeral costs and will allow for a limited increase of these costs which in turn slows down the premium increase. The chances of profit distribution will improve over time. And DELA's continuity is also better protected as we can achieve synergy benefits by maintaining a grip on the quality of our services and on funeral costs throughout the Netherlands. Extra synergy benefits will result from the merger of management departments and the development of a larger platform for digitising the insurance and funeral chain.

The following topics were discussed on 5 June:

- The DELA Group Annual Report 2020, including the financial aspects compared to the budget and the Supervisory Board report. The general meeting confirmed the financial statement and result appropriation, and discharged the members of the Executive Board for the realised policy and the Supervisory Board for its supervision;
- The confirmation of the Remuneration Report 2020;
- The decision-making process regarding the premium increase which, due to the rise in funeral costs, was 1.73 percent, and the decision-making process related to the increase in payments to the bereaved (when they choose not to use DELA's services) to 1.1% at €2,953;
- The decision-making process for the DCP profit distribution. This was agreed at 0 percent.

The last general meeting of 2021 was on 4 September and included the following topics:

- Update on the pandemic and its impact on DELA;
- Update on the Yarden takeover;

- Appointment of Mr Van Bree as Supervisory Board member;
- Election of the Confidential Committee with Ms Spruijt and Ms Weijenberg receiving the most votes;
- Update on the strategic course;
- The Innovation department and its approach;
- Digitisation of customer services;
- Departure of Supervisory Board member Mr De Pender, who was appointed an honorary member of the cooperative.

Member consultation

To properly represent member interests, we conduct research and make choices with our members on matters such as products and operations. Consulting the members is an important aspect of this work with a cooperative panel organised and run by and for our members since 2010. The panel was converted into an online platform in 2015, allowing a larger group of members to contribute ideas. In late 2021 this involved some 2,300 members. During the year we asked the cooperative panel about the need for a DELA investment product, changes to the attire of funeral care colleagues, the story about the membership of DELA cooperative, and sustainability. The results of the latest survey are included in the CSR section of this report.

[> Our organisation > Corporate Social Responsibility](#)



Our connections

The Net Promotor Score (NPS) used to measure customer satisfaction fell in the Netherlands and rose in Belgium. On balance, DELA has an average NPS of 64.

In the Netherlands and Belgium combined, DELA took care of approximately 54,400 funerals and 40,400 cremations. The number of funerals arranged by DELA in the free market – so not for in-kind policyholders – reached a market share of 5.1.

The pandemic continued in 2021 and for most of the year we had to work under restrictive conditions. While the return of COVID in the autumn was hard on everyone, we managed to keep our funeral services at a high level.

On balance, it was an extremely busy year due to the higher number of deaths, working under protective measures, and the takeover and start of the integration of Yarden.

Customer satisfaction

In the Netherlands, the Net Promotor Score (NPS) fell to 56 (2020: 61), in Belgium it stayed the same at 70. Weighed by respondents, DELA had a total NPS score of 64 (2020: 66).

DELA Nederland

The Netherlands unfortunately saw a significant drop in the score for Customer Services. This was certainly not due to our employees, who put their hearts and souls into their work. The implementation of stronger security to access the online customer environment MijnDELA via two-factor authentication led to a large number of calls from policyholders and the bereaved. Not all customers were able to find their way to Customer Services directly and phone waiting times were high in peak times. This resulted in a fall in the satisfaction score to 39 (2020: 50).

Funeral care did managed to virtually maintain its previous high score at 72 (2020: 73). DELA applied higher safety standards than our competitors that further restricted our service provision during the pandemic. Taking this into account, as well as the difficult working conditions, our score can be considered more than satisfactory.

DELA Belgium

The funeral centres in Belgium scored the highest of all parts of the organisation in 2020 and even managed to improve further in 2021 with a score of 82. According to our clients this high and stable score (even during the second COVID wave) is the result of a humane, respectful and experienced approach.

Customer Services realised a spectacular rise in satisfaction levels, with the NPS going up 15 percent to a score of 68.

Customer satisfaction

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

	2021	2020	2019	2018	2017
Netherlands*					
Insurance	51	53	50	43	42
Funeral care	72	73	76	71	70
Customer service	39	50	45	35	32
Total (weighted by respondents)	56	61	60	53	52
Belgium**					
Insurance	58	57	52	39	30
Funeral care	82	80	78	74	71
Customer service	68	59	54	32	26
Total (weighted by respondents)	70	70	66	52	43
Total Group	64	66	62	53	49

* Excluding Yarden

** 2020: Adjusted from previous publications due to recalculations

Net Promoter Score (NPS)

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

Funerals and cremations

DELA owes its success to a combination of insurance and funeral services. Our employees offer concrete help, supporting members and their relatives with advice and assistance.

Funerals

DELA Netherlands

In 2021 there were around 171,000 deaths in the Netherlands (2020: 169,000). DELA arranged some 42,400 funerals (2020: approx. 38,100). This gave DELA a market share of 25 percent (2020: 23).

The share of free market funerals in the Dutch market was 5.1 percent in 2021, the same as in 2020. Free market funerals involve cases in which the deceased is not insured with DELA. In 2021 DELA arranged over 5,000 of these funerals (2020: 4,844). DELA had already established a new policy for serving the market for private funerals in 2020 with specialised funeral providers (free market specialists). Preparations were made during the year under review to strengthen our commercial marketing activities in this segment in 2022.

DELA Belgium

Belgium recorded some 112,000 deaths in 2021 compared to nearly 127,000 in 2020. In the reporting year, DELA arranged approximately 12,000 funerals (2020: approx. 13,400), representing a market share of 11 percent, the same as in 2020.

The funeral company in Belgium is mainly focused on funerals for non-insured people. A reason for this is that the insurance portfolio in Belgium is younger than in the Netherlands; we've only been active here for 30 years, compared to 85 in the Netherlands. Growth should happen autonomously and via acquisitions. In addition, DELA Belgium aims to strengthen cross-pollination with policyholders as DELA can arrange funerals upon their deaths.

Saying goodbye and sharing memories

Funerals and cremations. Numbers

By country	2021	Difference	2020
Funerals			
Netherlands	42,421	+4,277	38,144
Belgium	11,995	-1,451	13,446
Total	54,416	+2,826	51,590
Cremations			
Netherlands	32,747	+6,452	26,296
Belgium	7,661	-1,645	9,306
Total	40,408	+4,807	35,602

Cremations

DELA Netherlands

In the Netherlands DELA arranged around 32,700 cremations in 2021 (2020: 26,300). This 25 percent increase is entirely due to the takeover of the Yarden crematoriums.

DELA Belgium

In Belgium, DELA arranged around 7,700 cremations, an 18 percent fall compared to 2020 (approx. 9,300). The reduction was larger than the 12 percent fall in the number of deaths, representing a limited loss of market share. This can be explained by fewer cremations in Bruges due to the opening of a competing crematorium in Oostende, which started carrying out cremations in 2021.

Resomation

Resomation is a new method that uses liquid to dissolve the body in three to four hours. Although yet to be permitted in the Netherlands, the government aims to change this with an amendment to the Dutch Burial Act. The existing options are burial, cremation or donation to science. Commissioned by the Interior Ministry, the Health Council set up an assessment framework and advised including resomation in the new Burial Act. Like most people in the Netherlands, DELA is positive about the option of resomation. Yarden had been advocating the legal use of this method for many years, and DELA has continued on this path since the takeover. The first resomator in the Netherlands is located at the Nieuw Eykenduinen funeral centre in The Hague.

Aftercare

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

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

If required and desired, we can bring in specialists such as notaries, grief counsellors and tax consultants, and inform descendants of the related costs. Support by the care desk is free of charge for insured persons.

DELA Netherlands

Aftercare is a standard element for policyholders in the Netherlands and for all funerals arranged by DELA.

'The episode of the children's tv show Klokhuis which I took part in along with the associated website are very useful tools for making death a little less scary for kids.'

Nadia Gandon-Najib, funeral director DELA Netherlands

DELA Belgium

Aftercare is a standard part of the DELA funeral care insurance in Belgium and of all funerals arranged by DELA. Some 26 aftercare consultants are available every day to help with a variety of administrative and practical issues related to the death of a loved one.

Local presence

Although saying goodbye in a pleasant ambiance with friendly, involved employees doesn't lessen the grief, it does help generate nice memories of a sad time. DELA does everything in its power to ensure a dignified farewell.

DELA Netherlands

At the start of 2021 DELA had 54 funeral centres and 22 crematoriums in the Netherlands. The latter includes a 50% stake in the La Grande Suisse crematorium in Maastricht that was opened in 2021 and is operated together with Monuta.

The Yarden takeover in 2021 initially resulted in an increase of 47 funeral centres and 24 crematoriums.

Due to the conditions for approval of the takeover imposed by ACM, DELA announced in August 2021 that it had sold two Yarden funeral centres: one in Veldhoven and the Goemans funeral centre in Venray.

On balance, DELA ended the year under review in the Netherlands with 99 funeral centres and 46 crematoriums.

The takeover approval conditions mean DELA must sell another six Yarden crematoriums and one DELA crematorium in 2022. These crematoriums also include a total of four funeral centres.

The ACM terms for the Yarden takeover will have been met once these transactions are completed. On balance, this means that the Yarden takeover still brings in an additional 41 funeral centres and 17 crematoriums. DELA can therefore offer policyholders a better national coverage in the Netherlands with its own funeral centres and crematoriums. After the transactions have been completed, DELA will have 95 funeral centres and 39 crematoriums.

Development of new crematorium: Hoentocht, Groningen

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



Crematorium Hoentocht, Groningen

Renovation of crematorium Den en Rust, Bilthoven

The Den en Rust crematorium in Bilthoven started large-scale renovations in 2021 and was closed for a large part of the year as a result. Other DELA locations in the area took over its tasks, and funerals at the nearby cemetery took place as normal.

The building was mainly renovated, optimised and made more sustainable inside. The entire interior was renewed while keeping the main features intact. The crematorium was designed by architect F.J.A. den Tex in 1936 and is famous for its stained-glass angel by artist Nico Schrier. It also offers visitors a wonderful view over the old beech lane and its seasonal colour changes.

The renovation brought significant improvements to the building's sustainability, including two electric cremation furnaces, a new climate system and solar panels. More plants were added to the garden to let the building blend into the surrounding landscape, and the reception area was extended. The renovation started in late June and continued throughout the summer. The crematorium was reopened in March 2022.

DELA Belgium

DELA Belgium has 64 funeral centres at 122 locations and three crematoriums in the cities of Bruges, Mons and Charleroi. The latter involves a 30% participation. DELA also has its own repatriation centre 'Brussels Airport Mortuary' in Zaventem.

Stad Hasselt takes over DELA crematorium

The council of the Belgian city Hasselt took over DELA's crematorium there in 2021, the result of a mediation trajectory that the two parties completed in the year under review. The takeover marked an end to a legal battle that had been ongoing since 2013 and both parties were relieved to reach an agreement. The future of the crematorium is now secure which is important to the residents of Hasselt and Limburg. DELA employees are included in the takeover and can therefore safeguard the continuity of the services provided.

By decree dated 16 January 2004 the management of a crematorium in Belgium is exclusively the task of a municipality or inter-municipal partnership. This is also the case in Hasselt. The cremation activities were performed by the city services, while the crematorium itself was owned by DELA. In 2013 the former city council decided to take the cremation part from DELA. As no agreement was reached, the legal procedures soon started stacking up.

The city of Hasselt is now the full owner of the crematorium and will operate it in its entirety. The agreement is based on a takeover sum of €11.4 million.

Company takeover

In 2021 DELA took over three funeral companies in Belgium. We are proud to announce the addition of Vanoppen-Moors in Opglabbeek, Bossut Dumont in Comblain-la-Tour and Luyts in Essen.

Brussels Airport mortuary

DELA has its own repatriation centre near Zaventem Airport, called Brussels Airport Mortuary, where our employees help the bereaved with repatriation to and from other countries. Thanks to our extensive network, DELA can ensure a smooth process with respect for religion, customs and rituals of the deceased and their families. DELA guarantees a personal, humane approach. The location has its own viewing room and auditorium for farewell ceremonies. In 2021, the centre realised 711 repatriations (2020: 713).

Flooding and evacuation

The services at some places in Belgium were suddenly interrupted by major floods in July. Five funeral centres were evacuated and closed as water entered the buildings after the Meuse river overflowed. The second head office of DELA in Liège was also evacuated and employees continued their work from nearby DELA locations. The start of a major repair operation followed. The employees are currently still working from other locations while the buildings dry before the renovations can be completed.

DELA Germany

DELA has been active as insurer in Germany from its Dutch company since 2018. From the office in Düsseldorf we are realising substantial growth in the German market. DELA Germany provides various types of insurance via brokers, and directly via its online channel.

Our reputation

DELA has a robust and strong reputation and our activities are partially focused on retaining and strengthening this. We were certainly successful in doing so in the year under review as our reputation grew on all fronts. The Yarden takeover and the solidarity shown by DELA did not go unnoticed in the Netherlands, and our already high score also improved in Belgium.

Perceptions

DELA carries out structural reputation research in order to understand how we are perceived by society. Our reputation is determined by all the things we show, say and do together. It is our daily behaviour that inspires confidence. A good reputation is of vital importance to us as DELA's raison d'être both as an insurer and funeral service provider revolves around trust. We measure the development of our reputation periodically.

We are proud that DELA has built up a great reputation over the decades and also enjoys excellent brand familiarity.

DELA Netherlands

In the Netherlands we measure our reputation using the RepTrak methodology, a survey developed by the Erasmus University in Rotterdam and the Reputation Institute and used all over the world.

Our reputation in the Netherlands improved even further during the year under review with our score among the general public rising to 76 (2020: 74). Our reputation among members rose to 84 (2020: 82). The fact that we are still managing to increase our already high scores is a source of pride. Our reputation among non-members increased to an annual average of 71 (2020: 69). Part of the challenging goal we set ourselves until 2020 was to achieve a monthly score of 70 among non-members at any time throughout the year. We realised this several times in 2020 and over the entire year in 2021.

DELA Belgium

DELA's reputation also increased in Belgium, where it is measured as the prompted awareness generated by the question "Do you consider DELA to be the leading funeral specialist?".

An already high score of 70 percent in 2020 increased to 73 percent in the year under review.

Reputation

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

	2021	Difference	2020
Netherlands (RepTrak score)			
Members	84	+2	82
Non-members	71	+2	69
Total	76	+2	74
Belgium (Brand Fame Tracker: 'the funeral specialist')	73%	+3pp	70%

DELA Germany wins prestigious German Brand Award

The German Brand Award is a competition from the German Brand Institute, which was established by the German Design Council and GMK Markenberatung to strengthen brand management as a decisive success factor for companies in the national and international competitive environment.

Good causes

Charities

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

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

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

Roparun

DELA has been the main sponsor of the Roparun, a relay race of over 500 kilometres from Paris, Bremen and Almelo to Rotterdam since 2020. Teams of participants run the race to collect funds for people suffering from cancer. Due to COVID, the latest edition on 2 and 3 October had a different setup with the route going via Limburg and North Brabant. Some 175 teams took part, ranging from neighbourhood associations and groups of friends and colleagues to employees from DELA Netherlands and DELA Belgium. All runners collected funds in their own circle and Roparun 2021 raised over €2 million for organisations and projects involved in palliative care.

DELA and football club PSV join forces

DELA and football club PSV will be working together for four seasons to make a joint social impact on the Eindhoven region.

Crematorium Bruges donates to hospital heli

For the fourth consecutive year, Crematorium Bruges donated the proceeds from precious metals to Stichting MUG-Heli. This year that involved a total sum of €12,000. Together with Bruges council, DELA supports the MUG helicopter based at the Sint Jan hospital which saves dozens of lives every year.

DELA main sponsor of Roparun

The Roparun is the world's longest non-stop relay race. Participants collect funds for palliative care in team efforts.

DOMUSDELA wins Dirk Roosenberg public prize

DOMUSDELA, the modern place in the heart of Eindhoven for meeting, connecting and meditating, wins the architecture award from Eindhoven city council.

Above the Clouds

Boven de Wolken (Above the Clouds) is a fine initiative that shares a single goal with DELA: giving parents of deceased children the opportunity to have a photo report (free of charge) of a child that dies during pregnancy.

Our people

DELA started a new survey into employee satisfaction in 2021. We achieve a relatively high score compared to other organisations and the survey also provides new insights that help us improve further.

In contrast to the expectations in 2020, the COVID pandemic continued to afflict society in 2021. It was tough on our employees and we saw the effects in our absence through illness figures.

In the Netherlands a considerable focus was also placed on the integration of Yarden. Although there is still a lot of work to be done good progress was made in 2021.

DELA has nearly 3,000 employees, with the male/female ratio being one third to two thirds.

In the year under review, DELA Netherlands worked on reshaping its working conditions package. This was implemented on 1 January 2022, together with a new pension scheme for new employees.

DELA has a family culture. In 2021 we performed a culture study and started heading to a more externally-focused culture with a greater emphasis on curiosity and learning.

A new, temporary works council was appointed in the Netherlands for a period of two years. This council consists of DELA and Yarden members in proportion to the number of employees.

Every employee is trusted from day one. Engagement is at the root of our culture. DELA is who we are together.

Employee satisfaction

Results of good employership survey

To understand the opinions of our people and see where we stand compared to companies of a similar scope, DELA performs an annual employee survey focused on how satisfied the personnel is with DELA as an employer.

Until 2020 this survey was performed annually by Great Place to Work (GpW). After DELA had been named 'Best Workplace' in the Netherlands for three consecutive years, and improved its score in Belgium four years in a row up to a third place in 2021, it was time to switch to something new.

Starting in 2021 our employee survey is carried out by Effectory.

We began in the first quarter with a test among 85 employees from seven departments. The survey focused on various sub-aspects with the employer Net Promotor Score (eNPS) as the main indicator.

The results of the test were positive and DELA decided to perform the survey throughout the Netherlands and Belgium. The response in the organisation was good at 79 percent in the Netherlands and 83 percent in Belgium, and significantly higher compared to the other participating companies (the Effectory index).

Over 2021 DELA scored an eNPS of 51 in the Netherlands and of 54 in Belgium. These are high scores of which we can be proud.

A surprising element was the fact that the top sources of pride and points for improvement were identical in both countries. Employees are most proud of – in this order – their co-workers, the customer focus and cooperation. The top three improvement points are reducing work pressure, improving communication and improving the assessment process and remuneration.

DELA Netherlands

The Dutch employees gave DELA as an employer 8.4 for enthusiasm, 8.0 for social security, and 7.7 for employership.

DELA Belgium

The Belgian employees scored DELA 8.2 for enthusiasm, 7.8 for employership and 7.3 for change management.

Employee satisfaction

Excluding Yarden

	2021	2020	2019	2018	2017
GPtW score					
Netherlands (category >250 employees)		88	88	89	84
Belgium (category >500 employees)		87	87	87	83
		88	88	88	84
Effectory eNPS					
Netherlands	51				
Belgium	54				
Total	52				

DELA clearly scored above average in the Effectory survey, although has yet to feature among the top three companies with the best score. DELA's enthusiasm score was in the top three. While we scored above the benchmark for each category, various new ways in which we can improve were indicated – and that's what the survey is all about for DELA.

DELA Belgium: Third place Best Employer 2021

DELA Belgium did participate in the GPtW Best Workplaces in 2021, ending in third place (2020: fourth). We are very proud of this achievement, a token of appreciation that shows our employees feel heard.

COVID-19 pandemic

The pandemic affected us during different periods and in various ways and levels of intensity. The extra work pressure due to the higher mortality rates, the consequences for customer contact, the strict regulations for funeral services, the absence of staff; the film from 2020 replayed itself. We saw the same things happen and it took a lot of energy to scale-up again and comply with the preventive measures. But – as is our duty – we gave it everything we had.

Employees had to continuously adapt and make difficult choices. Many staff with young children had to combine their work with child care and home schooling. It was hard for our employees, who often felt they were not performing to the best of their abilities in all these aspects. DELA tried to provide space, expressed the need for us to accept this was a phase where we couldn't deliver as much as we wanted to, and emphasised the importance of making room for ourselves and our loved ones. Managers were open to discuss the issues and put a strong focus on the wellbeing of team members. Understanding the situation of each individual was a priority and made it impossible to always maintain unilateral rules or regulations. Flexibility, creativity and solidarity were required.

We received many questions from our staff about vaccinations. A major one was whether people in the funeral sector would receive priority in the vaccination process, which was unfortunately not the case. Many colleagues also asked about the quality of the vaccinations and other medical issues. DELA chose to see the vaccination as voluntary, not compulsory.

It was essential that the people working from home had a proper and healthy environment. Recognising that their posture, work place and surroundings impacted their vitality in the short and long term, DELA facilitated office furniture for people at home.

Despite all the measures taken, the ongoing pandemic had a direct and indirect impact on the absence due to illness in our organisation, even more so than in 2020.

Absence due to illness

Health

One of DELA's goals is to help every employee stay physically and mentally healthy and capable of quality work, now and in the future.

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

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

Absence due to illness

%, 2021: Absence up to 2 years. Belgium up to 2020: absence up to 1 year.

	2021	Difference	2020
Netherlands, excluding Yarden	5.7%	0,5%	5.2%
Netherlands, Yarden	8.0%		
Belgium	7.5%	3,2%	4.3%
Germany	5.8%	2%	3.8%

Unfortunately, we saw an increase in absence due to illness across all countries during 2021. A relatively high number of employees suffered from stress due to the continued uncertainty caused by the pandemic. Covid among our staff and the need to quarantine also increased the absence figures. Yarden was in financially dire straits before the takeover and already experienced above average absence due to illness. The reorganisation as a result of the integration also probably played a role in this once the takeover was announced.

Preventing occupational accidents

In the Netherlands (excluding Yarden) 32 accidents were reported to the Arbo health & safety service (2020: 13) in 2021. They can be divided into two categories: occupational accidents and regressions. Occupational accidents take place at the workplace, regressions involve accidents caused by third parties (often in traffic). During 2021 23 occupational accidents (2020: 11) and 9 regressions (2020: 2) were reported.

In Belgium, an occupational accident is deemed to involve an event that leads to at least one day of absence. An incident indicates that something has occurred which does not lead to absenteeism. Both are monitored closely and in 2021 there were 10 occupational accidents (2020: 6) and 6 incidents (2020: 9).

Yarden integration

A great deal of energy was needed for the Yarden integration trajectory in 2021 and this will not change in the coming period. We appointed 13 workflows and workflow leaders for the sectors and staff departments. The main topics in meetings are the integration plan and the setup and guidelines from the various main flows (HR, IT, Communication and Finance).

Yarden employees have been given access to any open vacancies since the takeover. The internal publication term is seven days and staff from DELA and Yarden have priority of application. Applications from Yarden colleagues are considered internal applications so, when suitable, have priority over external candidates. If no internal applications are submitted by the time the internal publication term has passed, DELA publishes the vacancy externally via the website (werkenbijdelanl.nl). People who do not currently work for DELA are then welcome to apply.

We also made some new formation plans in 2021:

- The integration of Funeral Care and Funeral Services was a major operation. The merger of Yarden Uitvaartfaciliteiten BV and Yarden Uitvaartzorg BV with DELA's Funeral Care and Funeral Services resulted in a formation of 393 FTEs, including externals in Funeral Care and 599 FTEs including externals in Funeral Services (both figures rounded off).
- The integration of P&O Yarden in Almere with HR DELA in Eindhoven resulted in the formation of 28 FTEs (rounded off).
- The integration of Finance & Control Yarden in Almere with Finance, Data & Control DELA in Eindhoven resulted in the formation of 39 FTEs (rounded).

- The integration of Yarden's Real estate & Facility Management department with Dela Facility Services resulted in the formation of 25 FTEs (rounded off).
- The integration of Yarden's IT departments with the DELA IT departments in Eindhoven resulted in the formation of 205 FTEs, of which 157 internal (rounded off).
- The integration of Yarden's Commercial Affairs, Sales & Support, Online Sales and Marketing Communication departments within DELA's Cooperative & Insurance sector in Eindhoven, comprising Indirect Advice & Service, Marketing and Knowledge Centre, resulted in the formation of 61 FTEs (rounded off).
- The integration of the Yarden Contact Centrum (YCC) with DELA's Customer Contact Centre in Eindhoven resulted in the formation of 170 FTEs, of which 106 were internal (rounded off).

The aforementioned integrations were discussed with the works council which gave a positive advice. The formation plans of the Corporate Communication, Internal Accountants Service, Legal Affairs, Risk Management, Tax and Financial Risk Management & Actuarial departments did not require their advice because these activities were either not carried out, were carried out by Yarden employees with whom we have already discussed their departure, or were performed by externals.

Diversity

Diversity

DELA finds it crucial that our employees reflect the full diversity of the society in which we operate. There is a relatively high proportion of women working at DELA – some 66% of all DELA Group employees are female. In leadership positions, the 30% minimum rule for women and men is respected everywhere except the Executive Board. There were no changes in 2021 and the diversity goals will be taken into account when future changes are made. We also consider it self-evident that DELA as an employer promotes other types of diversity, including hiring employees who have trouble finding suitable work.

The policy we apply is to exclude no one. Everyone is welcome at DELA, regardless of rank or status. Most job openings are posted via the websites www.werkenbij.dela.nl and www.delajobs.be, with partners sometimes being employed for the acquisition of specialist functions. In all cases, our core values take priority: whether people fit in with the company is more important than whether they are able to do something well – because we can teach people how to do something but not who to be.

Around 3,350 candidates applied to DELA in 2021 (2020: around 2,600). DELA Belgium welcomed some 1,300 candidates (2020: around 1,200).

Over the course of 2021 it became increasingly clear that the scarcity in the labour market is increasing, with vacancies in IT particularly hard to fill. Acquisition and labour market communication is now more important than ever.

Employees and diversity

Number of employees

	2021			2020		
	Male	Female	Total	Male	Female	Total
Netherlands						
Executive Board*	3	-	3	3	-	3
Senior management	4	3	7	3	2	5
Upper management	50	33	83	22	15	37
Middle management	63	79	142	27	39	66
Other employees	681	1,606	2,287	483	1,034	1,516
Total	801	1,721	2,522	538	1,089	1,627
Belgium						
Senior management	2	1	3	1	1	2
Upper management	6	4	10	5	4	9
Middle management	9	18	27	10	19	29
Other employees	175	224	399	177	224	401
Total	192	247	439	193	248	441
Germany**						
Middle management	1	-	1	1	-	1
Other employees	9	19	28	10	12	22
Total	10	19	29	11	12	23
DELA Group						
Executive Board	3	-	3	3	-	3
Senior management	6	4	10	4	3	7
Upper management	56	37	93	27	19	46
Middle management	73	97	170	38	58	96
Other employees	865	1,849	2,714	670	1,270	1,939
Total	1,003	1,987	2,990	742	1,349	2,091

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

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

Employees in the Netherlands

Average age

2021
47.8
year

2020
47.4
year



Average term of employment

2021
8.9
year

2020
9.2
year



Number of employees

2021
2,522
1,737 FTEs

2020
1,627
1,154 FTEs

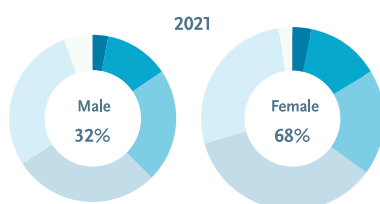


Employees and absenteeism by sector



Sector	2021				2020		
	Number	FTEs	Absence DELA	Absence Yarden	Number	FTEs	Absence
Cooperation and Insurance	79	67	5.6%	9.4%	66	60	3.5%
Holding staff services	344	301	3.5%	4.0%	235	215	4.0%
Customer centre	202	163	6.7%	-	151	121	4.9%
Funeral services	1,168	667	7.0%	-	736	428	6.4%
Funeral care	727	535	5.4%	-	430	323	5.4%
Funeral services & care	-	-	-	8.6%	9	7	1.7%
Real estate	2	2	-	-	-	-	-
Totaal	2,522	1,735	5.7%	8.0%	1,627	1,154	5.2%

Age build-up



	2021		2020	
	Male	Female	Male	Female
< 25	65	115	29	49
25 < 35	92	193	65	144
35 < 45	159	294	118	206
45 < 55	197	534	145	370
55 < 65	244	542	159	300
≥ 65	44	43	22	20
Total	801	1,721	538	1,089
	32%	68%	33%	67%

Employees in Belgium

Average age

2021
45.2
year

2020
44.6
year



Average term of employment

2021
8.8
year

2020
8.6
year



Number of employees

2021
439
415 FTEs

2020
441
408 FTEs



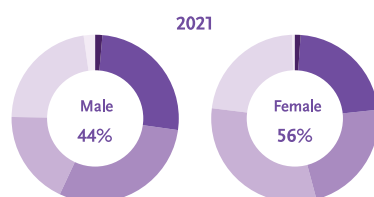
Employees and absenteeism by sector



Sector	2021			2020		
	Number	FTEs	Absence*	Number	FTEs	Absence*
Insurance	99	95	5.5%	106	100	2.5%
Holding staff services	78	76	4.2%	68	65	5.1%
Funerals	262	245	9.0%	267	243	4.8%
Total	439	415	7.5%	441	408	4.3%

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

Age build-up



	2021		2020	
	Male	Female	Male	Female
< 25	3	6	5	7
25 < 35	44	49	44	52
35 < 45	60	55	61	58
45 < 55	43	75	38	75
55 < 65	38	62	41	55
≥ 65	4	-	4	1
Total	192	247	193	248
	44%	56%	44%	56%

Employees in Germany

Average age

2021
43.5
year

2020
42.0
year



Average term of employment

2021
1.6
year

2020
1.3
year



Number of employees

2021
29
28 FTEs

2020
23
23 FTEs

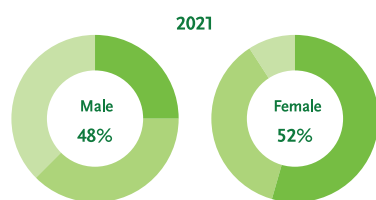


Employees and absenteeism by sector



Sector	2021			2020		
	Number	FTEs	Absence	Number	FTEs	Absence
Insurance	29	28	5.8%	23	23	3.8%
Total	29	28	5.8%	23	23	3.8%

Age build-up



	2021		2020	
	Male	Female	Male	Female
< 25	-	1	-	-
25 < 35	1	4	1	5
35 < 45	2	6	5	4
45 < 55	5	5	4	1
55 < 65	2	3	1	2
≥ 65	-	-	-	-
Total	10 34%	19 66%	11 48%	12 52%

Working conditions

Employees serve as the driving force of our cooperative. Their shared quality is that they are intrinsically motivated to do the right thing. Engaged, honest and entrepreneurial – this philosophy forms the foundation from which DELA approaches every challenge, including in the development of working conditions for employees.

DELA Netherlands

Changes were implemented to the working conditions package of DELA Netherlands as per 1 January 2022. DELA aims to conform to the market with regard to working conditions at all levels in the organisation, and to be unique where we can do so responsibly. The following changes were made:

Individual Choice Budget

The Individual Choice Budget enables employees to align their working conditions to their personal wishes and needs. Instead of fixed reward components, employees receive a budget that can be spent as they wish. The part of the budget that has not been used by the end of the calendar year is paid out as a gross amount. The holiday allowance, 13th month, the value of six non-statutory days off and the contribution to health care costs make up for 19.2 percent of the salary, and can be used for cash payment, the purchase of extra leave days or the payment of an e-bike or trade union contribution. This means employees don't have to wait until May to receive their holiday allowance.

Individual Vitality Budget

DELA believes it is important that employees feel healthy and fit, continue to develop themselves and take responsibility for their own long-term employability. To stimulate this, every employee receives an Individual Vitality Budget of €750 gross a year, regardless of the part-time factor. This can be spent on items or activities to benefit health and development such as gym memberships or yoga courses. Any part of the budget not paid out by the end of the year expires.

Variable pay

With the implementation of a new Learning and Performance Management System on 1 January 2022, we decided to scale down the variable pay scheme in its current form. DELA presumes its employees perform well and continue to develop themselves. Another trajectory will be taken if that's not the case.

Leave

DELA applies various types of leave in the Netherlands, such as care and maternity leave. Changes have been made to various schemes and from 1 January 2022 employees can take a sabbatical to contribute to a healthy work/life balance. The scheme allows employees after their first five years of employment to take a partially paid sabbatical of at least two and at most six months every seven years. In the first and second month of their leave they receive 50% of their salary.

Vitality of older employees

To prevent absence due to illness or reduced working capacity of employees five years prior to their retirement, DELA has a new durable policy: working 80 percent of their current working hours at 85 percent of the current salary and with a 100 percent build-up over the current salary. This is a good working condition in view of the long-term employability of older employees.

New pension scheme

Employees joining the work force as of 1 January 2022 are subject to a new pension scheme. A regular premium contribution of 22% is made, regardless of age (so the age scale no longer applies). DELA pays 16% of the premium as employer while employees contribute 6%.

Cultural enrichment

DELA Netherlands started a cultural enrichment trajectory in 2021.

DELA formulated a new strategy and a new challenging goal for the 2021-2025 period that starts from the customer experience. Recognising that culture is mainly decisive for the success of an organisation, research was carried out into whether our culture supports the new strategy. Employees were asked to complete surveys and the Executive Board, all managers and a large number of employees took part in a culture workshop in the first half of the year. The workshops provided insights into the results of the research by pointing out behavioural characteristics of the current and desired culture. Participants valued the workshops as they learned more about culture and saw that it was recognisable throughout the organisation. It also made them think about their own behaviour, how they could maintain certain aspects of the culture, and what is necessary to enrich our culture in order to realise the challenging goal.

The main findings from the cultural research were as follows:

- DELA has a family culture, characterised by the concept of 'doing things together'. We are proud of our people-focused culture and passionate about our field. There is a strong sense of loyalty and tradition is seen as important. Everyone is welcome to provide input.
- Having a strong family culture also has its downsides. Everyone being able to provide input means it can sometimes be difficult to make decisions. We don't always feel the openness and confidence to give feedback or express what we really feel because maintaining a good atmosphere seems more important.
- The control culture is also fairly strong, characterised by 'doing things correctly'. We are meticulous and therefore sometimes avoid risks. When in doubt we tend not to act because we are afraid to make mistakes, preferring to ask about the policy or regulations. People are therefore less curious and may not use enough of their knowledge and strength to guide, learn and improve.

All things considered, we find it necessary to shift to an external culture while retaining the good aspects of this family culture. An external culture involves 'doing new things and doing things in a purposeful way'. We will take the wishes of our clients as the starting point rather than our own vision or expertise. We believe this is necessary to stay meaningful to customers in a rapidly changing world.

From regulations to room for manoeuvre, we aim to be a flexible, entrepreneurial and learning organisation.

Roos Fleuren, HR director DELA Nederland

Works council

DELA Netherlands and DELA Belgium each have their own works council (OR).

DELA Netherlands

In 2021, the works council provided advice on the following subjects:

- The commissioning of employee surveys by Effectory starting on 1 October 2021 and stopping the use of Great Place to Work (GPTW).
- The implementation of the Individual Choice Budget.
- Halting the attendance premium and replacing it with an Individual Vitality Budget.
- Changes to the various types of leave.
- The vitality policy for older employees.
- A new pension scheme for employees hired from 1 January 2022.
- Halting the variable pay scheme and increasing the fixed salary by 4.2% for employees in function group 1 and 2.8% for function group 2.
- Changing the opening hours and therefore working hours for the DELA Digital Dialogue Team at weekends from 09.00 to 17.30.
- Specific changes to the absence due to illness policy.
- Changing the policy for employees of 60 years and over to a policy for employees who, at the starting date, have an age that is up to 7 years younger than the applicable retirement (AOW) age.
- Halting the social framework for people with (long-term) invalidity. Underlying reason is that it is in fact the same as the provisions in the Dutch Eligibility for Permanent Invalidity Benefit (Restrictions) Act when it comes to the first and second track.
- Specific change to paid days off and the value thereof when employees don't work on a holiday that falls on a weekday.
- The new Performance Management System.
- Outsourcing the vaccination process to a third party.

The works council provided advice on the following matters in 2021:

- Taking over 100% of the shares in Yarden (holding, insurance company and other subsidiaries) and fully integrating them within 1.5 years.
- Legal merger of Yarden Verzekeringen NV (acquired company) directly after closing with DELA Natura- en levensverzekeringen NV (acquiring company).
- Providing job security for DELA employees via a social framework.

- Additional provisions that guarantee similar working conditions.
- The formation plan for Funeral Care/Funeral Services and the integration of Yarden P&O in Almere into DELA HR in Eindhoven, of Yarden Finance & Control in Almere into DELA Finance, Data & Control in Eindhoven, of the Yarden Real Estate & Facility Management department into DELA Facility Services, of the Yarden IT department into the DELA IT departments in Eindhoven, of the Yarden Commercial Affairs, Sales & Support, Online Sales and Marketing Communication departments of into DELA's Cooperative & Insurance sector in Eindhoven, and of the Yarden Contact Centrum (YCC) into DELA's Customer Contact Centre in Eindhoven; all integrations based on the formations indicated in the [Our people > Yarden](#) Integration of this report.
- Engineering and technical measures for the head office.
- Cancelling the concept function for Facility Services employees and immediately offering those involved the suitable function of Concierge.
- Transferring the knowledge bank coordinator to the Support team on 1 July 2021.
- Splitting the Bergen op Zoom and Roosendaal funeral centres from those in Breda, Oosterhout and Raamsdonkveer, and bringing them under the management of an already active and established part-time interim manager.
- Temporary placement of part of the employees from Tribe Business 1 under the management of the Business Change Team so the line manager can also take on the programme management of Dolfijn.
- Placing part of the employees of Tribe Business 2 under a new temporary external manager.
- Temporary placement of the Service Desk under the project manager from Staff Funeral Services this year.
- Stopping the use of the thanatopraxy technique and the consequences for the embalmers.
- Partially changing the distribution of tasks and management in HR.
- The proposed decision related to acquiring shares in and alignment with Salarise BV to allow DELA employees to convert any current credit into an attractive redeemable loan.

Works council members Netherlands

End of year

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

DELA Belgium

The works council approved the following in 2021:

- Reappointment of the auditor for DELA Enterprises, DELA Investment Belgium and DELA Real Estate Belgium.

Works council members Belgium

End of year

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



Our organisation

Digitisation affects the entire organisation within DELA and the major change programme with which we are involved requires investment in systems and processes as well as in our people in both the line organisation and IT departments. Replacing the core systems is too complex to perform at once, which is why we are taking it step by step. The mutual dependency of projects is significant, which means we sometimes have to take a step back in the implementation trajectory. This may be disappointing, but it is inevitable. In 2021 we made good progress in our IT programmes, although one project was discontinued.

Another focal area in our organisation is innovation. DELA Cooperative is seeking new initiatives in society that resolve social issues by connecting people and organisations. In 2021 we took a participation in Salarise, a social fintech company.

Finally, this section describes our activities in the field of Corporate Social Responsibility (CSR). A CSR policy was determined at the group level for the first time in 2021, and we also gained a good insight into our organisation-wide CO₂ emissions. Various CSR initiatives were started.

Digitisation as a basis for personal service provision

DELA is in the midst of a large-scale, multi-year change programme to replace our core systems and implement new automation. The starting point is that DELA does not want to become a digital insurer or funeral services provider: the digital, technological developments are to benefit our members, customers and employees so that we can provide more personal quality and customised solutions. To further increase our flexibility, we must reduce costs, prioritise and make clear choices.

The extent in which we successfully implement the digital transition is called our 'digital mastery'. It involves the way in which we develop, deploy and benefit from our people, tools and systems to realise a successful and controlled digital change.

Change programmes

DELA has various IT change programmes, two of which are described below: the largest project and one that was discontinued in 2021.

Dolfijn

The Dolfijn programme is initially intended to replace the now outdated insurance systems with new technology over the coming two to three years to make DELA ready for the digital future. Key benefits Dolfijn should help us achieve include improving data quality and supporting a more automated processing.

Dolfijn was temporarily halted in 2020 after a second opinion advised us to restructure the programme and reduce its complexity. After completing many preconditional systems and making various improvements, Dolfijn was restarted around the end of the year.

The first functions went live in June 2021 and the new target architecture, which forms the basis for the insurance chain and will also be relevant for the funeral business, proved effective. We also made important steps in making our planning more reliable, and quality control was improved. We are still working on resolving various performance issues, as a result of which we postponed the migration of the Deposito module to 2022.

The IT change calendar was reprioritised in 2021 too. The goals from a broader context are:

1. Replacing and moving away from the older IT environment to ensure no resources are lost on its maintenance.
2. Enhancing our operations in several specific points.
3. Implementing the move towards future Total Cost of Ownership (TCO).
4. Digitising the insurance chain.
5. Preparing the conversion of Yarden to the DELA Netherlands systems.
6. Preparing the implementation of specific IT solutions for DELA Germany and Belgium.

In broadening the goals we reconsidered in 2021 how we could make the cooperation in the programme as successful as possible. It was clear that the previous setup was not in line with a broader change task. The new focal point in the new setup is a more intensive cooperation between business and IT. A team of quartermasters set to work on further developing and implementing the new setup. Made up of people from both business and IT, the team offers more competences and focal areas than was previously the case. Business will indicate which functionalities are needed, and in which order. It will also steer towards attaining value by prioritising between management and change. IT will provide advice, accept and guide the development and implementation. The setup of the programme applies the SAFe® framework, designed to implement an Agile work method on a larger scale.

Olifant

As a result of our reprioritisation, the decision was taken in 2021 to discontinue the Olifant programme.

Our ambition is to continue to be the largest and best funeral business in the Netherlands. Project Olifant was therefore considering the following question: "How will people in the future arrange a funeral?" We are seeing major shifts in society toward a digital society. By anticipating this, we can ensure we are future-proof and can support our customers in the way they prefer. DELA offers members and policyholders the opportunity to record their wishes, arrange a funeral (or part thereof) and be remembered by their loved ones. The Olifant programme was aimed at detailing these wishes and translating them into processes.

The programme was stopped as the scope of the change calendar was too great and the consequences of the Yarden takeover, which were an extra addition, required too many resources. Continuation was not considered smart at this stage. While the wishes and solutions we came up with will remain focal points in future automation, the development of a specific application for the funeral company was halted. The total activated costs for the funeral administration system of €6.1 million were therefore depreciated and fully charged to the result.

Change management: employee or chatbot?

There is a dilemma with change management. On the one hand we wish to help members and policyholders quickly and, preferably, via the desired channel and at the desired time. At the same time, we have to work cost-efficiently in order to benefit these same members and customers. Providing basic processes online enables employees to

perform tasks with more added value.

In 2021 we decided to stop including the phone number on letters to policyholders. We made significant investments in the 'MijnDELA' site, where customers can find information themselves and make various changes. After a relatively high number of complaints was received an external bureau was asked to investigate the matter.

The research showed that not everyone was able to easily find the customer services phone number on the website. The two-factor authentication, an added and required extra security measure for logging into the website, generated more questions. The increase in activities due to the pandemic and the lower occupancy in customer services (also due to COVID) resulted in a stagnation of the services at the wrong time.

The balance between visibility of the phone number and guiding customers to the right place to find answers or arrange matters themselves looks to be fine on the DELA website. There are ways we could better meet customer expectations, however, and we are currently working on improving these.

The conclusion is that DELA is taking major steps in online self-service, was well reachable in the past three years, and significantly increased its response time. A large part of our members use and appreciate MijnDELA. In the meantime, members are also increasingly using the chatbot. Some members, however, still prefer communication on paper and simply referring them to our service and contact page results in a less positive experience for this group in particular.

DELA will continue to develop MijnDELA and new types of technology to meet customer expectations. At the same time, we are watchful and curious about customer experiences. Structural attaining the optimal balance of digital progress, customer friendliness and reachability are very important to us.

Cybersecurity

Cyberattacks have become increasingly common in the countries in which DELA operates with companies being affected by ransomware or other hacks on a daily basis. Cybersecurity is a vital focal point for DELA and we don't want to provide too much information about our measures. We can, however, share that Board members and information owners played 'Game of Threats' in two teams. Some examples of issues raised in this strategic game were 'How does an attack work?', 'Which cyber threats does DELA face and how can we protect ourselves against them?', and 'What strategic choices can we make to increase our cyber resilience and counter attacks?'. The game is aimed to increase awareness of and insight into the complexity of cyberattacks and both teams had to make quick decisions based on minimal information. These were then evaluated to give participants an insight into the consequences of their choices.

Innovation

While DELA has achieved success in offering insurance and arranging funerals, the ambitions of our cooperative extend beyond that. How could we use the power of solidarity to make other positive contributions to society?

DELA Cooperative is looking for new initiatives that resolve social issues by connecting people and organisations based on equality and solidarity. This means that everyone is part of a greater entity to which they can turn when needed. DELA hopes to increase the interconnectedness in society and give power back to the people. Our exploration showed that the power of solidarity can be a major connector for social challenges in which social connections are increasingly rare. In concrete terms we worked on two propositions in 2021.

Salarise

DELA acquired shares in and is working with the peer-2-peer platform Salarise, which helps employees become financially healthy by trading in expensive loans and debts for loans at lower interest rates. Participants then pay off their loans and start with a clean slate at the end of their payment term. Salarise is not a bank – it is a company that facilitates investors to invest in making healthy loans more accessible.

www.salarise.nl

Fello

Fello connects organisations and their care professionals to support the important task of caregivers in society. It is available to everyone caring for a loved one who could use some support, offering one-on-one coaching to all employees who also act as caregivers.

www.fello.nl

‘Now more than ever, solidarity is a major binding agent in tackling social challenges’

Sanne Geurtsen, Manager Dela Innovation Lab

Corporate Social Responsibility (CSR)

DELA was established based on the strength of the collective. We take care of each other and that also means contributing to a better world. With this in mind we make responsible choices that help us leave our planet as clean and fair as possible to future generations.

CSR policy

In 2021 a CSR policy was established for DELA Cooperative at the group level. Our goal for 2030 is to:

- Make a positive impact on people and the environment with our products, services and operations.
- Ensure that this positive impact is seen by our members and society as a whole.

The CSR programme was developed in line with this ambition and focuses on the following five pillars.

1. Reducing own CO₂ emissions

1. We aim to reduce the CO₂ emissions of our operations and services as this greenhouse gas makes a major contribution to global warming. The Dutch National Climate Agreement states that the Netherlands will produce 50% less CO₂ in 2030 compared to 1990. DELA is ambitious and aims to reduce its CO₂ footprint even faster, namely by 100% come 2030. Our goal is to have all our operational activities be climate-neutral by 2030. This will allow us to comply with the Paris Agreement and the Climate Agreement, and contribute to Sustainable Development Goal (SDG) 13 on climate action.

First reduce, then compensate

The energy required for our Dutch crematoriums, funeral centres and the head office is purchased from Dutch solar and wind power suppliers, which is currently seen as the best option for green energy. We have placed solar panels on various premises. Gas consumption is compensated for using the highest possible standard: the Gold Standard from the WNF.

Crematorium Den en Rust renovated and made gas-free

Two electrical ovens were installed at this crematorium in Bilthoven, powered by 139 solar panels on the roof. The building no longer uses any natural gas.

2. Increasing the sustainability of investments

DELA is increasing the sustainability of its investment portfolio in line with the European climate agreement. We are reducing CO₂ emissions related to our investments and keeping ESG factors in mind. Our ambition is to reduce the net emission of greenhouse gases (CO₂ equivalent) by 50 percent by 2030 compared to the net emissions in 2019. DELA reduces negative impacts and enhances the positive impact of its investment portfolio on the world. In doing so we contribute to the Paris Agreement, the Dutch Climate Agreement, the UN principles for Responsible Investment, SDG 7 (Affordable and clean energy) and SDG 13 (Climate action).

DELA invests €100 million in Kempen SDG Farmland Fund

As part of its socially responsible investment policy DELA invested €100 million in 2021 in the Kempen SDG Farmland Fund, a Dutch fund that invests across the globe in agricultural land which is used for sustainable food production.

Sustainable investment in Lightyear, the Dutch solar-powered car

DELA invested in 2021 in Lightyear, a Dutch high-tech company that is developing the world's first solar-powered car.

Dutch Association of Investors for Sustainable Development

DELA had previously set itself the goal of being included in the top 10 benchmark for sustainable insurers set by the Dutch Association of Investors for Sustainable Development. It attained seventh position in 2021 (not published in 2020).

3. Greater use of sustainable materials

We strive to use finite resources in a smart way and are studying how best to minimise our material consumption. One way in which this is achieved is by using biobased and recycled materials, which also reduces the amount of waste we produce. Little by little, we are ensuring that our materials cause less harm and may even have a positive impact. Our ambition is to only use sustainable materials and resources by 2030, helping prevent the exhaustion of scarce resources and contributing to SDG 12 (Responsible consumption and production).

Chipboard coffins removed from range

On 1 May DELA Nederland removed all coffins made of chipboard from its product range. While chipboard is partly made from waste wood, coffins made of the material are not eco-friendly due to the large amount of glue required. Burning that glue is also bad for the environment. The most used coffin is made of fast-growing FSC-certified wood from Scandinavia and water-based wood glue.

4. Stimulating inclusivity

We find it important that people from different backgrounds, levels and ages feel welcome in our organisation and have the opportunity to contribute their own talents. It is this mix of talents that allows us to provide better services which are unique to every individual. DELA asks its suppliers and partners to apply the same approach. Our ambition is that everyone, regardless of age, gender, invalidity, race, ethnicity, origin, religion or status (economic or other) feels welcome at DELA in our role as employer and service provider. We research this aspect on a structural basis using employee and customer surveys. All this and more allows DELA to contribute to SDG 8 (Decent work and economic growth) and SDG 10 (Reducing inequalities).

From Made in China to Made in Breda

Catholics often like to place a cross on the coffin of their loved ones. Until recently these were made of metal, imported from China and individually packaged. In 2021 we introduced a wooden cross made of residual wood by the Amarant sheltered employment facility in Breda. This arrangement also drastically reduces the transportation required and removes the need for packaging materials.

5. Being the leader in the sector with sustainable funerals

Every funeral DELA arranges is unique, personal and of a high quality. At the same time we want to ensure we work with sustainable products and maintain partnerships with the right suppliers. We are a catalyst and innovator in the sector with regard to eco-friendly funerals, and can have a major impact as a significant market player. By 2030 we aim to be the leader and driving force in the field of sustainable funerals and be seen as such. This enables us to contribute to increasing the sustainability of the sector and SDGs 8 (Decent work and economic growth), 12 (Responsible consumption and production) and 13 (Climate action).

'DELA invests via a Dutch fund in agricultural land around the globe that contributes to sustainable food production. This brings financial benefits and meets our CSR goals while also contributing to the diversification of our portfolio.'

Frank Eizinga, Chief Investment Officer, DELA Group

Podcasts on sustainable funerals

DELA was involved in various podcasts in 2021 on the subject of sustainable funerals. There are already many options available in this field, from electric hearses and funeral cars to mourning cards on sustainable paper and eco-friendly coffins. At the same time there is more to be achieved in this area and DELA employees have been discussing these in the podcasts.

Research into how our members see sustainability

How important is sustainability for DELA as a cooperative to our members? And how interested are they in the sustainability of our service provision? DELA asked these questions to our cooperative panel in 2021 and found that while members value the fact that DELA operates in a sustainable way they are insufficiently aware of what we are already doing in this framework. On the overall subject of the environment members find it most important that DELA contributes to the preservation of biodiversity.

Companies often see sustainability as a balance between People, Planet and Profit but in our survey we made the distinction between 'People & Society', 'Environment' and 'Economy'. The largest proportion (86%) of the people who completed the survey most valued DELA's contribution to People & Society, followed by Environment (84%) and then Economy (80%). What themes did the respondents consider most important?

- **People & Society**
 - Good employership (96%).
 - Social added value (90%).
 - Diversity and inclusivity (88%).

- **Environment**

- Biodiversity on our premises (92%).
- Waste (92%).
- Energy (89%).

- **Economy**

- Investing with exclusion criteria (87%).
- Investing in companies that increase the sustainability of the funeral sector (82%).

Model for CO₂ calculation taken into use in Belgium and Germany

In 2020, DELA implemented a new model for calculating its CO₂ footprint which is in line with the Greenhouse Gas (GHG) protocol, the world's most widely used benchmark for calculating emissions. The method applies three scopes:

- Scope 1: direct CO₂ emissions from sources within the organisation. This involves emissions produced by buildings, transport and production-related activities.
- Scope 2: indirect CO₂ emissions via the generation of purchased and consumed electricity or heating.
- Scope 3: indirect CO₂ emissions caused by the activities of another company. This involves emissions from sources not owned by the organisation and over which it has no direct impact.

According to the Greenhouse Gas Protocol – and this is most commonly used by most companies in practice – an organisation should at the very least take responsibility for CO₂ emissions caused by scope 1 and 2.

The applied model involves a top-down approach and therefore gives a more complete, integrated and realistic image. It was implemented at the level of the cooperative in 2021 and the footprint was also determined for DELA Belgium and DELA Germany.

The emissions for each scope are indicated in the table below.

In accordance with the protocol, investments are also part of DELA's CO₂ footprint. This category is being monitored but has not been included in the table below as they are less within DELA's sphere of influence. Nonetheless, the aspect is included in DELA's corporate social investment policy.

CO₂ emissions

Net, tonnes. Excluding investments. 2021: DELA Netherlands (including Yarden), DELA Belgium and DELA Germany. Up to 2020: DELA Netherlands only.

	2021	2020
Scope 1	4,577	338
Scope 2	2,602	-
Scope 3	30,804	18,728
Total	37,983	19,066
Netherlands, excluding Yarden	21,109	19,066
Netherlands, Yarden	7,824	-
Belgium	8,990	-
Germany	60	-
Total	37,983	19,066

The average CO2 emissions per funeral further declined from 496 kg in 2020 to 440 kg in 2021.



Sustainable investments

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

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

Engagement

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

DELA addressed a total of 413 companies in its equity portfolio on engagement topics in 2021 (2019: 309) and this had an effect on 208 occasions (2019: 191). A dialogue was sought with 126 companies (2020: 123) within the corporate bond portfolio, which led to 77 positive changes (2020: 64). See table below for more details.

Engagement

Companies addressed, by engagement topic

Item	Segment
Customer satisfaction	389
Environmental issues	191
Company ethics	37
Respect for human rights	124
Personnel issues & Working conditions	357
Public health	187
Corporate governance	277

‘Together with stakeholders we build our cooperative as a leading socially responsible company. This is an obvious way forward as we aim to connect the generations.’

Ilse van de Voort, CSR Manager

Our finances

DELA Cooperative is there for its members, from generation to generation, without aiming to make a profit. A good financial starting point and management are important starting points for a sustainable financial foundation, and help ensure continuity for our members and policyholders.

The Yarden takeover makes the cooperative larger and stronger. In the long term it will have benefits in terms of profit distribution and protection against inflation.

The solvency – the indicator determining DELA's financial health – was at 266 percent at the end of 2021. This is a strong result, albeit fractionally lower than in 2020. The reduction is mainly due to changes to the economic parameters, especially interest rates and inflation. The high investment yields almost entirely make up for this reduction.

The operating result was around €54 million, an increase of 41% on 2020 that is mainly due to a better result for the insurance company. The funeral company improved its result thanks to an increased coverage of fixed costs, which is in turn a result of the higher number of funerals, and cost savings.

The investment result showed healthy figures. On balance, the results from investment are €646.4 million.

The increase in the average funeral costs for the in-kind package in the Netherlands was limited to 3 percent.

The profit distribution in 2021 was lower as the average coverage over 2020 was just above the 120% standard at 122%. The application of a premium measure (a decision to apply an additional premium increase) wasn't strictly necessary but profit distribution was limited.

DELA members share the burdens so they can receive extra benefits that more than make up for these burdens in the long term. And therein lies the strength of our cooperative.

The Yarden takeover

Here we give a broad outline of the financial consequences of the Yarden takeover.

The acquisition price comprised a symbolic purchasing price of €2 for all shares.

DELA agreed that in case of the death of a Yarden in-kind package policyholder in the period between the takeover date and ten years later, all services from the package will be provided without extra cost, under the condition that our funeral company is used. DELA reserved €22.6 million for this purpose.

DELA also agreed that the part of the indexation which had been frozen by Yarden in 2019 when it implemented an en-bloc clause on the in-kind package policies would be compensated. A nominal amount of €62.4 million (actual value: €57.8 million at the end of 2021) was set aside.

Moreover, DELA will pay €1.5 million to the Yarden Association in three annual terms, allowing this volunteer organisation – that wasn't included in the takeover – to continue independently. DELA members can also benefit from the services of the association.

DELA has acquired an insurance company with approximately one million customers and a funeral company with 47 funeral centres and 24 crematoriums.

To obtain approval from the Netherlands Authority for Consumers and Markets (ACM), DELA had to sell two funeral centres and seven crematoriums in which four funeral centres are accommodated.

The invested capital acquired from Yarden represented a value of €1.62 billion on the takeover date. This was included under DELA's management and partly transferred into DELA's investment mix.

Although it involves an investment in the short term, solidarity here does not mean that DELA members are looking to resolve the problems of Yarden members by making a donation. To understand the win/win situation, it is important to realise that insurers with a strong solvency ratio such as DELA have plenty of space to set up their investment mix in line with the type of long-term obligations involved in funeral insurance. This involves a broad spread of investments, with an expected higher risk in the short term as well as an expected higher yield in the long term. On the other hand, insurers with a weak solvency ratio, such as Yarden before the takeover, cannot bear these risks in the short term. This compelled Yarden to take a risk-avoidance approach to capital investment, which gave an insufficient yield to fulfil its insurance obligations. This in turn further reduced the solvency and the risk the company was allowed to take, placing Yarden in a negative spiral. The sum of DELA and Yarden paints a different picture. Together with DELA, the solvency is more than sufficient to invest for the long term, with expected higher yields. This is why Yarden's invested capital was partially transferred to a more offensive investment strategy. In the long term, DELA expects a positive cycle, in which DELA's members will benefit via profit distribution.

While the takeover does require a capital injection in the short term, this has only a limited impact on the capital and solvency of DELA, and will not lead to any extra premium increases.

Thanks to the takeover, DELA has gained around one million policyholders, as well as a large number of funeral centres and crematoriums. This results in an even large scale and gives DELA national coverage in the Netherlands of its own locations.

Income from premiums

The Yarden takeover did have consequences on the premiums received by DELA in 2021.

After deduction of the reinsurance premium, DELA received €592.5 million in premium income (2020: €516.8 million), a rise compared to the previous year of 15 percent (2020: 8 percent). The income increased in all countries. In the Netherlands nearly half of the increase was caused by the Yarden takeover: €29.7 million of the €57 million increase. This involves the premium from the takeover date in early August 2021. DELA doubled its premium income in Germany.

Premium income

€ x 1,000. After deduction of reinsurance premium

	2021	Difference	2020
Netherlands	434,518	+56,955	377,563
Belgium	136,258	+7,495	128,763
Germany	21,696	+11,230	10,466
Total	592,472	+75,680	516,792

Investment income

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

2021: strong recovery

Over 2021 we saw substantial recovery. A year earlier, with the start of the pandemic in early 2020, share prices fell on almost all financial markets worldwide. Recovery started in late 2020. The investment result in 2021 was €646.4 million compared to €74.4 million in the previous year. The yield was 9.3 percent (2020: 1.4 percent).

Income from investments

€ x 1,000

	2021	Difference	2020
Investment results	646,420	571,761	74,659

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

Effects of Yarden takeover

The effects of the Yarden takeover on the investment portfolio were significant. The Yarden balance had different characteristics than DELA's, as a result of which strict limitations applied to Yarden with regard to the portfolio composition. For the invested capital of Yarden, now merged with DELA's invested capital, we largely implemented the criteria and composition of DELA's investment portfolio in 2021.

A good mix of active and passive investments

The vision related to the allocation of the share portfolio was reformulated in 2021. We began by looking for a neutral composition based on international benchmarks. This matter was also discussed with external consultants. We then made a number of changes based on choices, including in the field of sustainable investments. Other choices made were related to the diversification between regions, the efficiency of markets and the cost of hedges.

DELA composed a good mix of active and passive investment portfolios both for the shares and the fixed-interest investments. The active fund managers will supply added value in the medium term and be paid by DELA for their reasonably consistent outperformance. The passive portfolios deliver results in accordance with the chosen benchmarks, as they should.

Operational result

The operational result rose by 41 percent to €54.5 million (2020: €38.6 million).

Operational result

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

	2021	Difference	2020
Insurer	66,703		51,557
Funeral company	3,871		1,474
Cooperative	-14,018		-12,937
Effect of group policies*	-2,104		-1,527
Operational result	54,452	41%	38,567

* adjusted from previous publications

The insurer's result was €66.7 million, which is €15.1 million or 29 percent higher than in 2020. The result of the funeral company almost trebled to €3.9 million. This can be attributed to the increasing coverage of the fixed costs and cost savings, partially due to the Yarden takeover. The funeral company aims to increase its market share among non-members (in the free market) with the goal of achieving cost reductions via increases in scale.

The costs not assigned to the insurer and funeral companies increased by 8 percent to €14.0 million.

Member questions: gas prices

Does the rise in gas prices affect the price of cremations and insurance policies?

The increasing gas prices have yet to have any effect on the premium or costs of a cremation. DELA already fixed its prices for 2022 with its supplier before the sharp increase, and it is comparable to the price in 2021.

Although the number of electric cremation furnaces is increasing, the majority of the furnaces in DELA crematoriums still use gas. Some 60m³ of green gas is used for each cremation. The future of energy costs cannot be predicted at this time although if the price stays high this will eventually have a limited impact on funeral costs.

Coverage

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

The average coverage (13-month average) at the start of the year under review was 116 percent, and ended at 135 percent. The factors behind this increase are explained below.

The 20-year interest rate rose from 0.00 percent in early January 2021 to 0.55 percent by the end of December, leading to a 12%-point rise of the coverage. The good investment results caused a 13 %-point increase. The growing inflation caused a 9%-point drop, however. Other developments led to an increase of 3%-point, while the Yarden takeover had hardly any impact on the 2021 coverage.

Average coverage

Percentage. Dampening and enhancing effect in percentage points

	Start of the year	Dampening effect	Enhancing effect	End of the year
Start of the year	116%			
Increased inflation		-9%		
		-9%		
Increased interest curve			12%	
Investment income			13%	
Other factors			3%	
			28%	
End of the year				135%

The average coverage over 2021 was 129 percent (2020: 122 percent), a figure which forms the basis for the profit distribution in the following year.

Profit distribution

DELA aims to ensure members a stable pay-out for funerals. The profit distribution is one of the unique characteristics of the cooperative.

Limiting consequences of back-service

Funeral costs rise over time due to inflation. Premiums are also increasing due both to inflation as well as back-service costs. When funeral costs increase during the term of the funeral insurance, the amount paid in over the underlying years is based on an insurance value that was too low. This difference must be made up for in the future, a correction called back-service. In principle, therefore, an increase in funeral costs leads to a higher percentage increase in the premium which DELA aims to limit using profit distribution. The amount being shared depends on inflation: the higher the inflation, the higher the back-service and the greater profit we aim to share in principle.

Safeguarding functioning of business model

As DELA must always remain financially solid for its members, there are certain limitations to the extent to which profit distribution can be used in a year. One of these limitations is determined by the average coverage over the past 12 months. If the average coverage is 210 percent or higher, the profit will be distributed. A coverage of between 120 percent and 210 percent leads to a partial distribution of profit. Under 120 percent no profit is distributed. If the 20-year interest drops below 1 percent and the coverage is lower than 120 percent, a premium measure (additional premium increase) will be applied.

Changes to premium measure scheme in 2021

Low interest rates have an impact on DELA's solvency and the premium measure was changed in this framework during 2021. DELA prefers not to apply this measure, but will do so if really necessary as it is in the interest of the cooperative and our members to maintain our solvency level and ensure our business model is safeguarded. What changes did we make? A coverage lower than 120 percent and an interest of 0 percent involves an extra premium increase of 0.75 percent. For 2021, DELA assumed that the extra premium increase would be no more than this 0.75 percent, even if the interest rate were to go below zero percent. A longer negative interest rate will however require more space for an extra premium increase in order to preserve the solvency. The premium measure was changed in this regard. The maximum extra premium increase is now 1.5 percent and will be triggered at an interest rate of -1 percent. Thankfully the negative interest trend seems to be disappearing, which means that the change will not be required in practice for the time being.

What is best for the members is determined annually based on scenarios: in the long term the goal is to ensure the cooperative remains financially solid and in the short term the aim is to limit an increase in premiums.

Profit distribution 2021

A profit distribution of €5.9 million (2020: €43 million) was proposed for 2021. The lower figure was due to the average coverage over 2020 of 122 percent being only just above the standard of 120 percent. Although a premium measure was not required, this did limit the distribution of profit.

Distribution of profit

€ x 1,000

	2021	2020	2019
Appropriated	5,940	42,994	42,323

Profit distribution is expected to be higher in 2022 as the average coverage in 2021 was higher compared to the 120 percent standard.

Profit distribution

The choice regarding increasing the premium is based on a choice for member interests in the long and the short term.

Premium adjustment

The premium increase for the funeral plan in the Netherlands on 1 January 2022 was 3.46 percent and based on three factors:

- Increase related to the inflation of funeral costs. This component of the premium change is determined annually by the general meeting. The expected inflation for the following year determines the proposal for the premium increase as of 1 January. As the expected inflation over 2022 was 1.73 percent, the same percentage was proposed to the general meeting as component for the premium adjustment per 1 January 2022. The meeting accepted the proposal.
- Increase related to not fully awarding the profit distribution for the coverage of the back-service. A 1.76 percent premium increase was required for the back-service as per 1-1-2022: just 0.03 percent was financed by profit distribution, which meant that 1.73 percent needed to be covered by policyholders.
- Increase related to the premium measure as a result of a structurally low interest rate and low coverage. A premium measure didn't apply because the 12-month average coverage was above 120 percent in 2021.

Solvency ratio

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

The solvency ratio decreased from 270 percent to 266 percent at the end of the year.

The development of interest rates, inflation and other economic parameters resulted in a 41%-point fall in the solvency ratio. The updating of the starting points reduced the ratio by 18%-points mainly due to a cost increase in the Belgian portfolio. Investment results added 76%-points to the solvency ratio. Various other developments, such as the increase in mortality rates caused by COVID-19, new production and a refinement of the indexation policy for the Belgian in-kind product resulted in a drop of 21%-points. The Yarden takeover had very little effect on the solvency ratio.

The solvency ratio takes into account the market value of our investments and obligations to policyholders: in insurance terms, the technical provisions. Our obligations should be discounted using the actual interest. Our investments had an average result of 5.3 percent over the past decade. For the coming years, we expect an average result of 3.8%. This should not be calculated into our obligations, however; the current interest will remain the basis.

At the time Solvency-II was introduced in 2016 the 20-year interest was approximately 1.5 percent by the end of 2021 it was just 0.55 percent. DELA is therefore experiencing a dampening effect of the interest on the solvency ratio.

Solvency ratio

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

	Start of the year	Dampening effect	Enhancing effect	End of the year
Start of year	270%			
Change in economic parameters (mainly interest and inflation)		-41%		
Assumption amendment		-18%		
Other developments		-21%		
		-80%		
Investment income			76%	
Ultimo				266%

Robust business model

The results indicated in this segment underline the fact that DELA has a unique and very robust business model.

The lower profit distribution in 2021 does not change this fact – in fact it proves the resilience of our cooperative. The solidarity of our cooperative is partly based on members and policyholders sharing a limited risk. In exceptional market conditions, the premium can be further increased to a small extent. This helps keep the premium lower in normal market conditions as it is easier to maintain the solvency level of the collective.

The choice between a higher or lower premium increase is a consequence of a policy tool determined by the member representatives themselves in the general meeting. The choice of premium increase is one between long- and short-term member interests, with those interests always taking priority. Some other insurers share profits – including the calculated risk premiums – with shareholders, while shortfalls are compensated for by premium increases. At DELA Cooperative, the member collective is the shareholder. We share both the benefits and the burdens... And that is the strength of our cooperative.

Prospects

The main tasks for 2022 are realising the integration of Yarden and accelerating the development of our data and IT landscape to bring personal service provision to a higher and more cost-efficient level. The further development of our membership model and product portfolio are also high on the agenda. At the same time, we must focus on the rising inflation and have a high degree of cost-awareness.

Ambition 2022

Solidarity and continuity are the key terms in our vision and revolve six main goals related to our members, connections, reputation, people, organisation and finances. Here we make these main goals more concrete, not just for our vision (see 'In brief' and 'Vision and strategy') but also with regards to our ambitions for 2022.

Our members

In the Netherlands we are aiming for a limited increase in policyholders in 2022, taking into account a decline in the Yarden portfolio. We will strengthen our commercial efforts to grow in the free market funeral sector.

We also wish to continue our growth in Belgium. We expect an increase in takeovers of funeral companies and are working on introducing membership of the cooperative.

In Germany, where customers are not yet able to become members, we are aiming for a significant growth in the number of customers and further build-up of our distribution channel.

In total, the DELA Group aims for a growth of some 70,000 policyholders in 2022.

To place membership at the core of all our service provision, we are developing a new framework for membership, brands and products that will be presented to the general meeting in early 2023 for evaluation.

Our connections

We aim for a more intensive relationship with our members and customers, supporting them outside of the 'saying goodbye' domain as well. We believe it is important that customers experience a personal connection in their contacts with DELA.

In 2022 we will further develop the framework of membership, products and services in the Netherlands, and make the membership more autonomous. In this regard, we will also start measuring the familiarity and appreciation levels for membership.

In Belgium, we will further develop the membership and welcome the first members to the cooperative. For insurance, we will continue our distribution plan. The funeral company will be focused on growth and the enhancement of our processes to ensure a long-term profitable business.

In Germany, the market for funeral insurance is still rather immature. As a leading party in the 'saying goodbye' domain, we aim to expand this market and stimulate our own growth. In Germany, too, we will be exploring membership options, and increase the number of brokers while maintaining a strong focus on online distribution.

Our reputation

We will increase our reputation measurement in the Netherlands to gain a greater insight into the level of various company segments. The positioning of the funeral company and the free market funerals will also be further developed.

In Belgium we will introduce the DELA brand within the funeral company and disseminate the story of the cooperative and our standpoints

DELA Germany will start research into the Net Promoter Score (NPS) among customers of our brokers. We will also extend the satisfaction measurement among distribution partners.

Our people

With regard to our employees, we are working hard on the points of improvement from the Effectory survey. We are involved in a cultural enrichment process that is founded on curiosity. In the Netherlands we will be working on new ways to work and manage together, continue to build on a sustainable, flexible organisation, improve the labour market communication and focus on critical target groups in particular, including IT specialists. Another major focal point is the Yarden integration.

In Belgium we are working on vitality and resilience, using a leadership programme, wellbeing programme and our approach for talent development. A major focal point is improving on the work pressure so we will be paying more attention to prioritising projects and capacity management. We will also keep an eye on the labour market and implement performance management.

In Germany, we will improve our assessment & progress meetings and work floor coaching, and start a structural employee satisfaction survey.

Our organisation

The Dutch organisation will be focused on achieving the integration goals related to Yarden and the CSR goals. We will also be working on becoming the best listening organisation in the Netherlands (Gouden Oor) and improving our process management.

In Belgium we will implement our reinforced CSR programme and continue to professionalise data governance.

For DELA as a whole, we will focus on accelerating the agenda related to digitisation and IT.

Our finances

Inflation is a focal point in the field of finance. Managing the average funeral costs and premium increases are crucial, and the latter should not be much higher than the general price indication. Interest rates are still low but going up. We expect the possibility of achieving good investment results in 2022 and therefore positive operational results to be limited. Nonetheless, our unique cooperative business model gives DELA a robust solvency. The rising interest rates do increase the possibility for profit distribution, and allow us to mitigate the costs of the growing inflation rates – another benefit of our business model. All parts of DELA must keep a close eye on cost management. The funeral company in the Netherlands will focus on expanding free market funerals, while Belgium will put its energy into acquisition.

COVID-19

The large-scale vaccination and scaling-down of measures gives us hope and confidence that the impact of the pandemic on our society and business will not be the same as in 2020 and 2021. In terms of the impact of COVID on our continuity, we can state that the past years have shown that even a pandemic of this nature did not pose a risk to our organisation.

War in Ukraine, sanctions against Russia

In March the world was confronted with the invasion of Ukraine and the war has impacted us all. We see terrible images of combat every day and millions of people have already fled. Our employees are asking themselves what they can do. The DELA Fund is providing significant support to employees who are developing initiatives to provide aid.

One consequence of the invasion are the sanctions against Russia. DELA has considered its investments in Russia – worth €57 million before the war started – and decided to step away from them. It was a painful but necessary decision to take, the effect of which will only be seen in the 2022 annual statement.

Our investments in Ukraine were worth €8.4 million before the war started and will probably be subject to significant value reductions. The total exposure for both countries involved 0.8 percent of the total invested capital of the cooperative before the invasion started.

DELA is fully complying with all sanctions, following the related developments and anticipating them where required.

The term and eventual scope of the war are unclear, as are the effects on the economy and society. For our cooperative the main impact will be on the value of investments. Although the value went down, investment rates always fluctuate. Energy has also become much more expensive and is adding to the inflationary pressure. While we cannot in all honesty predict the consequences, we can state that there is no reason to believe that the continuity of our cooperative will be affected. Nonetheless, our heart goes out to the Ukrainian people and we strongly condemn the events happening in their country. We also realise that the war there is touching the heart of our society and everything we represent.

Word of thanks

The Executive Board thanks all stakeholders for their involvement. Despite the restrictive conditions we worked hard and well in 2021; a year that will go down in the history books as the second year of the COVID-19 pandemic – something nobody expected at the start of the year under review. Thanks to the efforts and flexibility of some 3,000 employees and our circle of suppliers, advisors and other relations, DELA was able to fulfil its social responsibilities well. We are proud that we were able to offer Yarden policyholders a safe home, while giving DELA the opportunity to boost its growth curve significantly. This is how we end 2021 – although we're already fully involved in the events of tomorrow. The situation in Ukraine worries us and we don't expect a definitive solution any time soon. It is already clear that there will be major consequences and, as is our duty, we are keeping a close eye on developments.

It is also our duty as a cooperative to create meaning for society. To summarise: we are thankful and proud. And we remain curious to see how we can continue to shift our focus whenever it is needed.

Eindhoven, 30 April 2022

DELA Cooperative

The Executive Board

E. (Edzo) Doeve MAIA

J.A.M. (Jack) van der Putten MMO

J.L.R. (Jon) van Dijk RA

In view of Title 9, Book 2 of the Dutch Civil Code (BW) the information provided in the 'In brief', 'Governance and risk management', 'Annexes' and 'Terms & abbreviations' sections is part of the 'Executive Board report'. For presentation reasons the information is not repeated here.

3 Supervisory Board report

Presentation of the annual report

Dear DELA members and other stakeholders, dear reader

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

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

2021

In the year under review the Supervisory Board was mainly focused on the takeover of Yarden. There were also many discussions about the effect of the pandemic on our operations, progress on and choices related to the IT-change calendar, our investment policy and internal controls.

Our tasks and responsibilities

The tasks and responsibilities of the Supervisory Board comprise supervising the Executive Board and the general course of affairs in the cooperative and its associated companies. In addition, the Supervisory Board provides the Executive Board with advice, weighing all the relevant interests, including those of its members and employees. In addition to its supervisory and advisory role, the Supervisory Board functions as the employer of the Executive Board members. All members also act as the Supervisory Board of DELA Holding NV and of DELA Natura- en levensverzekeringen NV. As a result of the Yarden takeover, four members of the Supervisory Board, together with J.H. (Janhein) Pieterse who was appointed on behalf of Yarden's work council, also make up the Supervisory Board of Yarden Holding BV from August 2021.

Supervisory and advisory role

The Supervisory Board was kept regularly informed during 2021 about the realisation of the cooperative's course and goals, strategy and risks related to the company activities, the impact of COVID-19 including the consequences for funeral services and employees, employee satisfaction, commercial activities and results, turnover and cost development, investments, IT projects and the change calendar, risk policy, the setup and functioning of internal risk management and control systems, (financial and non-financial) reporting and the compliance with laws and regulations. The Supervisory Board assessed whether the capital allocation, investment policy and liquidity position were in line with the risk appetite at a strategic level. In 2020 the Supervisory Board found that the risk appetite with regard to profit distribution had been exceeded and discussed the matter with the Executive Board which then reviewed the Risk Appetite Statement. The Board regularly discussed the Yarden takeover, with an important aspect being to weigh up the solidarity which has been a core value of DELA since its establishment against the financial position of the members and cooperative. The Supervisory Board ultimately agreed with the Executive Board's proposal to take over Yarden.

Supervisory Board as employer

The Supervisory Board evaluates the functioning of the Executive Board members at least once a year, as was the case in 2021. This topic is regularly discussed in the Remuneration and Appointment Committee and in the Supervisory Board as a whole.

The Supervisory Board also supervises the policy of the Executive Board with regard to the selection criteria and appointment procedure for senior management.

The variable remuneration for the Executive Board is determined based on financial and non-financial result-oriented agreements derived from DELA's long-term strategy, risk appetite, multi-year goals and annual plan. Based on the performance of the Executive Board in 2021, the remuneration and appointment committee proposed that the Supervisory Board award a variable remuneration. Except for the Executive Board, variable pay will be terminated for all functions within DELA Netherlands in 2022 and be replaced by a compensation.

The working conditions for DELA Netherlands were modernised. A new pension scheme was entered into for new employees of DELA Netherlands. The Supervisory Board closely monitored the proposals and process and is satisfied with the achieved result.

Composition and functioning

Changes to the Supervisory Board

Secretary Jan Pieter de Pender stepped down as Supervisory Board member in September 2021. He had been appointed in 2009 and ended his membership after reaching the maximum term. The meeting was followed by an event in which we said our official goodbyes to Jan Pieter and to Corjo Jansen, who stepped down in June 2020, and whose farewell could not take place due to COVID.

Frits van Bree was appointed a Supervisory Board member in the general meeting of 4 September and has been member and secretary ever since. He had been a member of the general meeting since 2016 and became member of the confidential committee in 2017. Frits was appointed by the members of DELA, and his appointment was approved by DNB.

On 5 February 2022, after the year under review, Georgette Fijneman was appointed a Supervisory Board member in the first general meeting of 2022. She joined the Board immediately and her appointment was also approved by DNB. This fills the vacancy that had been available since Corjo Jansen stepped down on 6 June 2020.

In the same meeting of 5 February 2022, Willemien Caderius van Veen was reappointed Supervisory Board member for a period of two years, marking the start of her third term.

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.

Functioning and evaluation of the Supervisory Board

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

The Supervisory Board discusses its own functioning at least once a year and once every three years with independent external support. The reference framework of the evaluation is based on the Dutch Code of Conduct for Insurers as well as prevailing insights into good governance. The Supervisory Board feels that it is functioning effectively and, with its current composition, can guarantee a sufficient level of knowledge, experience and

competence. Moreover, the general notion is that its composition is complementary and pluriform. The Supervisory Board uses a profile to ensure a proper composition and every year reassesses whether the profile is still in line with the current and future tasks and interests of the Supervisory Board.

Supervisory Board meetings

Supervisory Board meetings

During the year under review, the Supervisory Board continuously monitored the Executive Board and provided advice.

Twelve meetings were held with the Executive Board in 2021, several of which were dedicated to the Yarden takeover. The Supervisory Board closely monitored developments and discussed the takeover in detail. In the reporting year, George de Méris had an attendance rate of 92 percent and Jan Pieter de Pender 89 percent; both were absent for one meeting. The other Supervisory Board members had a 100 percent attendance rate.

As usual, there were two regular general meetings. In addition, another general meeting was held related to the Yarden takeover. And because the June meeting took place in abbreviated form due to the COVID pandemic, a further meeting was held in September to discuss the remaining topics and vote in writing. The 'Executive Board report' segment describes the topics discussed in the general meetings in the 'By and for members' section.

There was regular contact between the Supervisory Board chair and Executive Board chair throughout the year. The Supervisory Board met three times with the confidential committee. Various members have individually attended one or more meetings of the DELA Nederland works council.

The Supervisory Board oversaw the general policy of DELA and its associated companies in the Netherlands, Belgium and Germany. The developments in the field of risk management and IT and the activities and results of capital management were recurring topics. As is the case every year, the Own Risk and Solvency Assessment (ORSA) and capital policy were on the agenda in December. The regulations for the Supervisory Board and committees were also evaluated and confirmed, with the exception of the remuneration and appointment committee which was slightly adapted.

Audit committee

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 and IT.

Items discussed by the audit committee in 2021 included:

- The internal audit plan 2020 (evaluation/progress analysis), the external audit plan 2021 (confirmation) and the internal audit plan 2022.
- The auditing of soft controls, culture and behaviour, and the way the Internal Audit department deals with these issues.
- The monthly and quarterly reports.
- The governance charter, which will be adapted in 2022 to reflect the Yarden takeover and then also include the three lines of defence model related to risk management.
- The report of the annual meeting between DNB, Deloitte and the internal accounting department.
- The annual report and financial statement 2020.
- The accountant's report for 2020, in the presence of the DELA Group and DELA Belgium accountants.

- The reappointment of Deloitte as accountants for DELA Belgium.
- The development of the post-technical provisions, especially the effects of the premium measures.
- The evaluation of the internal and external processes in the financial statement trajectory.
- The DELA Group business plan for 2022. In view of the Yarden takeover a refinement of the business plan will be included in the spring, including concrete KPIs related to Corporate Social Responsibility (CSR), partly because new regulations require reporting in that field.
- The access security and implementation of IT vulnerability scans and increasing the related budget.
- The progress of IT and the cooperation and alignment between IT and business.
- The verification of customer identity, the processes used and the meetings with DNB on this subject.
- The consequences of the COVID protections on the implementation of services, yields and costs.
- Commercial developments related to free market funerals.
- The sale of crematoriums due to the decision by ACM.
- The meetings of the Executive Board and some employees with DNB.
- The payment process at DELA Germany and internal procedures, including authorisations.
- The sale of crematorium Hasselt (see Executive Board report, 'Our connections', under 'Local presence').
- Possible acquisitions of funeral companies in Belgium and the related strategy.

The composition of the audit committee is as follows:

- Willemien Caderius van Veen, chair.
- Hans Leenaars.
- Frits van Bree.

Until the appointment of Frits van Bree on 4 September, George de Méris was part of the audit committee. The audit committee met four times, with a 100% attendance by each member.

Risk committee

The risk committee prepares the supervision of the Supervisory Board for 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.

Items discussed in the risk committee in 2021 included:

- The status of the internal control at all country organisations (the Netherlands, Belgium and Germany). We discussed the processes, the control systems and the maturity model for internal control in a general sense as well as the development progress made based on the model stages. While there is still a lot to be done, the committee feels that the management and improvements are going well.
- The quarterly risk management reports.
- The risk appetite statements. The risk management policy prescribes that the statements in which DELA determines the risks it is willing to take are evaluated on an annual basis. Two risk appetites were the main focal points of the evaluation in 2021: profit distribution and premium increases. It had already been established in 2020 that the risk appetite statement related to profit distribution had been exceeded. The Executive Board presents the current state of affairs in the 'Risk management' section of this report. The risk committee will continue to closely follow developments in 2022.
- The investment policy, including the process to initiate investment proposals and obtain approval, the CSR requirements and restrictions, and the state of affairs related to the dismantlement of the real estate portfolio.

- The assessment of the premium measure by DNB and the related meeting with the Executive Board and employees.
- Developments related to interest rates, inflation and investment performance along with their impact on DELA.
- An extensive evaluation of the dynamic ORSA and changes to the static ORSA.
- Climate risks and the way they are included in the ORSA, including a specific evaluation of the location of real estate in view of rising sea water levels.
- The SFCR 2020.
- The quarterly reports related to tax management.
- The investment exclusion list.
- The investment/participation in the solar-powered vehicle Lightyear, the asset class in which this investment is included, and the process prior to taking on an investment of this type.
- The rating report of Assekurata (DELA Germany) and the process applied.
- The provisions for Yarden policyholders and the consequences and effects thereof for the cooperative, the members and Yarden policyholders in the light of various scenarios related to areas such as inflation, rising funeral costs, profits, interest rates and revenues from the crematoriums and funeral centres sold due to the takeover.
- The Yarden integration plan.
- The quality of risk management at Yarden and staffing of jobs in this field.
- The legal procedures with Yarden franchise holders.
- Tax management, partly related to the Yarden takeover.
- The management of funeral company costs. The risk committee asked the Executive Board to formulate a sharper vision on the multi-year goal, partly related to premium development and solvency, and to ensure a clear demarcation of costs between the cooperative and the funeral company.
- The investments and assets related to ESG (Environmental, Social, and Governance) developments.
- The discontinuation of the Olifant IT project and the subsequent full focus placed on the Dolfijn IT project (see Executive Board report under 'Our organisation' for a detailed explanation).
- The processing of personal details and a data leak resulting from human error (which was reported to the Dutch Data Protection Authority (DPA)).
- The evaluation of the actuarial function in the presence of advisors from Willis Towers Watson.
- The 'anti money laundering' regulations in Belgium and the process taken in this framework.
- Changes to the risk committee regulations.

The composition of the risk committee is as follows:

- Hans Leenaars, chair.
- Willemien Caderius van Veen.
- Georges de Méris (from 4 September 2021).

Jan Pieter de Pender was a member of the risk committee until his departure as Supervisory Board member on 5 June. The committee met four times, with a 100% attendance by each member.

Remuneration and appointment committee

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.

Items discussed in the committee in 2021 included:

- Prospects related to the composition of the Executive Board.
- The shift in focus by the DELA Executive Board from DELA Netherlands to DELA Group. Jon van Dijk will intensify his activities as CFRO at the group level and no longer be active in the management of DELA Netherlands, where he was also CFO.
- The fleet review and changes to the group management and key functions, including possible development trajectories from the perspective of those involved.
- The growth potential from the organisation to the management and key functions and possibly to the Executive Board, including suggestions on how to improve this potential.
- The phasing out of the management and leadership method 'result-oriented work' and the implementation of a new method related to learning and performance management.
- The cultural enrichment programme.
- The remuneration of the Executive Board and the group of managers and key functions (including various analyses, looking ahead and back), the cancellation of variable pay for all functions in DELA Netherlands and providing compensation instead. It was also assessed how desirable and necessary changes are in this regard due to the effect of remuneration goals resulting from the Yarden takeover.
- The experiences of testing a new assessment system in DELA Belgium in which employees and department assess each other. Similar tests are taking place in DELA Netherlands and the IT and Marketing departments.
- The modernisation of the working conditions within Dela Netherlands. These are now in line with DELA's modern views on employership and desire to be a frontrunner in the labour market in this regard.
- The new pension scheme for new DELA Netherlands employees, which is based on an available premium scheme, including employer contribution, partner pension and further transition plan. While involving a necessary scaling down of the pension, this a good scheme socially speaking.
- The reorganisation resulting from the Yarden integration, the current situation for employees, vacancies and the use of tools for retention.
- The process for appointing Supervisory Board members via the general meeting.
- The process to appoint two new Supervisory Board members and the departure of one new member (see more under 'Composition of the Supervisory Board').
- The upcoming benchmark for the remuneration of Supervisory Board members, which takes place every three years. The results were discussed in April 2022.
- The ongoing education for Supervisory Board members, including the need for more internal training.
- The additional functions of Supervisory and Executive Board members, including stimulating the taking on of additional functions outside of DELA in a general sense.
- Suggestions for the ongoing education of members of the general meeting.

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

- John van der Steen, chair.
- Georges de Méris.
- Georgette Fijneman (from 5 February 2022).

The remuneration and appointment committee met four times in 2021, with a 100% attendance from each member.

Ongoing education

The members of the Supervisory Board held two internal education sessions in 2021, aimed at updating and increasing their expertise where necessary. On 4 June this involved a session on data-driven marketing, in which the marketing department and an external speaker introduced the Supervisory Board to the world of big data, social media and personal and customer-oriented marketing. On 5 November, the Supervisory Board played the so-called

Game of Threats, a strategic digital game aimed at increasing awareness of cybersecurity among Supervisory and Executive Board members. Two teams played against each other in a simulated cyber-attack, with one team having to defend itself against an attack from the other. Both sessions were considered very valuable and resulted in some useful insights.

Proposal to the general meeting

In accordance with the statutes of DELA Coöperatie UA, the Supervisory Board has processed the annual report and financial statement of DELA Coöperatie UA and approved the supplemented data. The Supervisory Board discussed the documents with the Executive Board, the internal accountant and the external accountant Deloitte, and was informed about Deloitte's approved audit statement for the 2021 DELA Coöperatie UA financial statement. The Supervisory Board proposes that the general meeting confirm the 2021 financial statement of DELA Coöperatie UA and grant the members of the Executive Board discharge for the applied policy in the reporting year. We also propose the general meeting grants the members of the Supervisory Board discharge for their supervision.

In conclusion

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The Supervisory Board would like to thank Jan Pieter Pender for his 12-year contribution as a member to the development of the cooperative, including as secretary.

In addition, the Supervisory Board thanks all members and other customers for their confidence in DELA. A special word of gratitude goes to DELA employees for their hard work and dedication during the COVID pandemic.

Eindhoven, 30 April 2022

DELA Group

Supervisory Board

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

Prof. dr. 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 RA

G.M. (Georgette) Fijneman

G.H.C. (Georges) de Méris RA FCA

4 Governance & risk management

Governance

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

Governance charter

DELA's corporate governance is founded on the culture of our organisation on the one hand, and legislation, regulations and best practices on the other. This ensures that DELA complies with regulations and guidelines from the European legislator such as Solvency II, national legislation including the Dutch Financial Supervision Act and any underlying regulations, policy regulations from the regulators and the Code of Conduct for Insurers. Our corporate governance is detailed in a governance charter which is evaluated on an annual basis. The governance charter will be changed in accordance with the Yarden takeover in 2022.

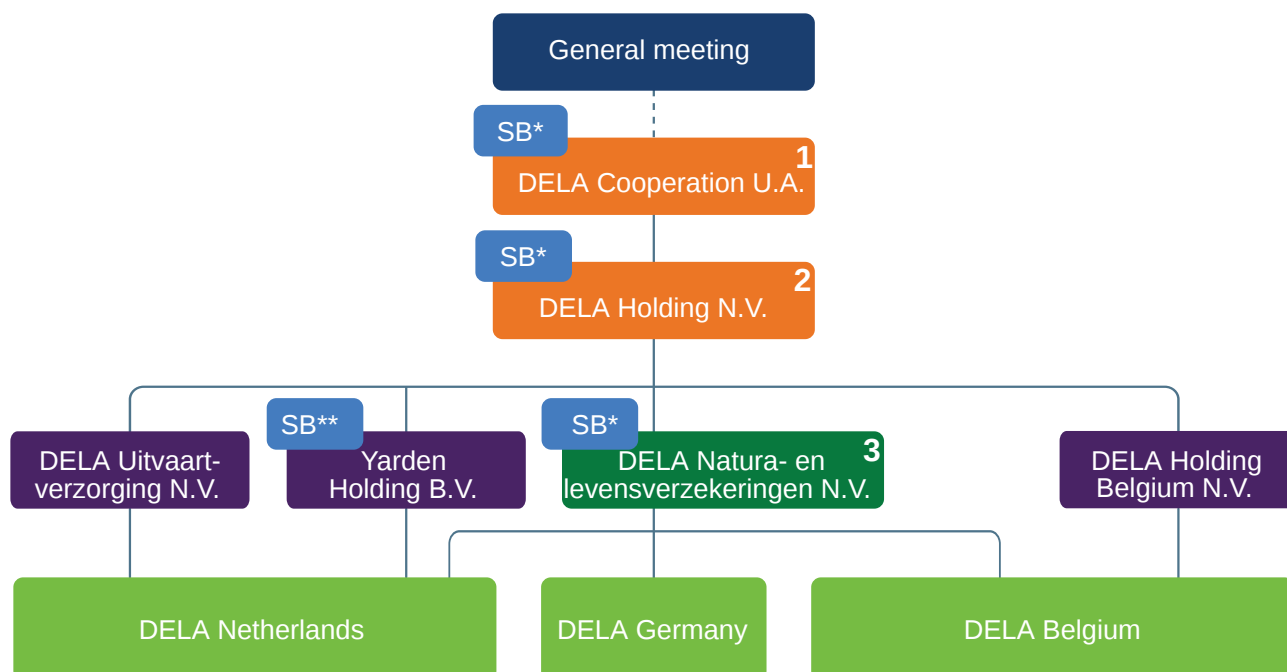
Legal structure

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

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

Explanation

- 1: abbreviated as "DELA" (statutory) or "DELA Group" (consolidated). Board members: see personal information
- 2: abbreviated as "DELA Holding" (statutory) or "DELA Holding Group" (consolidated). Same Board members as DELA Coöperatie UA, see personal information
- 3: abbreviated as "DELA Natura" (statutory) or "DELA Natura Group" (consolidated) Supervisory Board: in personal union for these three entities, see personal information
- Supervisory Board*: in personal union for these three entities, see [personal information](#)
- Supervisory Board**: four Supervisory Board members and one external person from the Supervisory Board of Yarden Holding BV, see [personal information](#)



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

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

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

A new part of this structure in 2021 is Yarden Holding BV. DELA Holding NV acquired 100% of the shares in Yarden Holding BV on 2 August. On 4 August, Yarden Uitvaartverzekeringen NV (until then a subsidiary of Yarden Holding BV) merged with DELA Natura. From that time Yarden Holding BV was comprised of holding and staff services and a funeral company.

DELA Natura accommodates all Dutch, Belgian and German insurance activities, including those of Yarden. The German activities are performed as a branch of Dutch insurance activities. This means, that like the Dutch insurance, the Belgian and German insurance fall under the Dutch licence granted by DNB.

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

The principal companies include subsidiaries and participations.

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

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

Members

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

The cooperative is divided into departments. The numbers, names and boundaries of the departments are described in the Rules of Procedure. Each member of the cooperative is part of a department. In the year under review, the number of departments was expanded from 36 to 40 due to the Yarden takeover.

From February 2022 Belgian policyholders can also become members of the cooperative, initially as part of the Eindhoven geographical department. A separate Belgian department will be established once a total of 100,000 members has been reached. DELA Belgium has started making new policyholders members.

DELA cooperative honorary members

Name

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



Members of council

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

* Also member of the confidential committee

General meeting

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

The meetings discuss issues important to the DELA cooperative, such as:

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

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

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

The 'Executive Board report' in the 'For our members' section includes a description of the topics discussed in the four general meetings in 2021.

Confidential committee

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

Task

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

Term

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

Supervisory Board

Composition

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

Tasks

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

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

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

Regulations

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

Appointment and term

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

Committees

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

Participations

The members of the Supervisory Board of the DELA cooperative are also appointed as Supervisory Board member for DELA Holding NV and DELA Natura- en levensverzekeringen N.V. (DELA Natura Group). The establishment of a

Supervisory Board was compulsory for DELA Natura Group based on the Dutch Financial Supervision Act. Four Supervisory Board members have also been appointed as Supervisory Board members of Yarden Holding BV, together with a Supervisory Board member from Yarden.

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/are assigned to which of its members. The task distribution must be approved by the Supervisory Board.

Investments

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

DELA Natura- en levensverzekeringen N.V.

One of the participations of the Group involves DELA Natura- en levensverzekeringen N.V. (DELA Natura Group), which accommodates the insurance activities, including the related colleagues. The Supervisory Board of DELA Natura Group has the same members as the Supervisory Board of the DELA cooperative (in personal union).

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

Yarden Holding B.V.

A new part of this structure in 2021 is Yarden Holding BV. DELA Holding NV acquired 100% of the shares in Yarden Holding BV on 2 August. On 4 August, Yarden Uitvaartverzekeringen NV (until then a subsidiary of Yarden Holding BV) merged with DELA Natura. From that time Yarden Holding BV was comprised of holding and staff services and a funeral company.

Policy: for group or business segments

Policy that applies to the entire group falls under the responsibilities of the Executive Board and is considered group policy. Policy that relates to an independent business segment comes under the responsibilities of the management team of that segment. The management teams of the independent business segments determine their own policy within these frameworks. Group policy issues (besides secondary or tertiary policy items) include branding, IT, data management, security, privacy, investments, capital management, ORSA, ALM, fiscal/tax, reporting & control, communications, CSR, remuneration, risk management (first line) and internal control.

Independent business segments

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

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

Foreign activities

Activities in Belgium

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

The general meeting in February 2022 decided to grant Belgian policyholders access to the membership of DELA cooperative. DELA Belgium first offered this option to new policyholders and will be further implementing the membership in 2022.

Activities in Germany

Marketing and sales activities in Germany take place via a branch in Düsseldorf (article 2:115 Dutch Financial Supervision Act). All other activities take place at the head office of DELA Natura Group in Eindhoven (DELA Netherlands). The activities in Germany come under the independent business segment DELA Netherlands. Supervision is carried out by the BaFin (Bundesanstalt für Finanzdienstleistungsaufsicht) in Germany.

Integrity

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

The code of conduct includes the following focal areas:

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

Joint responsibility

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

Code of conduct

An important part of DELA's integrity policy is to ensure that every DELA employee acts with integrity. This means that employees are honest, open, clear and meticulous. To further define the term integrity for employees, we have published a code of conduct that indicates the rules employees should follow to enhance their integrity on various focal areas. The code of conduct and underlying regulations are based on internal and external legislation and regulations. They were drawn up for DELA Netherlands and also applied to the now dissolved DELA Vastgoed independent business segment. DELA Belgium has an integrity code with underlying regulations which are focused specifically on the Belgian situation and market, including legislation.

Risk Management

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

System

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

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

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

'Three lines of defense'-model

1st line	2nd line	3rd line
Who: • Board • Line and staff management	Who: • Actuarial function • Compliance Risk Manager • Financial Risk Manager • Operational Risk Manager	Who: • Internal audit
Tasks: • Risk identification • Risk management • Risk monitoring	Tasks: • Independent monitoring of and advice to first line regarding risk identification and management	Tasks: • Assessing the adequateness and effectiveness of the governance system

Process

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



Identifying risks

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

Determining risk appetite and risk limits

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

Managing risks

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

- terminating or outsourcing activities;
- reducing risks by applying preventative measures;
- transferring risks via (re)insurance and/or the application of contract management;
- accepting risks that can be carried by the organisation itself.

If risks are outside of the predetermined risk limits – and therefore larger than desired – management will take additional risk mitigation measures. The deliberate breach of risk limits is only allowed with approval from the Board, and only when of a temporary nature. The risk appetite statements were evaluated in 2021 and changed where necessary. They will be reviewed again by DELA in 2022, partly because of the Yarden takeover.

The most important qualitative statements from the risk appetite are:

- DELA accepts no disproportionate premium increases.
- DELA accepts significant market risks as the taking of market risks is an explicit part of its business model.
- DELA does not accept significant cost overruns as a result of its regular operations.
- DELA accepts no form of internal or external fraud.
- DELA accepts no risks that could fundamentally threaten DELA's reputation.
- DELA does not accept increased risks related to information security or cyber security.

Risk matrix

DELA applies the following risk categories:

- strategic risks;
- profit distribution and solvency risks;
- underwriting risks;
- market risks;
- other financial risks;
- operational risks;
- integrity risks;
- reputation risks;
- other risks.

A detailed explanation of these risks is included in the financial statement.

Monitoring and reporting

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

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

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

Management periodically participates in a Risk Control Self Assessment (RCSA) process which results in a Control Statement (ICS), issued by management.

Own Risk and Solvency Assessment

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

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

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

The 2021 ORSA involved scenario analyses in the field of negative developments in interest rate and inflation curves; reputational damage due to shrinking portfolios and climate risks. The conclusion drawn is that the solvency position is robust.

Capital management

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

Solvency benchmark

% SCR

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

The solvency ratio was constantly higher than the solvency benchmark during 2021.

5 Condensed financial statement

Summary

This condensed version of the financial statement involves a summary of the statutory financial statement that was realised as follows: the consolidated balance on 31 December 2021 and the operational income statement over 2021 in this summary were directly taken from the statutory financial statement. The statutory financial statement is based on Title 9 Book 2 of the Dutch Civil Code (BW). The summary suffices with repeating the principles for the material financial statement items. The clarifications required based on Title 9 Book 2 BW have been simplified, taking into account the intended purpose of these abridged financial overviews. The summary also includes comparative figures. Consulting this summary cannot replace consultation of the statutory financial statements over book year 2021 as it contains various simplifications. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of these statutory financial statements.

Interested parties who would like more information can download a copy of the statutory financial statement via the website jaarverslag2021.dela.nl (in Dutch). All other chapters have been copied from the original annual report.

Consolidated balance sheet as on 31 December 2021

Consolidated balance sheet as on 31 December 2021

After appropriation of results, amounts x € 1,000

	Ref.	31-12-2021	31-12-2020
ASSETS			
Intangible fixed assets		140,940	85,916
Investments			
Real estate	672,637	642,785	
Participations	3,999	2,038	
Other financial investments:			
- Shares and other variable income securities	2,968,913	2,307,180	
- Bonds and other fixed-interest securities	2,695,781	1,764,186	
- Derivatives	-	35,815	
- Mortgage loans	192,457	226,598	
- Other loans	359,668	289,200	
- Real estate funds	1,345,465	828,988	
- Infrastructure funds	554,968	435,522	
- Investments in liquidities	64,057	47,497	
- Mortgage funds	209,616	-	
- Other financial investments	12,644	12,515	
		9,080,205	6,592,324
Receivables		300,804	184,509
Other assets			
Real estate in own use	99,580	68,808	
Other tangible assets	26,198	26,932	
Stock	2,880	2,501	
		128,658	98,241
Accruals			
Rent and interest yet to be received	1,189	606	
Accruals	23,396	15,140	
		24,585	15,746
Liquidities		218,856	143,070
TOTAL ASSETS		9,894,048	7,119,806

Amounts x € 1,000

	Ref.	31-12-2021	31-12-2020
LIABILITIES			
Group equity			
Equity	3	1,778,413	1,343,251
Minority interest		3,229	3,211
		1,781,642	1,346,462
Provisions		420,478	267,961
Technical provisions	5	7,172,312	5,154,718
Long-term liabilities		171,239	163,298
Short-term liabilities and accrued liabilities		348,377	187,367
TOTAL LIABILITIES		9,894,048	7,119,806

Operational income statement

Segmented information

Amounts x € 1,000

	Ref.	2021	2020
INSURER			
Revenue			
Premium revenue	592,472		516,792
Investment revenue	160,094		144,482
Other turnover	3,236		148
		755,802	661,422
Costs			
Underwriting costs	551,425		482,628
Personnel costs	62,420		55,614
Acquisition costs	65,224		53,412
Other operational costs	10,030		18,211
		689,099	609,865
Operational result insurer		66,703	51,557
FUNERAL COMPANY			
Revenue			
Revenue funeral company	317,723		267,633
Direct costs funeral company	-137,242		-118,099
		180,481	149,534
Costs			
Personnel costs	109,449		94,870
Other operational costs	67,995		53,282
Financial costs	-834		-92
		176,610	148,060
Operational result funeral company		3,871	1,474
Operational result cooperative		-14,018	-12,937
Effect of group policies*		-2,104	-1,527
Operational result total		54,452	38,567

* For the own use part of the real estate, the valuation principle should be adapted at the group level from current value to the group policy cost price minus depreciations. The effect of this adaptation is indicated individually under Effect group policies. The comparative figures were adjusted accordingly.

Segmented information, continued

Amounts x € 1,000

	Ref.	2021	2020
Operational result total		54,452	38,567
Other revenue en costs			
Other incidental revenu	9,610		786
Other incidental costs	-7,594		-5,233
Donation DELA charity fund	-518		-527
Goodwill depreciation and acquired insurance portfolios	-16,344		-7,414
		-14,846	-12,388
Available for profit distribution			
Revenue investments available for profit distribution and capital gain	500,645		-60,251
Profit distribution	-5,940		-42,994
		494,705	-103,245
Result before taxes		534,311	-77,066
Taxes		-99,625	-13,229
Minority interest		195	189
Result after taxes		434,881	-90,106

Notes on the consolidated balance sheet and operational income statement

1. General notes

The condensed financial statement 2021 of DELA Coöperatie UA in Eindhoven is based on the audited statutory financial statement 2021 of DELA Coöperatie UA. The summarised financial statement comprises the consolidated balance sheet as on 31 December 2021 and the operational income statement over 2021 including the main principles and notes. The operational income statement is included to provide a better insight into the individual company activities of the insurance and funeral divisions. For the income statement based on the Annual Accounts Formats Decree (Besluit modellen jaarrekening), we refer to the statutory financial statement dated 30 April 2022.

1.1 Activities

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

1.2 Consolidation

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

Takeover of Yarden

On 2 August 2021 DELA Holding NV acquired 100% of the shares in Yarden Holding BV. The transaction consists of the following components:

- An acquisition price that comprises a purchasing price of €2 for the shares and a commitment of €1.5 million to Yarden Association, to be paid in three annual terms.
- In addition to these commitments, the costs that can be attributed directly to the takeover are added to the acquisition price. These total €0.9 million and mainly involve costs for lawyers and the DNB and ACM trajectories.
- Following commitments made in the purchasing agreement, DELA reserved a sum for Yarden's in-kind package policies to compensate part of the indexation that Yarden froze when applying an en-bloc clause in 2019. This means that in case of the death of a Yarden in-kind policyholder, all services from the package will be provided without extra costs for the first ten years after the takeover (if DELA is used as funeral company). The actual value of this compensation by DELA for Yarden package policyholders is €80.4 million (after tax, €60.3 million). Of this sum, €57.8 million is intended for the indexation of insured sums and €22.6 million to compensate the bereaved during the first ten years after the takeover. These provisions are subject to the same principles as indicated for the Yarden portfolio.

- As described above, DELA made a provision for the Yarden package policies for the future indexation of the insured sums. It was also agreed that the provisions will be increased or reduced in case of possible windfalls or setbacks after the takeover date. So far, €0.3 million has been withdrawn for legal costs, €9.8 million due to crematoriums having to be sold under market value, and €1.5 million for related costs. This means the provision was reduced by €11.6 million by the end of 2021. An earn-out scheme applies to the sold crematoriums, which may change the returns in the coming years. The impact thereof will be processed in the indexation provision. The actual value of the indexation provision of €57.8 million already includes these calculations.

Goodwill has been included in the intangible fixed assets statement as 'goodwill acquisitions'. It was determined as follows:

Goodwill takeover Yarden Holding BV

Amounts x € 1,000

- Acquisition price for shares	0	
- Commitment to Yarden Association	1,500	
- Costs directly attributable to takeover	902	
- Commitments to policyholders	60,328	
Total		62,730
Minus: actual value of the acquired assets and liabilities		4,574
Goodwill		58,155

DELA was compelled to sell seven crematoriums in order to obtain approval for the takeover from ACM. These sales provide a solution for the regions which may have experienced competition issues due to concentration. A Share Purchase Agreement for the sale of the seven crematoriums has since been signed and submitted to ACM for approval. Until the sale, the activities of these crematoriums will continue under a Hold Separate Manager. In addition, DELA will not acquire any economic interest or influence in these crematoriums over the next ten years without prior written permission from ACM.

The takeover is processed in accordance with the purchase accounting method. The results of Yarden Holding BV and its subsidiaries will be processed in the financial statement of DELA Group as of the purchasing date (2 August 2021). The purchase accounting method does not adjust the comparative figures (and the figures of the current book year until the takeover date). The identifiable assets and liabilities are instead valued at actual value on the takeover date.

Yarden Uitvaartverzekeringen NV (a subsidiary of Yarden Holding BV) merged with DELA Natura- en levensverzekeringen NV in accordance with the carry over method on 4 August. Both entities were under common management at the time of the merger, which was subject to the same book values as applied in the purchase accounting method on the takeover date.

1.3 Estimates

To apply the principles and rules for drawing up the financial statement, the Board must form an opinion on various matters and make estimates that may be essential to the amounts included in the financial statement. If required in order to provide the insight as intended in Article 2:362 section 1 of the Dutch Civil Code (BW), 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 eventually be different. The main estimates relate to:

- The valuation of investments: immovable property, real estate funds, infrastructure funds and private equity funds;
- The applied principles for the technical provisions;
- The value of the non-technical provisions.

1.4 Impact of COVID-19

Although affected by the pandemic, the consequences have not placed the continuity of DELA Group at risk. The Solvency II ratio at the end of 2021 was 266%, while the minimum solvency percentage required was determined at 150%. This indicates that DELA does not have any solvency issues. COVID did have a negative impact on the operational result in 2021 but – as indicated – this effect is not expected to continue in the long term. The liquidity position of the group is also not at risk.

2. Principles for balance sheet and profit determination

2.1 General

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

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

2.2 Investments

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

2.3 Discretionary profit distribution

Profit distribution is calculated actuarially and has a provisional character. The profit distribution for 2021 was determined by the general meeting on the recommendation of the Executive and Supervisory Boards. The processing of the discretionary profit distribution takes place via the technical provisions item. The addition of the amount the DELA Group has appropriated for discretionary profit distribution under the technical provisions is charged to the result.

2.4 Technical provisions

2.4.1 General

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

2.4.2 Funeral insurance

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

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

The technical provisions related to the Yarden portfolio are subject to principles that fall under a valuation at actual value at the time of takeover. The actuarial interest is 1.3% on average and the mortality rate is based on the 2020 prognosis table of the Actuarial Society of the Netherlands (Koninklijk Actuarieel Genootschap). Lapses based on empirical data and the actual cost level were also taken into account. These principles won't change during the term of the portfolio and were therefore also used on 31-12-2021. 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. These future indexations are estimated and the actual value of this provision will be the cash value of these withdrawals.
- DELA also guaranteed that bereaved will not have to pay inflation deficits for the first ten years after the takeover. These deficits are estimated and discounted resulting in the actual value of the commitment.

The majority of technical provisions for funeral insurance at own expense and risk as established in Belgium are calculated in accordance with the pure net method at the usual interest from the moment of implementation and based on the 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 funeral insurance as established in Germany is calculated in accordance with the pure net method at an interest of 2%. The mortality rate is based on mortality tables as produced by the Deutsche Aktuarvereinigung.

2.4.3 Life insurance

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

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

2.4.4 Savings plan

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

2.4.5 Premiums

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

2.4.6 Acquisition costs

The deferred acquisition costs are subtracted from the provision.

3. Assets and obligations not included in the balance sheet

3.1 Liability guarantee

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

3.2 Terrorism guarantee

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

(Multi-year) financial obligations

Amounts x € 1,000

	Shorter than one year	Between one and five years	Longer than five years
Rental obligations	5,257	17,784	8,971
Lease obligations	4,423	7,988	7

3.3 Credit facilities

DELA Group has a credit facility at Northern Trust to a maximum of €100 million or 10% of the value of the securities in custody of the credit provider. The deposit comprises the securities in custody of Northern Trust. The interest rate due is the EONIA interest rate (as of 1-1-2022 ESTER interest rate) plus a premium of 1.25%.

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

3.4 Investment obligation

In 2021 DELA Group came to an agreement with various counterparties to invest € 50 million and \$ 662 million (€ 582 million on the balance sheet date) in real estate funds. At the end of 2021, the remaining investment obligations were € 57 million and \$ 545 million (€ 479 million on the balance sheet date).

In addition, in 2021 DELA Group came to an agreement with various counterparties to invest € 165 million and \$ 180 million (€ 158 million on the balance sheet date) in infrastructure funds. At the end of 2021 the remaining investment obligations were € 204 million and \$ 303 million (€ 266 million on the balance sheet date).

In 2021 DELA Group came to an agreement to invest € 250 million in a Mortgage fund. At the end of 2021, the remaining investment obligations were € 44 million.

Finally, DELA Group made agreements with various counterparties in 2021 to invest €100 million and \$115 million (per balance date: €101 million) in land and forestry funds. These obligations were still open at the end of 2021.

3.5 Future contractual rental income

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

Future contractual rental income

Amounts x € 1,000

	Shorter than one year	Between one and five years	Longer than five years
Rental income	20,514	42,364	3,991

3.6 Tax entity

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

4. Events after the balance sheet date

On 24 February 2022 Russia invaded Ukraine. A large number of countries condemned the war and announced sanctions against Russia and Belarus. DELA Group is complying with all sanction legislation. The financial consequences hereof for the investment activities are indicated below:

- DELA decided to put Russia on the exclusion list for investments and to sell its related investments. On 23 February 2022 (the day before the invasion) DELA Group had investments in Russia worth €57 million. The total exposure represented around 0.7% of the total invested capital;
- The value of the investments in Ukraine amounted to €8.4 million on 23 February 2022, which represents around 0.1% of the total invested capital;
- The investments in both Russia and Ukraine did not have any material value depreciation between 31 December 2021 and 23 February 2022;
- In the real estate portfolio, measures are being taken regarding a well-known shopping chain that lets retail real estate from DELA (at two locations) and is partly owned by someone on the sanction list. Initially we are asking the tenant to close voluntarily but legal steps will be taken if this does not happen.

5. Statement of changes in equity

Statement on changes in equity

Amounts * € 1,000

	2021	2020
Balance on 1 January	1,343,251	1,433,623
From appropriation result book year	434,881	-90,106
Other value mutations	281	-266
Balance on 31 December	1,778,413	1,343,251

The total result over the book year is €435,162.

6. Solvency

DELA Group determines its solvency in accordance with the EU directive Solvency II, which takes into account the risks included in the balance of insurance companies when determining the solvency. DELA Group applies the so-called Solvency II standard model for its calculations. This is based on the interest term structure (including Ultimate Forward Rate) at the end of 2021 as published by European supervisory authority EIOPA. The minimum solvency percentage deemed necessary was determined at 150%.

Solvency (based on Solvency II guidelines)

Amounts x € 1,000

	31-12-2021	31-12-2020
Required solvency	1,048,411	763,959
Available solvency	2,793,385	2,065,936
Solvency ratio	266%	270%

The Solvency II ratio remained almost the same. Various developments, such as the Yarden takeover, positive investment result, interest rate rise and the increasing inflation had contrasting effects and largely cancelled each other out. For further details about the determination of the solvency ratios see the SFCR report (solvency and financial status) on the DELA website.

Surplus interest sharing means that policyholders share in the investment yield obtained by the insurer if and insofar as the yield is higher than the policy's actuarial interest.

7. Technical provisions

Technical provisions, specification

Amounts x € 1,000

	31-12-2021	31-12-2020
Gross technical provisions	7,292,420	5,260,601
Reinsurance share	-23,630	-21,967
Surplus interest sharing	-	140
Deferred acquisition costs	-96,478	-84,056
Total	7,172,312	5,154,718

Surplus interest sharing means that policyholders share in the investment yield obtained by the insurer if and insofar as the yield is higher than the policy's actuarial interest.

Technical provisions, progress

Amounts x € 1,000

	2021	2020
Book value on 1 January	5,154,718	4,869,891
- From premiums	462,962	397,501
- Interest	160,075	145,924
- Profit distribution	5,844	43,228
- Payments	-166,418	-147,491
- Shared premium for death	-151,533	-135,873
- Withdrawal for costs	-13,477	-8,107
- Correction previous years	-	1,928
- Other mutations	-3,308	-1,152
- Allocated acquisition costs	-12,421	-11,131
- Acquisition	1,735,870	-
Book value on 31 December	7,172,312	5,154,718

Virtually the entire technical provision can be considered long term. The indexation provision and the provision for the compensation of the indexation shortage for package policies are part of the technical provision. The value of these provisions on 31 December 2021 was €57.7 million and €22.4 million, respectively.

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

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.

8. Revenue

Revenue, specification

Amounts x € 1,000

	2021	2020
Premium revenu		
Premium revenue Netherlands	434,518	377,563
Premium revenue Belgium	136,258	128,763
Premium revenue Germany	21,696	10,466
	592,472	516,792
Turnover funeral company		
Turnover funeral company Netherlands	258,431	206,656
Turnover funeral company Belgium	59,292	60,977
	317,723	267,633
Internal turnover	-161,202	-153,426
	156,521	114,207
Investment results		
Result from insurer investments	160,094	144,482
Result from investments available for profit distribution and capital growth	500,645	-60,251
Minus: Funeral company expenses	-834	-92
Result from operational income statement investments	659,905	84,323
Minus: Interest balance	-4,608	-4,160
Minus: Intercompany lease crematoriums	19,761	13,824
	646,420	74,659
Other insurer turnover	3,236	148
Total	1,398,649	705,806

Realised and unrealised results on investments, specification 2021

Amounts x € 1,000

2021	Realised profit	Realised loss	Unrealised result	Management and interest costs	Total
Real estate (a)	29,028	-	-26,234	21,054	-18,261
Participations (b)	13	-1	-	-	14
Other financial investments (c):					
- Shares and other variable-income securities	325,919	73,607	231,453	5,837	477,928
- Bonds and other fixed-interest securities	359,457	69,446	-260,445	4,572	24,994
- Derivatives	59,452	117,143	-76,657	409	-134,757
- Mortgage loans	8,374	-	-	701	7,673
- Other loans	20,526	2,171	7,457	1,310	24,502
- Real estate funds	29,376	608	157,890	2,422	184,236
- Infrastructure funds	11,366	-	65,982	-965	78,313
- Mortgage funds	448	-	2,900	-18	3,366
- Other financial investments	2,070	15	-90	3,553	-1,588
	816,988	262,990	128,490	17,821	664,667
Total investment results (a) + (b) + (c)	846,028	262,989	102,256	38,875	646,420

Realised and unrealised results on investments, specification 2020

Amounts x € 1,000

2020	Realised profit	Realised loss	Unrealised result	Management and interest costs	Total
Real estate (a)	42,471	-	-85,390	10,815	-53,734
Participations (b)	-	745	-	-	-745
Other financial investments (c):					
- Shares and other variable-income securities	318,617	163,587	-20,898	6,696	127,436
- Bonds and other fixed-interest securities	140,978	91,995	-52,545	3,752	-7,314
- Derivatives	126,848	169,926	9,270	801	-34,609
- Mortgage loans	9,090	-	-	650	8,440
- Other loans	13,019	6,410	-2,411	1,244	2,954
- Real estate funds	20,314	-	10,590	-344	31,248
- Infrastructure funds	18,474	386	-15,526	-680	3,242
- Infrastructure funds	-	-	-	-	-
- Other financial investments	825	247	155	2,992	-2,259
	648,165	432,551	-71,365	15,111	129,138
Total investment results (a) + (b) + (c)	690,636	433,296	-156,755	25,926	74,659

Unrealised results reflect changes in market value of the investments in the book year (including currency effects) owned by the group on the balance sheet date. All other investment results are attributed to the realised investment results.

6 Other information

Other information

Statutory distribution of profits

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

7 Audit statement

Independent auditor's report

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

Our opinion

The summary financial statements 2021 (hereinafter "the summary financial statements") of DELA Coöperatie U.A., Eindhoven, the Netherlands, are derived from the audited financial statements 2021 of DELA Coöperatie U.A. In our opinion, the enclosed condensed financial statements are, in all material respects, consistent with the audited financial statements 2021 of DELA Coöperatie U.A. based on the accounting policies described in notes 1 and 2 of the condensed financial statements.

The summary financial statements comprise:

1. The consolidated balance sheet as at 31 December 2021;
2. The operational income statement of 2021;
3. Notes on the consolidated balance sheet and operational income statement.

Summary financial statements

The summary financial statements do not contain all the disclosures required by Title 9, Book 2 of the Dutch Civil Code (DCC). Reading the summary financial statements and our opinion thereon, therefore, is not a substitute for reading the audited financial statements of DELA Coöperatie U.A. and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our auditor's report on those financial statements of 30 april 2022.

The audited financial statements and our auditor's report thereon

We expressed an unqualified audit opinion on the audited financial statements 2021 of DELA Coöperatie U.A. in our auditor's report of 30 april 2022.

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

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

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

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

Our responsibilities

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

Amsterdam, 30 June 2022

Deloitte Accountants B.V.

E. van Splunter

8 Annexes

Annex 1: About this report

Reporting and auditing process

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

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

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

Framework and scope

The framework of the report was determined based on the materiality assessment of 2016, plus the first insights of a new materiality assessment that started in late 2021 and will be completed in 2022:

- There is a longlist of around 100 themes based on the SDGs, SASB, GRI, EU Taxonomy and annual reports from similar organisations.
- Based on expert judgement the list was reduced to 20 themes.
- The list was organised and composed by DELA stakeholders with some themes added. The strategy of DELA was taken into account in this process, which resulted in a shortlist of 17 themes. These are provided with a description to ensure a clear scope and setup of each theme in DELA's own language.
- The shortlist has been broadly discussed among DELA stakeholders who were asked to estimate the inside-out and outside-in impact.
- Based on this information, the new materiality matrix was developed, then discussed and confirmed in a workshop on 10 March 2021.
- The conclusions were presented and discussed in the management meeting on 23 March.
- Based on the results of the workshop and the management meeting, a number of themes will be explored with the stakeholders in spring 2022.
- We expect to determine the goals/KPIs for the material themes in June 2022.

The demarcation did not change compared to the previous reporting period.

The report involves book year 2021 which runs from 1 January to 31 December. In 2020, DELA started using a new model to calculate its CO₂ footprint. This model is in line with the Greenhouse Gas (GHG) protocol. The new calculation method uses a top-down approach that gives a more complete, integrated and realistic picture. In principle, we do not report on sub-contractors and/or suppliers, unless indicated otherwise. Implemented in the Netherlands in 2020, the model was also introduced in Belgium in 2021 to determine the CO₂ footprint there.

Locations of non-financial information

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

Locations of non-financial information

Location in this annual report

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

Annex 2: Memberships and codes of conduct

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

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

The certifications/quality marks DELA has acquired are:

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

Annex 3: GRI table

GRI table

GRI Standard / disclosure	Location
Organisation	
102-1 Name of the organisation	In brief, Profile
102-2 Main brands, products and services	In brief, Profile
102-3 Location of headquarters	Eindhoven
102-4 Locations van crematoriums and funeral homes	https://www.dela.nl/service-en-contact/contact-met-ons-opnemen/vestiging-zoeken (only in dutch)
102-5 Ownership structure and legal form	Condensed financial statement, Notes on the consolidated balance sheet and operational income statement
102-6 Markets served	Executive Board report, Our members, Markets
102-7 Scale of the reporting organisation	In brief, Key figures
102-8 Information on employees	Executive Board report, Our people
102-9 Description of the organisation's supply chain	In brief, Profile. Value for shareholders
102-10 Significant changes to the organisation and the supply chain	Condensed financial statement, Notes on the consolidated balance sheet and operational income statement
102-11 Externally developed economic, environmental and social charters, principles applied by the organisation	Annex: Memberships and codes of conduct
102-12 Initiatives to compensate the environmental consequences of products and services and the scope of this compensation	https://www.dela.nl/verzekeringen/keurmerken Statement from the Executive Board, Our environment
102-13 Memberships of associations (including trade associations) and national and international interest groups	Annex: Memberships and codes of conduct https://www.dela.nl/verzekeringen/keurmerken (only in dutch)
Strategy	
102-14 Statement from the highest decision-maker of the organisation	In brief, Foreword. In brief, Vision and strategy.
Ethics and integrity	
102-16 Description of values, principles, standards and norms of behaviour, such as codes of conduct, as applied by the organisation	Executive Board report, Our people Annex: Memberships and codes of conduct
Governance	
102-18 Governance structure of the organisation	Governance & risk management, Corporate governance
Stakeholder engagement	
102-40 List of involved stakeholder groups	Annex: About this report
102-41 Percentage of employees subject to the collective labour agreement	Not reported
102-42 Principles for the inventory and selection of stakeholders	Not reported
102-43 Approach to stakeholder engagement	Annex: About this report
102-44 Key topics and issues based on stakeholder meetings	Annex: About this report
Reporting profile	
102-45 Overview of all companies included in the consolidated financial statements and not included in this report	Annex: About this report

GRI Standard / disclosure	Location
102-46 Process for defining the content and specific framework of the report and the applied principles	Annex: About this report
102-47 Material topics determined during the process to define the contents of the report	Annex: GRI Table
102-48 Consequences of possible restatement of information provided in previous reports and reasons for these restatements	Annex: About this report
102-49 Significant changes compared to the previous reporting periods regarding scope and framework	Condensed financial statement, Notes on the consolidated balance sheet and operational income statement
102-50 Reporting period	Condensed financial statement, Notes on the consolidated balance sheet and operational income statement
102-51 Date of the most recent report	2021
102-52 Reporting cycle	30-04-2022
102-53 Contact information for questions related to the report	Annual
102-54 GR applicability level	Colophon
102-55 GRI Table	Core
102-56 Policy related to assurance	Annex: GRI Table
	Auditor's statement, Auditor's statement from the independent accountant

Annex 4: Definitions & abbreviations

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

Absence due to illness

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

Asset mix

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

Average funeral costs

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

BV

Private company

BIO

Our strategy of employee engagement, integrity and entrepreneurial spirit

BREEAM

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

CAO

Collective labour agreement

CFRO

Chief financial and risk officer

Climate-neutral

Climate-neutral means that there are no net CO₂ emissions and no contribution to climate change. A process, service or organisation is climate-neutral if it does not produce CO₂ emissions or if the produced greenhouse gases are offset elsewhere.

CO₂ footprint

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

CO₂ footprint.

CPI

Consumer price index

CSI

Corporate Social Investment

CSR

Corporate Social Responsibility

DCG

DELA Crematorium Group

DCP

DELA Coöperatie SpaarPlan (savings insurance)

DECAVI

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

DLP

DELA LeefDoorPlan (life insurance)

DNB

De Nederlandsche Bank (Dutch central bank)

DUP

DELA UitvaartPlan (pre-arranged funeral insurance)

Energy scan

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

Entrepreneur's salary

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

Fixed-value

Inflation-proof.

Fte

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

GPtW

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

GreenLeave

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

www.greenleave.nu.

GRESB

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

IT

Information technology

KGW

Customer-oriented approach

Mln

Million

Net growth

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

NPS

NPS stands for Net Promotor Score. Customers are asked in surveys the extent to which they would recommend a specific company, product or service to others. They can give a score between 0 and 10. The group of responders who give a mark of 0 to 6 are called detractors. The group marking a 9 or 10 are qualified as promoters, and the remainder (7 and 8) are considered passive-neutral. The NPS is determined by subtracting the percentage of detractors from the percentage of promoters. For example, if research shows that 30% of the responders is a promotor and 20% is a detractor, the NPS is +10.

Operational result

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

OR

Works council

ORSA

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

Paper consumption

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

Premium income

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

Prognosis

Prediction by management

RCSA

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

RepTrak

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

Risk appetite

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

SA

Société anonyme (public limited company)

SCM (KCS in Dutch)

Short-cycle management

Solvency II

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

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

Solvency ratio

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

Transparency benchmark

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

Pillars

The five pillars represent what is important to customers in DELA's service provision

VBDO

Dutch Association of Investors for Sustainable Development

VVP

Fixed transfer price; the advance price agreement charged to the insurer by the funeral company for the services in the insured package

Value retaining

Inflation-proof

Wlb

Dutch Burial Act

WMC

Value creation model

Wta

Dutch Financial Supervision Act

Colophon

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