

Utrecht, 23 February 2022, 07.00am CET

a.s.r. delivers strong result for 2021 driven by higher performance in all segments

Strong financial performance, all financial targets achieved

- Operating result increased by 15.4% to € 1,021 million (2020: € 885 million), driven by higher performance in all segments.
- Operating result of the Non-life segment increased by € 84 million, to € 325 million (2020: € 241 million), mainly reflecting lower claims in Disability. Combined ratio is 91.8%¹ (2020: 93.6%), or 94.9% excluding the impact of COVID-19 (2020: 94.3%). Claims from the floods in July amount to approximately € 20 million, in line with previously given guidance.
- Operating result of the Life segment increased by € 33 million, to € 763 million (2020: € 730 million), mainly as a result of a higher investment margin.
- Expense ratio of the Non-life segment (excluding Health) improved by 0.1%-point to 8.0%, whereas the operating expenses of the Life segment remained stable at 45 basis points of the basic Life provision. Operating expenses rose by 3.4% to € 725 million (2020: € 701 million), driven by organic growth and acquisitions.
- Operating return on equity is 16.3%, well above the '12-14%' target.
- Net IFRS result is € 942 million (2020: € 657 million). The increase is a consequence of higher operating result and higher indirect investment income due to revaluations as well as less negative non-recurring items.

Robust solvency and strong organic capital creation; dividend structurally higher

- Solvency II ratio (standard formula) as at 31 December 2021 stands at 196% (31 December 2020: 199%). This is after the deduction of the proposed dividend for 2021.
- Organic capital creation is € 594 million (2020: € 500 million), exceeding the target of € 500 million. The increase of € 94 million mainly reflects the strong performance of the various segments and the one-off positive effect of COVID-19.
- The proposed dividend for 2021 is € 2.42 per share, in line with the dividend policy and a pay-out ratio of 45% of the net operating result. This is an increase of 19% compared to € 2.04 last year. Taking into account the interim dividend of € 0.82 per share, the final dividend amounts to € 1.60 per share. From 2022 onwards, a.s.r. will apply a progressive dividend policy.
- Share buyback of € 75 million starting on 24 February 2022 and expected to be completed before 24 May 2022. The Solvency II ratio of 196% does not include the impact of the share buyback announced today.
- Unrestricted Tier 1 capital stands at € 6.1 billion, equal to 75% of the own funds.

High customer satisfaction, solid commercial results and committed employees

- Customer satisfaction remains high, driven by high employee engagement. At 49, the Net Promotor Score remains well above the medium-term target of 44.
- Gross written premiums in the Non-life segment rose by 13.2%, to € 4,124 million. The organic growth of Disability and P&C combined is 5.2%, which exceeds our target of 3-5%.
- Gross written premiums in the Life segment rose by 4.6% to € 1,893 million (2020: € 1,810 million). The 'Werknemers Pensioen' (DC) premiums rose by 37%.
- Mortgage origination rose by € 1.4 billion, to € 6.0 billion.
- Assets under management for third parties rose to € 28.0 billion (31 December 2020: € 24.3 billion). The increase is mainly due to growth in the ASR Mortgage funds.
- Responsible investment objectives have been achieved: the CO₂ footprint of over 95% of the investment portfolio has been measured and impact investments amounted to € 2.5 billion on 31 December 2021 (target >€ 1.2 billion).

1 P&C and Disability

Chairman of the Executive Board and CEO Jos Baeten: '2021 was a good year in which we, together with all our colleagues, delivered a solid performance. We delivered a strong result, achieved our medium-term targets and maintained a consistently positive recognition from customers and intermediaries. The latter is for instance reflected in the annual performance benchmark from IG&H, where intermediaries rank a.s.r. as the number one insurer in Pension and Disability.

After almost two years, which have been dominated by COVID-19 in the Netherlands, I am pleased that it appears that we have seen the worst of the pandemic and that the COVID-19 restrictions can be scaled down. The measures taken have had considerable impact on our personal lives, business communities and society as a whole. I hope that, now the restrictions are being lifted, we can revert to the lives we were used to have before COVID-19, whereby we take the positive lessons of recent years into account. Such as working from home. This has contributed to higher productivity and higher customer satisfaction. In this 'new normal' we will, more than before COVID-19, aim to strike the right balance between working at the office and working from home.

Besides the COVID-19 situation, we have been confronted with severe storms and heavy rainfalls in the recent weeks. Similar to the floods last year, this also caused significant damages. Our experienced loss adjusters and claims handlers were immediately available and on-site during the events to help our customers quickly and smoothly. These are times when we, as an insurer, with the right services can actually deliver the added value customers may expect from us.

Despite the claims due to the floods in Limburg, our operating result rose by over 15%. All segments contributed to the substantial increase in the operating result. Thanks to these strong results we are able to increase the dividend by almost 20%. On balance, the impact of COVID-19 on the operating result was favourable, with the adverse impact on the Life segment and Disability being more than offset by lower claims in P&C.

a.s.r. will build on the successful strategy of 2019-2021 with new ambitious targets, focused on sustainable long-term value creation for all stakeholders. We see specific opportunities for profitable growth in P&C, Disability, Asset Management and Pensions DC. In addition to relatively stable development in the Life segment, we expect our fee-based businesses to continue to perform strongly and to achieve further growth. The capital that we expect to generate can be used to fund further organic growth, acquisitions, optimisation of the investment portfolio and dividend payments.

To further underline our position as a sustainable insurer, we recently joined the Net Zero Insurance Alliance (NZIA). In doing so we are committing ourselves to bring down the carbon footprint of our insurance commitments to net zero by 2050, in line with the same commitment in respect to our investment portfolio. In addition, we offer customers even more opportunities to contribute to a sustainable society, for example by opting for sustainable damage repair. With the sustainability mortgage, we enable homeowners to make their homes more energy-efficient, investments that are good for the climate and pay for themselves through an increase in the value of the home and lower energy costs. We aim to use our sustainable investment portfolio to make an active contribution to the energy transition. We have set ourselves the target of reducing the carbon footprint of our investments in 2030 by at least 65% compared to 2015. Our impact investment policy focuses on investments with a social return, with a view to boost our positive contribution to society. In 2024 we aim to have at least € 4.5 billion in impact investments on the balance sheet.

In implementing our strategy, we adhere closely to a strict financial discipline. Maintaining a strong balance sheet with financial flexibility offers scope for profitable growth. Building on the successful acquisitions of recent years, we will continue to actively pursue opportunities for acquisitions, particularly of small and medium-sized insurers, as well as the consolidation of life insurance portfolios. If there are no opportunities for profitable deployment of capital, we will, subject to conditions, return it to shareholders. As announced on our Investor Update, it is our intention to buyback own shares for an amount of at least € 100 million annually in the next three years. In addition, starting 2022, we introduce a progressive, slightly increasing dividend from the proposed level of € 2.42 per share for 2021.

To conclude, I would like to thank our shareholders, customers, intermediaries and employees for their continued support and trust in a.s.r.'

Key figures

(in € million, unless per share or expressed as a percentage)

	2021	2020	Delta (%)
Operating result ¹	1,021	885	15.4%
Operating return on equity ²	16.3%	15.3%	1.0%-p
Net result for the year (on IFRS basis)	942	657	43.3%
Return on equity	15.3%	11.7%	3.6%-p
Gross written premiums	5,859	5,276	11.1%
Operating expenses	-725	-701	3.4%
Combined ratio P&C and Disability	91.8%	93.6%	-1.9%-p
Gross written premium P&C and Disability, annual organic growth	5.2%	4.6%	0.6%-p
New business (Life segment (APE))	151	124	21.8%
	31 December 2021	31 December 2020	Delta (%)
Total equity	7,385	6,313	17.0%
Total equity attributable to shareholders	6,363	5,309	19.8%
Solvency II ratio (standard formula) ³ after dividend	196%	199%	-3%-p
Financial leverage	24.8%	28.3%	-3.5%-p
Liquidity position at holding level	525	502	4.6%
Number of FTEs (internal)	4,155	4,042	2.8%
	2021	2020	Delta (%)
Operating result per share ⁴	5.36	4.52	18.6%
Dividend per share	2.42	2.04	18.6%
Number of shares issued and outstanding at end of period (m)	135.8	137.9	-1.5%
Weighted average number of issued and outstanding shares (m)	136.3	138.9	-1.9%

Explanatory notes to the table

- Operating result is calculated by adjusting profit before tax for continuing operations reported in accordance with IFRS, as adjusted for the changes in accounting policies and for the following: i) investment related: investment income of an incidental nature (including capital gains and losses, impairments and fair value changes) on financial instruments for own account, net of applicable shadow accounting and net of additional provisions recognised for realised gains and losses on financial assets backing the insurance liabilities ('compensation of realised capital gains') impact; ii) incidental Items: 1. model- and methodological changes with a substantial impact; 2. results of non-core operations; and 3. other non-recurring or one-off items, which are not directly related to the core business and/or ongoing business of the Group, restructuring costs, regulatory costs not related to business activities, changes in the own pension arrangements and expenses related to M&A activities and start-ups.
- The operating return on equity is calculated by dividing the operating result before tax after deduction of interest on hybrid assets and taxes (tax rate: 25%) by the annual average equity attributable to shareholders after deduction of the reserve for unrealised profits and losses and the equity for real estate development (operating activities in 'run-off').
- Solvency II ratio is exclusive of financial institutions other than insurers.
- The operating result per share is calculated by dividing the operating result before tax after deduction of interest on hybrid assets and taxes (tax rate: 25%) by the weighted average number of outstanding shares.

Important dates 2022

Wednesday 23 March	Publication Annual Report 2021
Wednesday 25 May	Annual General Meeting
Friday 27 May	Ex-dividend date
Monday 30 May	Dividend record date
Wednesday 1 June	Dividend payment date
Wednesday 24 August	Publication H1 2022 result and interim dividend
Wednesday 31 August	Ex-interim dividend
Thursday 1 September	Dividend record date
Monday 5 September	Dividend payment interim H1 2022

The figures in this press release have not been audited or reviewed by an external independent auditor.

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Conference call for financial market parties (in English) at 11.00am. For more information, go to www.asrnl.com.

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About a.s.r.

ASR Nederland N.V. (a.s.r.) ranks among the top 3 insurers of the Netherlands. a.s.r. offers products and services in the fields of insurance, pensions and mortgages for consumers, self-employed persons and companies. In addition, a.s.r. is active as an asset manager for third parties. a.s.r. is listed on Euronext Amsterdam and is included in the AMX Index. For more information, please visit www.asrnl.com.

This press release contains inside information within the meaning of Article 7 of the Market abuse regulation (Regulation 596/2014).

Financial group and business performance FY 2021

ASR Nederland N.V.

Key figures			
<i>(in € million, unless stated otherwise)</i>			
	2021	2020	Delta (%)
Operating result	1,021	885	15.4%
- Non-life	325	241	34.9%
- Life	763	730	4.5%
- Asset Management	36	31	14.2%
- Distribution and Services	28	25	9.2%
- Holding and Other / Eliminations	-130	-143	8.9%
Incidental items (not included in operating result)	188	-56	n.m.¹
- Investment income	291	185	n.m.
- Incidentals	-104	-241	n.m.
Result before tax	1,209	829	45.8%
- Non-life	357	261	37.1%
- Life	981	747	31.3%
- Asset Management	36	30	18.1%
- Distribution and Services	10	-6	n.m.
- Holding and Other / Eliminations	-175	-203	13.7%
Income tax expense	-270	-172	57.4%
Result for the year from continuing operations, after tax	939	657	42.8%
Result for the year from discontinued operations, after tax	-	-2	n.m.
Non-controlling interest	-3	-1	n.m.
Result for the year attributable to holders of equity instruments	942	657	43.3%
Organic capital creation (OCC)	594	500	18.8%
Operating return on equity	16.3%	15.3%	1.0%-p
Return on equity	15.3%	11.7%	3.6%-p
Earnings per share			
Operating result per share (€)	5.36	4.52	18.6%
Dividend per share (€)	2.42	2.04	18.6%
Basic earnings per share on IFRS basis (€)	6.56	4.38	49.6%
Gross written premiums	5,859	5,276	11.1%
- Non-life	4,124	3,643	13.2%
- Life	1,893	1,810	4.6%
- Eliminations	-157	-177	-11.2%

1 n.m.: not meaningful.

(in € million, unless stated otherwise)

	2021	2020	Delta (%)
Operating expenses	-725	-701	3.4%
- Non-life	-269	-257	4.6%
- Life	-173	-171	1.6%
- Asset Management	-102	-94	7.9%
- Distribution and Services	-94	-72	30.0%
- Holding and Other / Eliminations	-86	-106	-18.6%
Operating expenses associated with ordinary activities	-662	-640	3.5%
Provision for restructuring expenses	-4	-7	-38.1%
	31 December 2021	31 December 2020	Delta (%)
Number of internal FTEs	4,155	4,042	2.8%
Capital management			
Solvency II ratio (standard formula, post proposed dividend)	196%	199%	-3%-p
Financial leverage	24.8%	28.3%	-3.5%-p
Double leverage	99.2%	103.7%	-4.5%-p

Operating result

The operating result increased by € 136 million to € 1,021 million (2020: € 885 million). This significant increase reflects improvements in all segments.

The (indicative) impact of COVID-19 amounted to € 77 million (2020: € -1 million), primarily driven by lower claims in P&C and a limited benefit in Health, partly offset by higher claims in Disability and lower direct investment income.

Operating result per segment

The Non-life operating result increased by € 84 million to € 325 million. This was mainly driven by an improvement of the claims ratio in Disability and profitable organic growth in all three Non-life business lines. In addition, within P&C, restrictions with regard to the COVID-19 pandemic resulted in lower claims, partly offset by the claims related to the July floods in Limburg (€ 20 million) and the strengthening of reserves (primarily related to motor vehicle liability) in the first half of the year.

The Life operating result increased by € 33 million to € 763 million. The investment margin improved by € 62 million to € 682 million (2020: € 620 million) mainly driven by further optimisation of the investment portfolio and lower required interest. The technical result decreased by € 30 million, reflecting lower result on disability cover in pensions as well as the regular run-off of the Individual life portfolio.

The operating result of Asset Management increased by € 4 million to € 36 million, mainly driven by higher third-party assets under management (AuM), particularly in the mortgage funds and the mix funds of the a.s.r. Pensions DC product ('Werknemers Pensioen').

The Distribution and Services operating result increased by € 2 million to € 28 million, mainly driven by acquisitions, expansion of services provided and tariff adjustments.

The operating result of Holding and Other improved by € 13 million to € -130 million, driven primarily by lower operating expenses due to the introduction of a DC pension scheme for a.s.r. employees.

Gross written premiums

Gross written premiums increased by 11.1% to € 5,859 million (2020: € 5,276 million). The Non-life segment increased by 13.2%, to € 4,124 million (2020: € 3,643 million) due to organic growth of P&C and Disability (5.2%) and organic growth in Health (38%), the latter due to a substantial growth in the number of customers. The Life segment increased by 4.6%, to € 1,893 million (2020: € 1,810 million) driven by strong growth in Pensions DC.

Operating expenses

The operating expenses increased by € 24 million to € 725 million (2020: € 701 million). This increase reflects the inclusion of various acquisitions, comprising several smaller acquisitions in the Distribution and Services segment (€ 16 million) and the acquisition of Brand New Day IORP as of 1 April 2021 (€ 6 million).

Excluding the impact of acquired businesses, operating expenses remained fairly stable and offset additional (run) costs of several new growth initiatives. The expense ratio in the Non-life segment (excluding Health) improved by 0.1%-points to 8.0% (2020: 8.1%) partly due to revenue growth and IT synergies from the integration of Loyalis and Veherex. In the Life segment, the operating expenses in basis points (bps) of the basic Life provision remained stable at 45 bps (2020: 45 bps), which is at the lower end of the target range (45-55 bps).

Result before tax

The result before tax increased by € 380 million to € 1,209 million (2020: € 829 million), mainly due to the higher operating result (€ 136 million) and higher indirect investment income (€ 107 million), reflecting fair value gains/losses and capital gains and losses, the recovery on the financial markets and several non-recurring items in 2020.

With an effective tax rate of 22.4% (2020: 20.7%), net IFRS profit amounted to € 942 million (2020: € 657 million).

Operating return on equity

The operating return on equity increased by 1.0%-points to 16.3% (2020: 15.3%), exceeding the medium-term target range of 12-14%. The strong growth in the operating result was the main driver of this increase. The IFRS return on equity improved 3.6%-points to 15.3% (2020: 11.7%), primarily reflecting the higher IFRS net result.

Solvency II ratio and organic capital creation

The Solvency II ratio, using the standard formula, decreased by 3%-points to 196% (31 December 2020: 199%), including a 10%-points deduction for the dividend (€ 329 million) and the share buyback programme (€ 75 million) executed in 2021. The positive impact from higher interest rates and higher organic capital creation were offset by the deployment of capital in acquisitions as well as various market and operational developments (e.g. VA, UFR and inflation).

Organic capital creation increased by € 94 million to € 594 million (2020: € 500 million), mainly due to the improved performance in the Non-life segment, which is partly driven by an incidental COVID-19 benefit, as well as an increase in investment returns.

Dividend and capital distribution

In line with the dividend policy, a.s.r. will propose a dividend for 2021 of € 2.42 per share, an increase of 18.6% compared to 2020. Taking into account an interim dividend of € 0.82 per share paid in September 2021, the final dividend amounts to € 1.60 per share.

Today a.s.r. announced a € 75 million share buyback, in line with our commitment for the 2019-2021 plan period. The buyback of shares starts on 24 February 2022 and will end on 24 May 2022 at the latest. The buyback of shares falls within a.s.r.'s General Meeting of Shareholders' mandate granted to the Executive Board on 19 May 2021. a.s.r. will ask the General Meeting to cancel these shares in due course.

a.s.r. has appointed an independent broker to execute the buyback programme. The exact timing of the buyback will be determined by this broker, independently and without interference from a.s.r. The execution of the buyback depends on the market conditions. Based on the closing price of € 42.37 per 15 February 2022 and the amount of € 75 million as starting point, the number of shares to be bought would amount to 1,770,120.

The progress of the buyback transactions will be announced weekly on a.s.r.'s website: www.asrnl.com.

Medium-term targets

The table below shows the targets and the performance of a.s.r.

Medium-term targets		
Group	2021	Medium-term target
Solvency II ratio (standard formula)	196%	> 160%
Operating return on equity	16.3%	12% - 14%
Organic capital creation (2021)	€ 594 million	> € 500 million
Financial leverage	24.8%	< 35%
S&P rating (insurance business)	Single A	Single A
Business	2021	Medium-term target
Combined ratio P&C and Disability	91.8%	94% - 96%
Gross written premium P&C and Disability, annual organic growth	5.2%	3% - 5%
Life operating result	€ 763 million	> € 633 million
Life operating expenses (of basic Life provision)	45 bps	45 – 55 bps
Combined operating result fee based business (Asset Management and Distribution and Services)	€ 64 million	€ 40 million
Non-financial targets	2021	Medium-term target
Net Promoter Score	49	> 44
Carbon footprint measured of the total investment portfolio	96%	95%
Impact sustainable investments (for own account)	€ 2.5 billion	€ 1.2 billion
Employee contribution to local society (hours), annual growth	-45%	5%

Group and Business targets

All financial group and business targets for the 2019-2021 period were realised this year.

S&P confirmed the Single A rating with a 'stable' outlook for the insurance business in September 2021.

Non-financial targets

The Net Promoter Score (NPS-c) remained stable at 49 (2020: 49) and was well above the target of >44. This favourable outcome confirms the strong relationships of a.s.r. employees with customers. The starting point of the NPS in 2018 was 42. The percentage of promoters has increased while the percentage of detractors has remained stable.

In 2021, a.s.r. was able to measure the carbon footprint of 96% (2020: 93%) of the a.s.r. investment portfolio for its own account, exceeding the target of 95%.

The portfolio of sustainable impact investments (for own account) increased to € 2.5 billion (2020: € 1.7 billion) and was well above the target of € 1.2 billion. The portfolio consisted mainly of green bonds, structured credits and real estate.

The target for employee participation in local societal projects was not met during the period due to COVID-19 related restrictions. This resulted in fewer opportunities for a.s.r. employees to perform voluntary work on a.s.r. foundation projects, since many projects were put on hold or cancelled or fewer hours could be spent on them.

New medium targets 2022-2024

At the Investor Update of 7 December 2021, a.s.r. presented new medium-term targets for 2022-2024, with a focus on sustainable value creation for all stakeholders.

Medium-term targets 2022-2024

Group	Medium-term target
Organic capital creation (OCC)	cumulative € 1.7 - 1.8 billion
Progressive dividend as from 2022	
Share buyback programme 2022-2024 ¹	≥ € 100 million per year
Solvency II ratio (standard formula)	> 160%
Operating return on equity	12-14%
Non-financial targets	Medium-term target
Reduction CO2 footprint of the investment portfolio (base year: 2015)	65% reduction by 2030
Impact investments (for own account)	> € 4.5 billion by 2024
Net Promoter Score - relational (NPS-r)	> market average in 2024
Employee engagement (annual survey by Denison)	> 85%
Reputation measurement sustainable insurer	> 40%
Business	Medium-term target
Combined ratio P&C and Disability	93-95%
Organic growth of GWP of P&C and Disability	3% - 5%
Operating result of the Life segment	> € 700 million
Operating costs of the Life segment (of basic Life provision)	40 – 50 bps
Combined operating result of fee-based businesses (Asset Management and Distribution and Services)	> € 80 million by 2024

¹ Provided Solvency II ratio > 175%, value-creating M&A transactions are prioritised.

Non-life segment

Key figures, Non-life segment¹			
(in € million, unless stated otherwise)	2021	2020	Delta
Gross written premiums	4,124	3,643	13.2%
Operating expenses	-269	-257	4.6%
Provision for restructuring expenses	-3	-2	50.0%
Operating result	325	241	34.9%
Incidental items (not included in operating result)	33	20	63.9%
- Investment income	54	38	42.8%
- Incidentals	-22	-18	19.8%
Result before tax	357	261	37.1%
Result for the year attributable to holders of equity instruments	269	200	34.5%
	2021	2020	Delta
Combined ratio P&C and Disability	91.8%	93.6%	-1.9%-p
- Commission ratio	18.8%	18.8%	-0.0%-p
- Cost ratio	8.0%	8.1%	-0.1%-p
- Claims ratio	64.9%	66.7%	-1.7%-p
Combined ratio			
- P&C	91.9%	92.5%	-0.6%-p
- Disability	91.6%	95.1%	-3.4%-p
- Health	96.2%	97.7%	-1.6%-p

Gross written premiums

Gross written premiums increased by 13.2% (€ 480 million) to € 4,124 million (2020: € 3,643 million), due to organic growth in all business lines. The total organic growth of Disability and P&C combined was 5.2% (€ 143 million), driven by increased sales volumes and tariff adjustments (mainly in Disability). The growth in Health of 38% (€ 338 million) reflects the commercial success of the recently introduced benefit-in-kind policy. In maintaining our financial discipline and pricing our products rationally, we benefited from an opportunity in Dutch Health insurance market to grow profitably last year.

Operating result

The Non-life operating result increased by € 84 million to € 325 million. This was mainly driven by an improvement of the claims ratio in Disability and profitable organic growth in all three business lines within Non-life.

The total (indicative) impact of COVID-19 was € 93 million (2020: € 21 million). Technical provisions for Disability were further strengthened this year due to revised expectations with regard to long-term COVID-19 related absenteeism, but to a lesser extent compared to last year, as well as a lower direct investment income primarily related to rental income. Lower claims in P&C, particularly in motor and fire, and a limited positive impact in Health, led to an increased positive impact overall.

¹ The Non-life segment consists of non-life insurance entities and their subsidiaries. These non-life insurance entities offer non-life insurance contracts such as disability insurance, property and casualty insurance and health insurance.

The 2021 operating result includes the negative impact from claims due to floods in Limburg in the second half of the year (€ 20 million), in addition to the strengthening of reserves in P&C (primarily related to motor vehicle liability) in the first half of the year.

Operating expenses

The operating expenses increased by € 12 million to € 269 million, while the expense ratio of the Non-life segment decreased by 0.5%-points. The expense ratio for Non-life (excluding Health) improved by 0.1%-points to 8.0% (2020: 8.1%). Growth of the premium volume in Disability and Health led to a limited increase in expenses.

Combined ratio

The combined ratio of the Non-life segment (excluding Health) improved by 1.9%-points to 91.8%, mainly due to a decrease in the claims ratio. The claims ratio benefited from the COVID-19 impact (approximately 3%-points), this is more favourable than last year (2020: approximately 1%-point). This reflects a less adverse impact on Disability compared to 2020. The impact of the July floods and reserve strengthening, mainly in P&C, partly offset the positive COVID-19 impact.

In P&C, the combined ratio amounted to 91.9% (2020: 92.5%). This reflects a favourable claims environment, particularly in motor and fire, primarily driven by COVID-19 related restrictions in the Netherlands. There was a negative impact from reserve strengthening, primarily related to motor vehicle liability, including the effect from a further, sector-wide, lowering of the actuarial interest rate for personal injury.

In Disability, the combined ratio amounted to 91.6% (2020: 95.1%). The underlying performance improved, thanks to pricing actions and improvements made in the sickness leave portfolio via claims control and a further focus on prevention and re-integration. Reserves were strengthened in group disability and sickness leave, reflecting new insights into the impact of long-term (psychological) absenteeism after falling ill to COVID-19. However, this impact is less severe than last year.

The combined ratio of Health improved by 1.6%-points to 96.2%. The improvement was mainly due to a strong underlying business performance driven by profitable growth of the portfolio. The COVID-19 related contribution from the Health insurance fund, based on Section 33 of the Health Insurance Act, was slightly positive.

Result before tax

The result before tax increased by € 97 million to € 357 million (2020: € 261 million) and was largely in line with the increase in the operating result (€ 84 million). Indirect investment income increased by € 16 million due to lower impairments.

Life segment

Key figures, Life segment ¹			
(in € million, unless stated otherwise)	2021	2020	Delta
Recurring premiums	1,428	1,405	1.6%
Single premiums	465	405	14.7%
Gross written premiums	1,893	1,810	4.6%
Operating expenses	-173	-171	1.6%
Provision for restructuring expenses	-1	-4	-72.1%
Operating result	763	730	4.5%
Incidental items (not included in operating result)	218	17	n.m.²
- Investment income	208	139	n.m.
- Incidentals	11	-122	n.m.
Result before tax	981	747	31.3%
Result for the year attributable to holders of equity instruments	750	601	24.9%
Cost-premium ratio (APE)	9.5%	9.1%	0.4%-p
Life operating expenses on basic life provision (bps)	45	45	-
New business (APE)	151	124	21.8%

Gross written premiums

The gross written premiums increased by € 82 million to € 1,893 million (2020: € 1,810 million), mainly due to the strong increase in recurring premiums in Defined Contribution (DC). The Pensions DC product 'Werknemers Pensioen' (Employee Pension) continued its commercial success this year as the number of active participants increased to almost 130 thousand (2020: almost 104 thousand) and recurring premiums rose by € 172 million (37%) to € 634 million, including the own pension scheme for a.s.r. employees.

Operating result

The operating result increased by € 33 million to € 763 million (2020: € 730 million), mainly due to the investment margin, which more than offset a decreased technical result.

The investment margin improved by € 62 million to € 682 million (2020: € 620 million), mainly driven by further optimisation of the investment portfolio, resulting in higher investment income and less adverse COVID-19 effects on investment income. Lower dividends from real estate funds, including rental discounts, were partly offset by increased dividend income. The required interest on technical provisions decreased due to the regular run-off in the Individual life portfolio. In addition, the technical result decreased by € 30 million, reflecting lower result on disability cover in pensions as well as the regular run-off of the Individual life portfolio.

The total negative (indicative) impact of COVID-19 was estimated at € 16 million (2020: € 22 million), which primarily reflects lower rental income. The impact on the mortality result is negligible, due to diversification of the various product lines.

1 The Life segment comprises the life insurance entities and their subsidiaries. These life insurance entities offer financial products such as life insurance contracts and life insurance contracts on behalf of policyholders. The Life segment also includes Brand New Day IORP, which offers investment contracts to policyholders that bear no insurance risk and for which the actual return on investments allocated to the contract is passed on to the policyholder.

2 n.m.: not meaningful.

Operating expenses

The operating expenses increased by € 3 million to € 173 million (2020: € 171 million). The additional cost base from the acquisition of Brand New Day IORP (1 April 2021) and project costs for realising a new IT landscape for the pension portfolio were largely compensated by the efficiency and cost synergies achieved with the completion of insurance portfolio conversions in 2020 (Loyalis and VvAA life) and lower investment charges.

In preparation for the pension reforms, which will take full effect as of 1 January 2027, an important step was taken in selecting a new SaaS pension platform. This platform offers our customers enhanced digital services and enables a.s.r. to respond more quickly and efficiently to the changing needs of the market while variabilising the administration costs.

Life operating expenses, expressed in basis points of the basic Life provision remained stable at 45 bps (2020: 45 bps), which is at the lower end of the target range (45-55 bps) for 2021. Operating expenses in relation to the premiums (measured in APE) amounted to 9.5% (2020 9.1%). This increase is mainly due to the additional cost base from the acquisition of Brand New Day IORP (1 April 2021) and the project costs for realising a new IT landscape for the pension portfolio.

Result before tax

The result before tax increased by € 234 million to € 981 million (2020: € 747 million), driven by an increase in incidental investment income, non-recurring items in 2020 and a higher operating result.

The increase in incidental investment income by € 69 million to € 208 million (2020: € 139 million) reflects the recovery of financial markets this year through positive revaluations. The impact of other incidental items increased by € 132 million and was limited to € 11 million, mainly due to non-recurring items in 2020 related to a goodwill impairment (€ 90 million) and refinement of the calculation methodology for disability insurance in the pension portfolio (€ 33 million).

Asset Management segment

Key figures, Asset Management segment¹

(in € million, unless stated otherwise)	2021	2020	Delta
Assets under management for third parties (€ bn)	28.0	24.3	15.0%
Operating expenses	-102	-94	7.9%
Provision for restructuring expenses	-	-1	n.m. ²
Operating result	36	31	14.2%
Incidental items (not included in operating result)	-	-1	n.m.
- Investment income	-	-	n.m.
- Incidentals	-	-1	n.m.
Result before tax	36	30	18.1%
Tax	-9	-8	20.2%
Result for the year from continuing operations, after tax	27	23	17.5%
Result for the year from discontinued operations, after tax	-	-2	n.m.
Profit/(loss) for the year attributable to holders of equity instruments	27	21	26.1%

Assets under management

Total AuM for third parties increased by € 3.7 billion to € 28.0 billion (2020: € 24.3 billion), which was driven by a continued growth of net inflows into the mortgage funds, inflows into the mix funds underlying the DC products and positive revaluations of the unit linked portfolio. In addition, the negative revaluations in the ASR Dutch Prime Retail Fund were more than offset by the inflow and positive revaluations in the ASR Dutch Core Residential Fund, which on balance increased real estate third party AuM.

Operating result

The operating result of Asset Management increased by 14.2% (€ 4 million) to € 36 million (2020: € 31 million) due to higher fee income resulting from the increased third-party AuM, partly offset by lower fees from the retail real estate portfolio.

Mortgage origination amounted to € 6.0 billion, € 2.1 billion of which was allocated to the ASR Mortgage Fund. Furthermore, € 0.9 billion and € 0.6 billion of the mortgage origination was allocated to the ASR Separate Account Mortgage Fund and external investors, respectively. Payment arrears of more than three months on the mortgage portfolio were already low, but improved even further by 1 bps to 2 bps (2020: 3 bps). Credit losses on mortgages increased by 0.19 bps to 0.26 bps (2020: 0.07 bps), mainly due to write-offs of irrecoverable debts.

Operating expenses

The operating expenses increased by € 7 million to € 102 million (2020: € 94 million), driven by top-line growth and higher personnel costs, partly due to the decision to insource the management of residential property.

The management cost ratio for a.s.r. mortgages improved by 1.9 bps to 7.8 bps (2020: 9.7 bps), mainly as a result of economies of scale.

¹ The Asset Management segment involves all activities related to asset management including investment property management. These activities include, amongst other businesses, ASR Vermogensbeheer N.V., ASR Financieringen B.V., ASR Real Estate B.V. and ASR Hypotheken B.V.

² n.m.: not meaningful.

Distribution and Services segment

Key figures, Distribution and Services segment¹

(in € million)	2021	2020	Delta
Total income	119	99	20.3%
Operating expenses	-94	-72	30.0%
Provision for restructuring expenses	-	-	n.m. ²
Operating result	28	25	9.2%
Incidental items (not included in operating result)	-18	-31	n.m.
- Investment income	-	-	n.m.
- Incidentals	-18	-31	n.m.
Result before tax	10	-6	n.m.
Tax	-5	-6	-20.7%
Result for the year attributable to holders of equity instruments	5	-12	n.m.

Total income

Total income increased by € 20 million to € 119 million (2020: € 99 million). This increase was mainly driven by acquisitions, but also organic business growth in various portfolios and selective tariff adjustments. The range of services provided was further broadened by adding several (smaller) distribution partners and service providers.

Operating result

The operating result increased by 9.2% (€ 2 million) to € 28 million (2020: € 25 million). This increase was driven by the contribution of acquisitions and expansion of services, which also increased total income.

Operating expenses

Operating expenses increased by € 22 million to € 94 million (2020: € 72 million). This increase was mainly due to acquisitions, organic growth of the business and integration costs.

Result before tax

The IFRS result before tax increased by € 16 million to € 10 million (2020: € -6 million). This increase was mainly due to a less negative impact of incidentals, including an impairment of goodwill and start-up costs for the a.s.r. Vitality programme.

1 The Distribution and Services segment includes the activities related to distribution of insurance contracts and include amongst others the financial intermediary business of PoliService B.V., Van Kampen Groep Holding B.V. (and Melching Groep B.V., and as of April 2021 Assurantiekantoor Lodewijk B.V.), Van Kampen Geld B.V., Dutch ID B.V., SuperGarant Verzekeringen B.V. (and ZZP Nederland Verzekeringen B.V., and as of October 2020 Bedrijfsartsengroep B.V.), Corins B.V., Anac, All-Finance Nederland Advies-Combinatie B.V., Anac Verzekeringen B.V. and ASR Vitaliteit & Preventieve Diensten B.V (Vitality).

2 n.m.: not meaningful.

Holding and Other segment (including eliminations)

Key figures, Holding and Other segment / Eliminations ¹			
(in € million)	2021	2020	Delta
Operating expenses	-86	-106	-18.6%
Provision for restructuring expenses	-	-	-
Operating result	-130	-143	-8.9%
Incidental items (not included in operating result)	-45	-60	n.m.²
- Investment income	29	8	n.m.
- Incidentals	-75	-68	n.m.
Result before tax	-175	-203	-13.7%
Tax	62	49	27.4%
Non-controlling interest	-4	-1	n.m.
Result for the year attributable to holders of equity instruments	-109	-153	28.5%

Operating result

The operating result improved by € 13 million to € -130 million (2020: € -143 million), primarily as a result of lower pension costs related to the introduction of the new DC pension scheme for a.s.r. employees.

The operating result includes interest charges of € 44 million (2020: € 44 million) for two subordinated liabilities (Tier 2 notes).

Operating expenses

The operating expenses decreased by € 20 million to € 86 million (2020: € 106 million), primarily as a result of the new a.s.r. pension scheme and a refinement of pension costs allocation resulting in a shift of pension costs from Holding to the other segments. The decrease in operating expenses was partly offset by higher allocated staff costs and the brand transition of 'De Amersfoortse' into a.s.r. as from 19 April 2021.

Result before tax

The IFRS result before tax improved by € 28 million to € -175 million (2020: € -203 million), due to the lower negative impact of incidental items and an increase in the operating result.

The improvement in incidental items of € 15 million to € -45 million (2020: € -60 million) reflects a capital gain on the sale of an equity participation and higher indirect investment income (€ 21 million). Furthermore, incidentals decreased by € 6 million to € -75 million mainly related to start-up and implementation costs for new propositions (including the Vitality programme and 'Ik Denk Vooruit') and the digitisation programme. This was partly offset by the completion of integration processes (Loyalis, VvAA and Veherex) and lower regulatory costs related to the IFRS17/9 implementation. The other incidentals also include the incidental result of the old DB pension scheme for a.s.r. employees.

1 The segment 'Holding and Other' consists primarily of the holding activities of a.s.r. (including the group related activities), other holding and intermediate holding companies, the real estate development business (ASR Vastgoed Projecten B.V.), ASR Vooruit B.V., the investment firm that performs activities related to private investing for customers, and the activities of ASR Deelnemingen N.V.

2 n.m.: not meaningful.

Capital management

- The Solvency II ratio (standard formula) remains robust at 196% (31 December 2020: 199%) including a 10%-point deduction for capital distributions. The Solvency II ratio meets the management target of above 160%.
- Organic capital creation (OCC) amounted to € 594 million (2020: € 500 million), which equals 14.2% of the required capital.
- Equity attributable to holders of equity instruments (IFRS-based equity) increased by € 1,053 million, to € 7,366 million.
- Financial leverage improved to 24.8% (31 December 2020: 28.3%), which is well below the management threshold of 35%, primarily due to the aforementioned increase in equity of € 1,053 million.
- Double leverage amounted to 99.2% (31 December 2020: 103.7%).

Solvency II

Solvency II			
(in € million)	31 December 2021	31 December 2020	Delta
Eligible Own Funds	8,189	8,273	-1%
Solvency Capital Requirement	4,185	4,159	1%
Solvency II ratio (post dividend)	196%	199%	-3%-p

The Solvency II ratio, using the standard formula, decreased by 3%-points to 196% (31 December 2020: 199%), including a 10%-point deduction for the interim dividend (€ 111 million), the final dividend (€ 217 million) and the share buyback (€ 75 million) executed in 2021. The positive impact from higher interest rates and a higher organic capital creation were partly offset by the negative impact of acquisitions as well as various market and operational developments (e.g. VA, UFR and inflation).

Organic capital creation increased by € 94 million to € 594 million (2020: € 500 million), mainly due to the improved performance in the Non-life segment, which is partly driven by an incidental COVID-19 benefit, as well as an increase in investment returns.

Eligible Own Funds

The Eligible Own Funds decreased to € 8,189 million (31 December 2020: € 8,273 million). The contribution of the organic capital creation, higher equity markets and interest and spread developments were offset by a lower VA, the UFR reduction, the impact of higher inflation and capital distributions such as dividend.

Solvency Capital Requirement

The Solvency Capital Requirement increased to € 4,185 million (31 December 2020: € 4,159 million). This increase was driven by increased equity risk due to higher equity valuations and higher insurance risk related to Non-life due to the growth of the business, partly offset by lower required capital for insurance risk Life due to higher interest rates and an increased LAC DT due to an increase in the corporate tax rate from 25.0% to 25.8%.

Equity

Breakdown of total equity

in € million	31 December 2021	31 December 2020	Delta
Share capital	22	23	-2.1%
Share premium reserve	956	976	-2.1%
Unrealised gains and losses	1,461	1,137	28.5%
Actuarial gains and losses (IAS19)	-1,055	-1,253	-15.8%
Retained earnings	5,061	4,509	12.2%
Treasury shares	-83	-82	0.6%
Equity attributable to shareholders	6,363	5,309	19.8%
Other equity instruments	1,004	1,004	-
Equity attributable to holders of equity instruments	7,366	6,313	16.7%
Non-controlling interest	18	-	n.m. ¹
Total equity	7,385	6,313	17.0%

Statement of changes in total equity

in € million	31 December 2021	31 December 2020
Beginning of reporting period - total equity	6,313	6,093
Profit / loss for the year	942	657
Unrealised gains and losses	325	200
Actuarial gains and losses (IAS19)	198	-237
Dividend	-285	-272
Hybrid capital costs	-48	-48
Non-controlling interest	18	-
Treasury shares acquired	-	-73
Other changes	-77	-7
End of reporting period - total equity	7,385	6,313

Total equity attributable to holders of equity instruments (IFRS-based) increased by € 1,072 million to € 7,385 million (2020: € 6,313 million). This increase was the result of the addition of the 2021 net result (€ 942 million), an increase of unrealised gains and losses (€ 325 million), especially in the equity portfolio due to a further recovery of financial markets in the year, and net actuarial gains and losses (IAS19, € 198 million) due to an increase in the discount rate to 0.90% (2020: 0.43%).

Several other factors partially offset this. In 2021, the final dividend for 2020 and interim dividend 2021 were paid out (€ 285 million). The cost of hybrids was € 48 million. Movements in the treasury shares due to the share buyback programme (€ -75 million) and the purchase (€ -7 million) and sale (€ 4 million) of shares in relation to the a.s.r. employee purchase programme were offset by the cancellation of treasury shares (€ 78 million). The movement in other changes relates mainly to the cancellation of treasury shares.

¹ n.m.: not meaningful.

Financial leverage

Financial leverage			
(in € million)	31 December 2021	31 December 2020	Delta
Basis for financial leverage (Equity attributable to shareholders)	6,363	5,309	19.8%
Financial liabilities	2,101	2,100	0.0%
of which hybrids	1,004	1,004	0.0%
of which subordinated liabilities	992	991	0.1%
of which senior debt	105	105	0.0%
Financial leverage (%)	24.8%	28.3%	-3.5%-p
Interest coverage ratio (IFRS)	13.8x	9.5x	4.3x

The financial leverage of a.s.r. improved by 3.5%-points to 24.8% (2020: 28.3%), mainly due to an increase in shareholders' equity (€ 1,054 million), while the debt position remained unchanged. The leverage is well below the self-imposed maximum target level of 35%.

The interest coverage ratio (ICR) increased by 4.3x to 13.8x (2020: 9.5x) due to a strong increase in the IFRS result before tax (€ 380 million), compared to stable interest expenses. The ICR based on the operating result improved by 1.5x to 11.7x (2020: 10.2x) mainly due to the increased operating result.

Double leverage

Double leverage			
(in € million)	31 December 2021	31 December 2020	Delta
Total value of associates	8,293	7,572	9.5%
Equity attributable to shareholders	6,363	5,309	19.8%
Hybrids and subordinated liabilities	1,996	1,995	0.0%
Equity attributable to holders of equity instruments	8,358	7,304	14.4%
Double leverage (%)	99.2%	103.7%	-4.5%-p

The double leverage decreased by 4.5%-points to 99.2% (2020: 103.7%). Shareholders' equity from participating interests ('value of subsidiaries') increased by € 721 million, while the shareholders' equity of the holding company, including subordinated liabilities, increased by € 1,054 million. The decrease of the double leverage amounting to € 333 million is mostly due to the result of the holding company, dividends received from subsidiaries, and actuarial gains on the own pension scheme. This decrease was only partially offset by the results of subsidiaries, dividend payments, coupon payments on other equity instruments and the share repurchase programme.

Appendices

- 1 Financial statements
 - 1.1 Consolidated balance sheet
 - 1.2 Consolidated income statements
 - 1.3 Consolidated statement of changes in equity
 - 1.4 Segmented balance sheet
 - 1.5 Segmented income statement

Disclaimer

1 Financial statements

1.1 Consolidated balance sheet

Consolidated balance sheet		
(in € millions and before profit appropriation)	31 December 2021	31 December 2020
Intangible assets	428	345
Property, plant and equipment	556	198
Investment property	2,052	1,973
Associates and joint ventures at equity method	102	101
Investments	33,550	36,599
Investments on behalf of policyholders	11,574	10,154
Investments related to investment contracts	1,952	-
Loans and receivables	15,259	14,370
Derivatives	6,212	9,168
Deferred tax assets	-	177
Reinsurance contracts	417	483
Other assets	631	720
Cash and cash equivalents	2,306	2,846
Assets held for sale	-	18
Total assets	75,040	77,151
Share capital	22	23
Share premium reserve	956	976
Unrealised gains and losses	1,461	1,137
Actuarial gains and losses	-1,055	-1,253
Retained earnings	5,061	4,509
Treasury shares	-83	-82
Equity attributable to shareholders	6,363	5,309
Other equity instruments	1,004	1,004
Equity attributable to holders of equity instruments	7,366	6,313
Non-controlling interests	18	-
Total equity	7,385	6,313
Subordinated liabilities	992	991
Liabilities arising from insurance contracts	37,797	41,460
Liabilities arising from insurance contracts on behalf of policyholders	14,566	13,137
Liabilities arising from investment contracts	1,952	-
Employee benefits	4,013	4,253
Provisions	24	24
Borrowings	192	54
Derivatives	759	1,419
Deferred tax liabilities	69	-
Due to customers	573	553
Due to banks	5,741	7,996
Other liabilities	976	951
Total liabilities	67,655	70,838
Total equity and liabilities	75,040	77,151

1.2 Consolidated income statements

Consolidated income statements		
(in € millions)	2021	2020
Continuing operations		
Gross written premiums	5,859	5,276
Change in provision for unearned premiums	16	24
Gross insurance premiums	5,875	5,300
Reinsurance premiums	-99	-100
Net insurance premiums	5,777	5,200
Investment income	1,571	1,488
Realised gains and losses	490	396
Fair value gains and losses	110	-49
Result on investments on behalf of policyholders	1,636	474
Result on investments related to investment contracts	185	-
Fee and commission income	204	149
Other income	56	81
Share of result of associates and joint ventures	9	4
Total income	10,036	7,743
Insurance claims and benefits	-6,846	-5,082
Insurance claims and benefits recovered from reinsurers	29	30
Net insurance claims and benefits	-6,817	-5,051
Changes in liabilities arising from investment contracts	-185	-
Operating expenses	-725	-701
Restructuring provision expenses	-4	-7
Commission expenses	-526	-516
Impairments	-22	-167
Interest expense	-362	-331
Other expenses	-186	-141
Total expenses	-2,010	-1,862
Result before tax from continuing operations	1,209	829
Income tax (expense) / gain	-270	-172
Result after tax from continuing operations	939	657

1.3 Consolidated statement of changes in equity

Consolidated statement of changes in equity

(in € millions)	Share capital	Share premium reserve	Unrealised gains and losses	Unrealised actuarial gains and losses	Retained earnings	Treasury shares	Equity Attributable To Shareholders	Other Equity Instruments	Non Controlling Interest	Total equity
At 1 January 2020	23	976	937	-1,016	4,179	-9	5,089	1,004	-	6,093
Net result	-	-	-	-	657	-	657	-	-1	656
Total other comprehensive income	-	-	200	-237	-	-	-37	-	-	-37
Total comprehensive income	-	-	200	-237	657	-	620	-	-1	619
Dividend paid	-	-	-	-	-272	-	-272	-	-	-272
Discretionary interest on other equity instruments	-	-	-	-	-48	-	-48	-	-	-48
Treasury shares acquired (-)/sold	-	-	-	-	-1	-73	-74	-	-	-74
Other movements	-	-	-	-	-6	-	-6	-	1	-5
At 31 December 2020	23	976	1,137	-1,253	4,509	-82	5,309	1,004	-	6,313
At 1 January 2021	23	976	1,137	-1,253	4,509	-82	5,309	1,004	-	6,313
Net result	-	-	-	-	942	-	942	-	-3	939
Total other comprehensive income	-	-	325	198	-	-	523	-	-	523
Total comprehensive income	-	-	325	198	942	-	1,465	-	-3	1,461
Dividend paid	-	-	-	-	-285	-	-285	-	-	-285
Discretionary interest on other equity instruments	-	-	-	-	-48	-	-48	-	-	-48
Treasury shares acquired (-)/sold	-	-	-	-	-1	-78	-79	-	-	-79
Increase (decrease) in capital	-	-20	-	-	-57	78	-	-	22	22
Other movements	-	-	-	-	1	-	1	-	-1	-
At 31 December 2021	22	956	1,461	-1,055	5,061	-83	6,363	1,004	18	7,385

1.4 Segmented balance sheet

Segmented balance sheet							
As at 31 December 2021	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Intangible assets	96	125	35	172	-	-	428
Property, plant and equipment	-	512	-	12	249	-216	556
Investment property	285	1,768	-	-	-	-	2,052
Associates and joint ventures at equity method	-	23	-	9	69	-	102
Investments	7,578	25,398	-	-	3,881	-3,308	33,550
Investments on behalf of policyholders	-	11,574	-	-	-	-	11,574
Investments related to investment contracts	-	1,952	-	-	-	-	1,952
Loans and receivables	1,557	13,842	18	45	134	-336	15,259
Derivatives	124	6,088	-	-	-	-	6,212
Deferred tax assets	-	22	-	-	58	-80	-
Reinsurance contracts	263	154	-	-	-	-	417
Other assets	137	412	24	-5	65	-2	631
Cash and cash equivalents	109	2,005	83	48	62	-	2,306
Total assets	10,150	63,874	160	280	4,517	-3,942	75,040
Equity attributable to holders of equity instruments	2,420	5,876	141	164	-1,122	-112	7,366
Non-controlling interests	3	15	-	-	-	-	18
Total equity	2,423	5,891	141	164	-1,121	-112	7,385
Subordinated liabilities	45	-	-	-	992	-45	992
Liabilities arising from insurance contracts	7,051	33,621	-	-	-	-2,874	37,797
Liabilities arising from insurance contracts on behalf of policyholders	-	14,566	-	-	-	-	14,566
Liabilities arising from investment contracts	-	1,952	-	-	-	-	1,952
Employee benefits	-	-	-	-	4,013	-	4,013
Provisions	1	14	-	-	9	-	24
Borrowings	-	175	-	47	433	-463	192
Derivatives	64	695	-	-	1	-	759
Deferred tax liabilities	174	-	5	9	-	-119	69
Due to customers	99	746	-	24	-	-296	573
Due to banks	88	5,549	-	-	105	-	5,741
Other liabilities	206	666	14	36	86	-32	976
Total liabilities	7,727	57,983	19	116	5,639	-3,830	67,655
Total equity and liabilities	10,150	63,874	160	280	4,517	-3,942	75,040
Additions to							
Intangible assets	-	71	28	23	-	-	122
Property, plant and equipment	-	370	-	3	14	-	387
Total additions	-	440	28	27	14	-	508

Segmented balance sheet (continued)

As at 31 December 2020	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Intangible assets	115	65	8	158	-	-	345
Property, plant and equipment	-	156	-	11	287	-256	198
Investment property	274	1,699	-	-	-	-	1,973
Associates and joint ventures at equity method	-	23	-	3	74	-	101
Investments	7,488	28,713	-	-	3,711	-3,314	36,599
Investments on behalf of policyholders	-	10,154	-	-	-	-	10,154
Investments related to investment contracts	-	-	-	-	-	-	-
Loans and receivables	1,034	13,510	19	33	104	-330	14,370
Derivatives	221	8,947	-	-	-	-	9,168
Deferred tax assets	-	131	-	-	132	-86	177
Reinsurance contracts	325	158	-	-	-	-	483
Other assets	145	514	15	-1	47	-1	720
Cash and cash equivalents	140	2,392	78	50	186	-	2,846
Assets held for sale	-	-	18	-	-	-	18
Total assets	9,742	66,463	137	255	4,541	-3,987	77,151
Equity attributable to holders of equity instruments	2,170	5,379	116	170	-1,396	-125	6,313
Non-controlling interests	-	-	-	-	-	-	-
Total equity	2,170	5,379	116	170	-1,396	-125	6,313
Subordinated liabilities	36	-	-	-	991	-36	991
Liabilities arising from insurance contracts	6,845	37,505	-	-	-	-2,890	41,460
Liabilities arising from insurance contracts on behalf of policyholders	-	13,137	-	-	-	-	13,137
Liabilities arising from investment contracts	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	4,253	-	4,253
Provisions	1	3	-	-	19	-	24
Borrowings	-	29	5	21	521	-522	54
Derivatives	66	1,354	-	-	-	-	1,419
Deferred tax liabilities	113	-	4	7	-	-123	-
Due to customers	89	711	-	25	-	-272	553
Due to banks	168	7,723	-	-	105	-	7,996
Other liabilities	255	623	12	32	48	-19	951
Total liabilities	7,572	61,085	21	85	5,937	-3,862	70,838
Total equity and liabilities	9,742	66,463	137	255	4,541	-3,987	77,151

1.5 Segmented income statement

Segmented income statement							
2021	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Continuing operations							
Gross written premiums	4,124	1,893	-	-	-	-157	5,859
Change in provision for unearned premiums	16	-	-	-	-	-	16
Gross insurance premiums	4,140	1,893	-	-	-	-157	5,875
Reinsurance premiums	-98	-1	-	-	-	-	-99
Net insurance premiums	4,042	1,892	-	-	-	-157	5,777
Investment income	142	1,422	-	-	10	-4	1,571
Realised gains and losses	45	422	-	-	34	-11	490
Fair value gains and losses	16	94	-	-	-2	2	110
Result on investments on behalf of policyholders	-	1,636	-	-	-	-	1,636
Result on investments related to investment contracts	-	185	-	-	-	-	185
Fee and commission income	23	12	161	117	-	-110	204
Other income	1	23	-	2	32	-2	56
Share of result of associates and joint ventures	-	1	-	1	7	-	9
Total income	4,269	5,688	161	119	81	-283	10,036
Insurance claims and benefits	-3,079	-3,986	-	-	-	219	-6,846
Insurance claims and benefits recovered from reinsurers	23	7	-	-	-	-	29
Net insurance claims and benefits	-3,056	-3,980	-	-	-	219	-6,817
Changes in liabilities arising from investment contracts	-	-185	-	-	-	-	-185
Operating expenses	-269	-173	-102	-94	-137	51	-725
Restructuring provision expenses	-3	-1	-	-	-	-	-4
Commission expenses	-564	-19	-	-	-	57	-526
Impairments	-1	-13	-	-9	-	-	-22
Interest expense	-15	-293	-1	-1	-9	-43	-362
Other expenses	-4	-43	-23	-6	-126	16	-186
Total expenses	-856	-727	-125	-110	-272	80	-2,010
Result before tax from continuing operations	357	981	36	10	-191	16	1,209
Income tax (expense) / gain	-88	-230	-9	-5	65	-3	-270
Result after tax from continuing operations	269	751	27	5	-126	13	939
Discontinued operations							
Result after tax from discontinued operations	-	-	-	-	-	-	-
Net result	269	751	27	5	-126	13	939

2021	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Attributable to:							
Non-controlling interests	-	1	-	-	-4	-	-3
- Shareholders of the parent	269	750	27	5	-170	13	894
- Holders of other equity instruments	-	-	-	-	48	-	48
Result attributable to holders of equity instruments	269	750	27	5	-122	13	942

Segmented income statement (continued)

2020	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Continuing operations							
Gross written premiums	3,643	1,810	-	-	-	-177	5,276
Change in provision for unearned premiums	24	-	-	-	-	-	24
Gross insurance premiums	3,667	1,810	-	-	-	-177	5,300
Reinsurance premiums	-99	-1	-	-	-	-	-100
Net insurance premiums	3,568	1,810	-	-	-	-177	5,200
Investment income	138	1,348	-	1	8	-7	1,488
Realised gains and losses	64	333	-	-	-	-	396
Fair value gains and losses	15	-64	-	-	-2	2	-49
Result on investments on behalf of policyholders	-	474	-	-	-	-	474
Result on investments related to investment contracts	-	-	-	-	-	-	-
Fee and commission income	24	-1	145	71	-	-91	149
Other income	8	14	-	27	32	-	81
Share of result of associates and joint ventures	-	-1	-	1	4	-	4
Total income	3,816	3,913	145	99	42	-273	7,743
Insurance claims and benefits	-2,738	-2,562	-	-	-	219	-5,082
Insurance claims and benefits recovered from reinsurers	28	3	-	-	-	-	30
Net insurance claims and benefits	-2,710	-2,560	-	-	-	219	-5,051
Changes in liabilities arising from investment contracts	-	-	-	-	-	-	-
Operating expenses	-257	-171	-94	-72	-158	52	-701
Restructuring provision expenses	-2	-4	-1	-	-	-	-7
Commission expenses	-545	-11	-	-	-	41	-516
Impairments	-21	-128	-	-27	9	-	-167
Interest expense	-13	-233	-1	-	39	-123	-331
Other expenses	-8	-60	-19	-5	-63	13	-141
Total expenses	-846	-606	-115	-105	-174	-17	-1,862
Result before tax from continuing operations	261	747	30	-6	-132	-71	829
Income tax (expense) / gain	-61	-146	-8	-6	30	18	-172
Result after tax from continuing operations	200	601	23	-12	-101	-53	657
Discontinued operations							
Result after tax from discontinued operations	-	-	-2	-	-	-	-2
Net result	200	601	21	-12	-101	-53	656

2020	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Attributable to:							
Non-controlling interests	-	-	-	-	-1	-	-1
- Shareholders of the parent	200	601	21	-12	-148	-53	609
- Holders of other equity instruments	-	-	-	-	48	-	48
Result attributable to holders of equity instruments	200	601	21	-12	-100	-53	657

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