Achmea Conditional Pass-Through Covered Bond Company B.V.

Annual Report 2021

Amsterdam, the Netherlands

Achmea Conditional Pass-Through Covered Bond Company B.V.
Basisweg 10
1043 AP Amsterdam
The Netherlands
Chamber of Commerce 69.60.28.75

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1. Director's report

1.1 Activities and results

General
Achmea Conditional Pass-Through Covered Bond Company B.V. (“the Company”) was incorporated on 14 September 2017 and is located at Basisweg 10, 1043AP, Amsterdam which is registered at the Dutch Chamber of Commerce (69.60.28.75).

The main objective of the Company is to guarantee, under the Trust Deed, the payment of interest and principal payable under the Covered Bonds issued by Achmea Bank N.V. (“Achmea” or “the Issuer”) which is located at Spoorlaan 298, 5017 JZ Tilburg with its registered office in The Hague. As consideration for the Company to meet its obligation under the issued guarantee, Achmea will transfer eligible assets to the Company. Achmea transferred eligible mortgage loans to the Company through a so called silent assignment (stille cessie). Meaning that until the occurrence of an Assignment Notification Event, the Asset Cover test has been breached or a Notice to pay / CBC Acceleration Notice have been served (“the Events”), Achmea is entitled to all proceeds in relation to the transferred eligible assets. If one or more of the previously mentioned events occurs or notice(s) have been issued, the Company will be entitled to receive all proceeds in relation to the transferred assets, in order to fulfil its obligation under the issued guarantee; payment of interest and principal on the Covered Bonds.

Achmea may issue, under the Covered Bond Programme, various series of Covered Bonds with a total notional amount of EUR 5 billion. On 22 November 2017 Achmea issued under the Covered Bond Programme a first series of Covered Bonds (“the Bonds”) in a total value of EUR 0.5 billion, on 20 February 2019 Achmea has completed the second issuance of EUR 0.5 billion and on 16 June 2020 Achmea has completed the third issuance of EUR 0.5 billion bonds. All Bonds were still outstanding as per 31 December 2021.

As per 31 December 2021 the net outstanding nominal amount of the transferred eligible mortgage loans was EUR 1,838.3 million.

The Bonds at issuance were rated by both Moody`s and Fitch. Moody`s rated the Bonds issued as Aaa and Fitch as AAA. The rating of the Bonds have not been amended since the issuance.

Since the issuance of the first series of Bonds neither an Assignment Notification Event, nor a breach of the Asset Cover Test has occurred nor has a Notice to pay or a CBC Acceleration Notice been served.

The Trust Deed entered into by the Company, Achmea and Stichting Security Trustee Achmea Conditional Pass-Through Covered Bond Company (“the Trustee”) states that all costs and expenses of the Company will be received and paid on behalf of the Company by Achmea for its own account. As a result, all amounts remaining on the Company`s balance sheet will flow back periodically to Achmea. The Company`s cash transactions are limited to bank interest received and bank interest charged through to Achmea and the Company will not have the right to any of the proceeds.

In our opinion, the financial statements give a true and fair view of the assets, liabilities, financial position and statement of income of the Company and the director's report includes a fair view of the development and performance of the business and the position of the Company, together with a description of the principal risks that the Company faces.

RISK MANAGEMENT
In the sections below the main risks and instruments that can be used for mitigation are being discussed.

Financial risk management
The Company has, under the Trust Deed, guaranteed the payment of interest and principal payable under the Covered Bonds issued by Achmea. As a consequence, the Company will then, amongst others, run interest rate risks on the Covered Bonds and the mortgage portfolio.

Credit and concentration risk
Credit risk is the risk that the Borrowers will be unable to pay amounts in full when due, unless the guarantee is invoked. When the guarantee is invoked all risks associated with the mortgage portfolio will be transferred to the Company. Until that moment all risks and rewards associated with the assets are retained by Achmea and the transferred Mortgage Loans are not recognized on the Company`s balance sheet. However given the minimum legally required overcollateralisation of at least 5% a buffer is available to cover losses arising.

Interest rate risk
In order to limit or mitigate the potential interest rate risks the Company may, if deemed necessary, enter into swap agreements. In relation to the series issued and the portfolio transferred to the Company no swap agreement has been entered into by the Company. This given the fact that the average fixed interest rate on the Bonds, of 0.295%, is less than the average interest rate of all transferred receivables.

Furthermore, the notional amount outstanding of all transferred eligible mortgage receivables should at least be 105% of the Notional Amount Outstanding of all Bonds. At the balance sheet date the Notional Amount Outstanding of the transferred eligible mortgage receivables was 122.9%.

Liquidity risk
In order to mitigate the liquidity risk, a temporary shortfall in cash, a reserve account is established. Cash is deposited by Achmea on a separate bank account held with Citibank Europe plc.

Limited Recourse
Although Interest rate risk, credit risk and liquidity risk are recognized the exposure of the Company is limited. The Covered Bonds are issued at limited recourse. If a CBC Event of Default occurs and the Security is enforced, the proceeds may not be sufficient to meet the claims of all the Secured Creditors, including the Covered Bondholders. In the event following enforcement of the Security, the Secured Creditors have not received the full amount due to them pursuant to the terms of the Transaction Documents, the Secured Creditors will no longer have a claim against the Company after enforcement of the Security. The Secured Creditors may still have an unsecured claim against the Issuer for the shortfall.

1.2 Future developments

This macro-economic analysis in this section is largely based on data and expectations presented by De Nederlandsche Bank ("DNB") and the Central Bureau of Statistics ("CBS") up to the second quarter of 2022.

DNB has concluded that the Dutch economy has been relatively resilient to COVID-19 effects up to now but highlights that there are certain pressures building up within the Dutch economy, as well as the economy's vulnerability to developments elsewhere in the world-wide economy. Alongside its most likely scenario, it has also sketched an alternative scenario for the coming years which is largely based on adverse developments in the global economy, including the impact of the Ukraine/Russia conflict.

The developments in the Dutch economy during 2021 demonstrated its resilience to the significant adverse effects of the COVID-19 pandemic largely due its favourable position when compared to most other economies around the world. The recovery in the second and third quarters of 2021 exceeded expectations, fueled mostly by domestic consumer spending, increased business confidence in the economy and increased levels of government spending in terms of infrastructure projects and financial support designed to protect the more vulnerable sectors of the economy. The Dutch export sector was also well placed to benefit from rising worldwide demand, particularly in the chip production and pharmaceutical sectors. At the same time, it was relatively sheltered from sectors which were particularly hard hit by global shortages as worldwide production and logistics were suffering from COVID-19 effects.

GDP increased by around 4.5% in 2021, as compared to a decrease of 3.8% in 2020. The current expectations are that GDP will continue to bounce back by 3.6% in 2022 and 1.7% in 2023, with an estimated 'worst case' scenario of 1.4% lower GDP per 2022 due to the Ukraine/Russia conflict extending longer and more severe than expected.

In the projections, the economy is expected to continue to benefit from somewhat restored confidence by consumers and businesses alike, as well as a continuation of a high level of government spending. However, the restored confidence appears to be quite fragile and vulnerable to several developments. Regarding government spending, the 6.3% deficit that was recorded in 2020 has improved to a deficit of around 4.4% in 2021. This improvement is expected to continue to a deficit of around 1.9% in 2022 and 0.8% in 2023. Much of these projections will depend on the extent and timing of infrastructure projects and government support for the economy.

Whilst the projections for 2022 and beyond are relatively positive, DNB has pointed to a number of vulnerabilities underlying the economic developments. Production facilities are under pressure as a result of logistical restrictions and shortages in the supply of a number of raw materials. In some sectors, production is close to its maximum capacity. The supply of labour is also showing signs of being under significant pressure, comparable to pre COVID-19 levels, and worldwide energy prices are rising in the wake of increased demand. The export sector continues to be well placed to benefit from improvements in the global economy, with demand in the chip production and pharmaceutical sectors expected to continue to rise significantly.

Unemployment levels showed an unexpectedly sharp decrease from 4.6% at the end of 2020 to just 2.7% at the end of 2021 though this is expected to increase to averages of around 3.4% in 2022 and 2023. The relatively low unemployment figures hide appreciable differences in the sectors hit hard by COVID-19 and those that have benefitted. The overall figures are also confirmed by other indicators in the labour markets such as the number of vacancies in absolute terms and vacancies as a proportion of the unemployment numbers. Most businesses cited a lack of personnel at the end of 2021 as their major obstacle to growth in 2022.

Headline inflation increased from an average of 1.2% in 2020 to some 2.7% in 2021 and even some 6% at the end of the year. Inflationary pressures at the end of the year (around 1.5%) came from higher energy costs, especially electricity, oil, gas and automotive fuel. Higher prices for consumer goods such as cars, furniture and computer equipment arising out of the rapid recovery in global markets also contributed. Rising energy prices are expected to contribute a relatively large element to inflation. The tight labourmarket and economic recovery are also expected to result in inflationary pressures as wage settlements creep up, increasing production unit costs. The most recent inflation percentage (conform CBS), per September 2022, is 14.5%.

Based on analyses performed by the Director, the conflict in Ukraine is considered a non-adjusting subsequent event for the financial statements 2021. At this point in time it seems the Company has no direct exposure to Russia and Ukraine. There may be adverse and negative effects to the global economy, financial markets, global trade paymentsystems and capital flows as well as from the impact of sanctions. However, the extent to which the impact this has to the Company will depend on future developments that are highly uncertain and cannot be predicted. The Company will continue to closely monitor events and their potential impact. As the Covered Bonds are issued at limited recourse, the risks for the Company itself are limited. However, given the limited recourse (meaning a risk transfer to the Covered Bonds holders), the Company took a variety of measures to minimise the risks linked to the transaction.

It is important to reiterate that the Company was incorporated specifically for its role in a structured finance transaction and is governed by the terms and conditions of the Prospectus and other Transaction Documents. These are drawn up, inter alia, to foresee all possible future economic conditions, including those caused by for example COVID-19 and the Ukraine / Russia conflict. The limited recourse principle embedded in the Prospectus and Transaction Documents dictates that any such losses from the Company's assets are to be borne by the Company's creditors, in accordance with a pre-determined priority of payments waterfall.

Consequently, any such losses are unlikely to be borne by the Company itself but rather by the Company's creditors, including the beneficiary of the Deferred Purchase Price, the Noteholders, other creditors and only ultimately the Company's shareholder. The Company intends to continue to act within the terms and conditions set out for it by the Transaction Documents, and to otherwise comply with all its other obligations. The Company has no employees and is dependent on third-party service providers. However, the level or quality of the service provided has remained unaffected.

In conclusion, the Company expects to remain a going concern. The Director believes that the Company's risks are adequately mitigated by the various credit enhancements, as described in the Financial statements and the Prospectus.

Director's representation statement
The Director declares that, to the best of their knowledge, the financial statements prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and result of the Company and that the Director's report includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties it faces.

Director
During 2021 the Company was represented by Intertrust Management B.V. in the role as Director of the Company.

Amsterdam, November 14, 2022

The Director,
Intertrust Management B.V.

2. FINANCIAL STATEMENTS

2.1 Balance Sheet as at 31 December 2021 (before appropriation of result)

(Amounts are in EUR)		**31 December 2021**		**31 December 2020**	
ASSETS					
Current assets					
Receivables					
Other receivables	[1]		8,457		5,790
Cash at banks	[2]		4,855,376		4,855,917
			4,863,833		4,861,707
SHAREHOLDER'S EQUITY AND LIABIITIES					
Shareholder's equity	[3]				
Share capital		1		1	
Other reserves		6,705		4,617	
Net result current year		2,125		2,088	
			8,831		6,706
Long-term Liabilities					
Other liabilities	[4]		4,855,000		4,855,000
Current liabilities					
Tax liabilities	[5]		2		1
			4,863,833		4,861,707

The accompanying notes form an integral part of these financial statements.

2.2 Income statement for the year ended 31 December 2021

(Amounts are in EUR)		2021	2020
Income			
Income	[6]	4,442,294	3,934,872
Expenses			
General and administrative expenses	[7]	4,439,794	3,932,372
Result before taxation		2,500	2,500
Corporate income tax	[8]	375	412
Net result		2,125	2,088

The accompanying notes form an integral part of these financial statements.

2.3 Cash flow statement for the year ended 31 December 2021

(Amounts are in EUR)		**2021**	**2020**
Net Result		2,125	2,088
Net cash flow from operating activities			
Net change in other receivable	[1]	- 2,667	- 1,629
Net change in tax liabilities	[5]	1	-
Net cash flow from financing activities			
Long term liabilities issued	[4]	-	150,000
Net cash flow		- 541	150,459
Opening Cash at banks		4,855,917	4,705,458
Closing Cash at banks	[2]	4,855,376	4,855,917
Movements in Cash at banks		- 541	150,459

The accompanying notes form an integral part of these financial statements.

2.4 General notes to the financial statements for the year ended 31 December 2021

GENERAL INFORMATION
Achmea Conditional Pass-Through Covered Bond Company B.V. ("the Company") was incorporated on 14 September 2017 and is located at Basisweg 10, 1043 AP, Amsterdam which is registered at the Dutch Chamber of Commerce (69.60.28.75).

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As per 31 December 2021 the net outstanding nominal amount of the transferred eligible mortgage loans was EUR 1,838.3 million.

The Bonds at issuance were rated by both Moody`s and Fitch. Moody`s rated the Bonds issued as Aaa and Fitch as AAA. The rating of the Bonds have not been amended since the issuance.

Since the issuance of the first series of Bonds neither an Assignment Notification Event, nor a breach of the Asset Cover Test has occurred nor has a Notice to pay or a CBC Acceleration Notice been served.

The Trust Deed entered into by the Company, Achmea and Stichting Security Trustee Achmea Conditional Pass-Through Covered Bond Company ("the Trustee") states that all costs and expenses of the Company will be received and paid on behalf of the Company by Achmea for its own account. As a result all amounts remaining in the Company will flow back periodically to Achmea. The Company`s cash transactions are limited to bank interest received and bank interest charged through to Achmea and the Company will not have the right to any of the proceeds.

In our opinion, the financial statements give a true and fair view of the assets, liabilities, financial position and statement of income of the Company and the director's report includes a fair view of the development and performance of the business and the position of the Company, together with a description of the principal risks that the Company faces.

RISK MANAGEMENT
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Financial risk management
The Company has, under the Trust Deed, guaranteed the payment of interest and principal payable under the Covered Bonds issued by Achmea. As a consequence, the Company will then, amongst others, run interest rate risks on the Covered Bonds and the mortgage portfolio.

Credit and concentration risk
Credit risk is the risk that the Borrowers will be unable to pay amounts in full when due, unless the guarantee is invoked. When the guarantee is invoked all risks associated with the mortgage portfolio will be transferred to the Company. Until that moment all risks and rewards associated with the assets are retained by Achmea and the transferred Mortgage Loans are not recognised at the Company`s balance sheet. However given the legally minimum required overcollateralisation of at least 5% a buffer is available to cover losses arising.

Interest rate risk
In order to limit or mitigate the potential interest rate risks the Company may, if deemed necessary, enter into swap agreements. In relation to the series issued and the portfolio transferred to the Company no swap agreement has been entered into by the Company. This given the fact that the average fixed interest rate on the Bonds, of 0.295%, is less than the average interest rate of all transferred receivables.

Furthermore, the notional amount outstanding of all transferred eligible mortgage receivables should at least be 105% of the Notional Amount Outstanding of all Bonds. At the balance sheet date the Notional Amount Outstanding of the transferred eligible mortgage receivables was 122.9%.

Liquidity risk
In order to mitigate the liquidity risk, a temporary shortfall in cash, a reserve account is established. Cash is deposited by Achmea on a separate bank account held with Citibank Europe plc.

Limited Recourse
Although Interest rate risk, credit risk and liquidity risk are recognized the exposure of the Company is limited. The Covered Bonds are issued at limited recourse. If a CBC Event of Default occurs and the Security is enforced, the proceeds may not be sufficient to meet the claims of all the Secured Creditors, including the Covered Bondholders. In the event following enforcement of the Security, the Secured Creditors have not received the full amount due to them pursuant to the terms of the Transaction Documents, the Secured Creditors will no longer have a claim against the Company after enforcement of the Security. The Secured Creditors may still have an unsecured claim against the Issuer for the shortfall.

PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these Financial statements are set out below:

Basis of presentation

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2, of the Dutch Civil Code and the Dutch Accounting Standards. The Financial statements are prepared under the historical cost convention and presented in the joint currency of the European Monetary Union, the euro (“EUR” or “€”). All amounts are in EUR, unless stated otherwise. Unless specifically stated otherwise, assets and liabilities are recognised at the amounts at which they were acquired or incurred. The Balance sheet, Income statement and Cash flow statement include references to the notes.

Authorization financial statements

The financial statements for the year ended 31 December 2021 were authorized for publication in accordance with a resolution of the Management Board on 14 November 2022.

Significant accounting judgments and estimates

In the process of applying the Company's accounting policies, the Company's management has exercised judgment and estimates in determining the amounts recognised in the Financial statements. The most significant uses of judgment and estimates are as follows.

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern. The management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the Financial statements are prepared on the going concern basis.

Recognition

Assets are recognized in the financial statements if it is probable that any future economic benefit associated with the specific item will flow to the Company and the item can be measured with reliability. Liabilities are recognized in the financial statement if it is probable that these liabilities result in an outflow of resources embodying future economic benefits and that these liabilities can be measured with reliability.

If a transaction results in a transfer of future economic benefits and or when all risks and rewards relating to assets or liabilities transfer to a third party, the asset or liability is no longer included in the balance sheet.

Financial instruments

The Financial statements contain the following financial instruments: other receivables, cash at banks, long-term liabilities and current liabilities.

Financial instruments are initially measured at fair value, including discount or premium and directly attributable transaction costs. After initial recognition, financial instruments are measured at amortised cost. For any specific applicable accounting policy see the specific descriptions of the financial instruments in this section.

Other receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost less impairment. Impairment losses are deducted from amortised cost and expensed in the Income statement. The impairment is based on the incurred loss model. The other receivables have a short-term character.

Cash at banks

Cash at banks are measured at nominal value and, insofar as not stated otherwise, are at the free disposal of the Company. Cash at banks relate to immediately due and payable withdrawal claims against credit institutions and cash resources.

Long-term Liabilities

The long-term liabilities are initially recognized at fair value less transaction costs which can be directly attributed to the acquisition of the debt. After initial recognition, they are carried at amortised cost.

Current liabilities
On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value. The current liabilities have a short-term character and are expected to be paid off within a year.

Offsetting
Financial assets and liabilities are offset at the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Recognition of income and expenses
Income and expenses are recognised in the Income statement on an accruals basis. Income is recognized to the extent that it is probable that the benefits will flow into the company and can be reliably measured. Income relates to charges to Achmea. The Trust Deed entered into by the Company, Achmea and the Trustee states that all costs and expenses of the Company will be received and paid on behalf of the Company by Achmea for its own account. Income therefore relates to expenses charged through to Achmea and are allocated to the period to which they relate. General and administrative expenses are accounted for in the period in which these are incurred. Losses are accounted for in the year in which they are identified.

Corporate income tax
The Company is liable to Dutch corporate income tax under a tax ruling. This stipulates that the Company should report annual income on the basis of a 10% mark-up on the Director's fee, with a minimum of EUR 2,500.

Statement of cash
The Statement of cash flows has been prepared using the indirect method. The cash items disclosed in the Statement of cash flows are comprised of cash at banks. Income taxes are included in cash from operating activities. Dividends paid if applicable are recognised as cash used in financing activities.

CONTINGENT LIABILITIES AND COMMITMENTS

Guarantee
Pursuant to the Guarantee issued under the Trust Deed, the Company guarantees the payment of interest and principal payable under the Covered Bonds. The Company has granted a first ranking right of pledge over the transferred mortgage loans and beneficiary rights to the Trustee. The exercise of the pledge is subject to certain terms and conditions. Not meeting the Company's obligations to certain secured parties, including the covered bond holders, can lead to exercising the right of pledge by the Trustee. After exercising of the pledge the Company will receive all the proceeds of the transferred assets with the aim to pay the principal and interest payable under the covered bonds.

2.5 Notes to the Balance sheet as at 31 December 2021

OTHER RECEIVABLES [1]	**31 December 2021**	**31 December 2020**
(Amounts are in EUR)		
Current account with Achmea	8,457	5,790

The other receivables consists of the net position of income and costs reimbursed to Achmea by the Company, but still need to be received by the Company. The other receivables have a short-term character.

CASH AT BANKS [2]	**31 December 2021**	**31 December 2020**
(Amounts are in EUR)		
Reserve Account	4,855,000	4,855,000
Back-up Account	376	917
	4,855,376	4,855,917

Reserve Account
The Reserve Account relates to a reserve deposit with Citibank Europe plc, Netherlands Branch at Schiphol, the Netherlands. The Reserve Account Required Amount as per 31 December 2021 amounts to EUR 2,980,000. These funds are designated as reserve fund for the bond holders. These funds are not at the free disposal of the Company. The remaining balance of EUR 1,875,000 is free at the disposal of the Company. The rate of interest on the Reserve Account is determined by the €STR.

Back-up Account
The Back-up Account relates to a backup account with Coöperative Rabobank U.A. in Utrecht, the Netherlands. The rate of interest on the Back-up Account is determined by the €STR.

SHAREHOLDER'S EQUITY [3]

Share capital

The issued share capital amounts to EUR 1, consisting of 1 ordinary share of EUR 1.

Shareholder's equity

Shareholder's equity *(Amounts are in EUR)*	31 December 2021	31 December 2020
Share capital	1	1
Other reserves	6,705	4,617
Net result current year	2,125	2,088
Closing balance	8,831	6,706

Proposed appropriation
The net result for the current year is EUR 2,125. The Director proposes to add the net result to the other reserves.

LONG-TERM LIABILITIES [4]

(Amounts are in EUR)	31 December 2021	31 December 2020
Opening balance	4,855,000	4,705,000
Additions to reserve account	-	150,000
Closing balance	4,855,000	4,855,000

Long term liabilities relate to the obligatory cash deposit placed with Achmea. This cash amount is deposited in a separated account: the reserve account. The Company will need to refund the deposited amount, to Achmea, when there is no obligation to maintain a reserve fund anymore. This will be the case once the issued notes have been repaid in full. The maturity date of the first series is 22 November 2024, of the second series is 20 February 2026 and of the third series is 16 June 2025.

The required amount that needs to be deposited is based on the scheduled interest due on the issued Covered Bonds on the next following interest payment date. The reserve fund is maintained in order to guarantee an uninterrupted payment of the interest amounts due on the Covered Bonds. Achmea is entitled to receive all interest receipts in relation to deposited cash amount in the reserve account. The liability equals the amounts that have been deposited by Achmea on the reserve account.

CURRENT LIABILITIES [5]

Tax liabilities

(Amounts are in EUR)	**31 December 2021**	**31 December 2020**
Corporate income tax current year	1	-
Corporate income tax prior years	1	1
	2	1

The fair value of the current liabilities approximates the book value due to their short-term character. In 2021 the calculated tax amount to 375 EUR and the tax paid amount to 374 EUR.

2.6 Notes to the Income statement for the year ended 31 December 2021

INCOME [6]

(Amounts are in EUR)	**2021**	**2020**
Charged to Achmea	4,442,294	3,934,872

As part of the Trust Deed all expenses are charged and settled with Achmea. The income is the recharge of the expenses towards Achmea and these expenses include a net annual income on the basis of a 10% mark-up on the Director's fee, with a minimum of EUR 2,500 (according to the Tax Ruling).

GENERAL AND ADMINISTRATIVE EXPENSES [7]

Amounts are in EUR)	**2021**	**2020**
Poolservicing fee	4,285,743	3,767,432
Administration fee	55,435	54,582
Management fee	34,770	47,325
Independent auditor fee	18,790	21,592
Bank expenses	45,007	41,392
Other expenses	48	48
	4,439,794	3,932,372

The expenses are determined on an accrual basis and are attributed to the reporting year to which they relate. Achmea. has charged EUR 4,285,743 as pool servicing fee related to providing pool services as outlined in the Servicing Agreement. The fee is calculated based on a fee of 0.20% per year for January and February of 2021 and thereafter the fee is calculated based on a fee of 0.21% per year from March 2021 to December 2021 of the aggregated outstanding principal of the secured portfolio of mortgage loans. The pool servicing fee increased by EUR 518,311 in 2021 as a result of the third issuance of EUR 500 million bonds in June 2020 and the increase of the fee from 0.20% to 0.21% in March 2021.
Achmea has charged EUR 55,435 as administration fee which concerns the cost related to the execution of the administrative tasks by the Company Administrator as outlined in the Administration Agreement. These tasks includes the execution of the required Asset Cover Test.
The management fee of EUR 34,770 consists of annual remuneration and additional expenses regarding the Covered Bond Programme by the Company Management.
The independent auditor fee of EUR 18,790 is charged by Ernst & Young Accountants LLP to the Company for the statutory audit of the annual accounts 2021.
The bank expenses of EUR 45,007 are charged by Citibank Europe p/c and charged by Coöperative Rabobank U.A. for the interest rate on the reserve account and back-up account.

CORPORATE INCOME TAX [8]

(Amounts are in EUR)	**2021**	**2020**
Corporate income tax	375	412

The Company and the Dutch Tax Authorities agreed by way of a ruling until the Final Maturity Date of the Notes that the taxable amount is calculated as the higher of a) 10% of the annual remuneration paid to the Director of the Company and b) EUR 2,500. The applicable tax rate for the year under review is 15,0% (2020: 16,5%) of the taxable amount.

Employees
During the year under audit the Company did not employ any personnel in the Netherlands or abroad.

Remuneration of the Director and Supervisory Board
The Board of Directors consists of one corporate director; the remuneration of the Director is included in the management fee as disclosed under General and administrative expenses above and amounts to EUR 24,956. The Company does not have a Supervisory Board.

Result
The result is the difference between the Income and the General and Administrative Expenses during the year, taking into account the tax ruling. The results on transactions are recognised in the year in which they are realised.

Post-balance sheet events
Based on analysis performed by the Director, no material subsequent events noted. The course of events in Ukraine, international measures and the economic impact of these on financial markets and inflation are closely monitored. Please note that the Achmea Conditional Pass-Through Company B.V. has no direct exposure to Ukraine and Russia.

Amsterdam, November 14, 2022

The Director,
Intertrust Management B.V.

3. Other information

3.1 Profit appropriation according to the articles of association

In accordance with Article 20 of the Articles of Association, the result for the year is at the disposal of the General Meeting of Shareholders.

The general meeting is subsequently authorized to resolve to distribute or to reserve what then remains of the profits or a part thereof. The general meeting is also authorized to resolve to make interim distributions, which includes distributions from the reserves.
The Company may make distributions to the shareholders only to the extent that from the most recently adopted balance sheet it appears that the Company's shareholders' equity exceeds the reserves that must be maintained by law.

The Company may only follow a resolution of the general meeting to distribute after the management board has given its approval to do this. The management board withholds approval only if it knows or reasonably should be able to foresee that the Company cannot continue to pay its due debts after the distribution.

3.2. Independent auditor's report

Independent auditor's report

To: the management of Achmea Conditional Pass-Through Covered Bond Company B.V.

Report on the audit of the financial statements 2021 included in the annual report

Our opinion

We have audited the financial statements 2021 of Achmea Conditional Pass-Through Covered Bond Company B.V., based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Achmea Conditional Pass-Through Covered Bond Company B.V. as at 31 December 2021 and of its result for 2021 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The balance sheet as at 31 December 2021
- The income statement for the year ended 31 December 2021
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

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

We are independent of Achmea Conditional Pass-Through Covered Bond Company B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Report on other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- The director's report
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code

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

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the director's report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities for the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

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

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

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

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

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, 14 November 2022

Ernst & Young Accountants LLP

signed by R. Koekkoek