



Achmea Bank N.V. – Soft Bullet Covered Bond Programme – Investor Presentation

16 May 2022

achmea 

Executive summary

Programme Highlights

Issuer	Achmea Bank N.V.
Programme Size	EUR 5 bn
Format	Soft Bullet
Extension Period	Maximum of 12 months
Rating (S&P)	AAA <i>expected</i>
Guarantor	Achmea SB Covered Bond Company B.V.
Collateral	Prime Dutch Residential Mortgages
Originators	Achmea Bank N.V. and Achmea Hypotheken B.V.
Favourable Regulatory Treatment	<ul style="list-style-type: none"> • Qualify as LCR eligible (Level 1) • Solvency II eligible • ECB CBPP3 eligible • UCITS and CRR article 129 compliant • ECB repo eligible
Governing Law	Dutch Covered Bond Legislation
Robust Structure	<ul style="list-style-type: none"> • Strong programme tests: Asset Cover Test & Amortisation Test • Asset Percentage of 94.3%
Reporting	NTT and HTT reporting (ECBC Covered Bond Label)

Achmea Bank

- Highly rated issuer: A-/A, outlook stable (S&P/Fitch)
- Well established originator of mortgages with almost 50 years experience
- Strong capital and liquidity position with diversified funding mix

Established its AAA-rated Soft Bullet Covered Bond Programme in June 2021

- Issued an inaugural 15 years Soft Bullet Covered Bond transaction in September 2021
- Experienced issuer that successfully operated a Aaa/AAA (Moody's/Fitch) rated Conditional Pass-Through (CPT) Covered Bond Programme since 2017 from which to date 3 benchmark issuances have been launched

Mortgage loan portfolio

- Total mortgage book of EUR 11.1bn (FY 2021), including portfolios from Acier, a.s.r., Obvion and Dynamic Credit Hypotheken
- In Q4 2020 Achmea Bank joined the Achmea Mortgages Investment Platform of Syntrus Achmea Real Estate & Finance (SAREF)
- Strong performing Dutch housing market
- High quality mortgage portfolio with low historic arrears and write-offs
- Currently, only Achmea Bank and Achmea Hypotheken mortgages are eligible for the Soft Bullet Covered Bond Programme

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**Achmea
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**Funding &
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**Achmea
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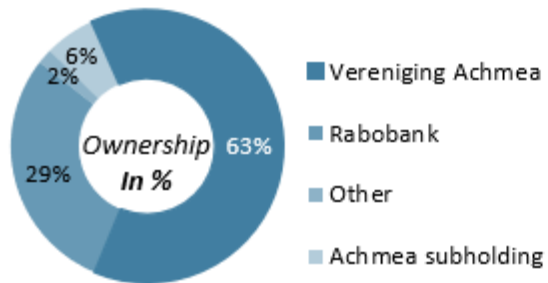
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Achmea Group

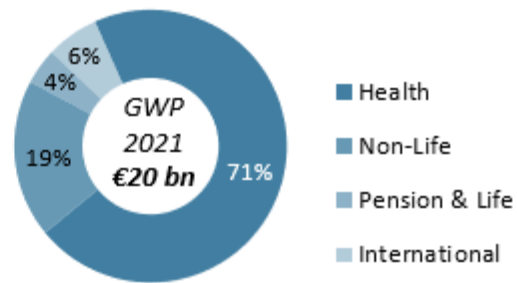
Dutch market leader with a mutual identity with strong brands, diversified distribution and innovative services

Mutual identity

Majority owned by our customers through the Vereniging Achmea ("Achmea association")



Diversified written premium base



Main characteristics

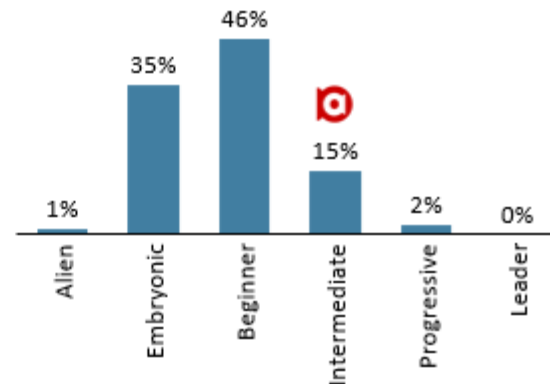
- Strong and solid insurance group with a mutual identity, founded in 1811
- Clear market leader in Dutch Non-Life and Health insurance, well positioned in Dutch fiduciary asset management
- Interpolis, Centraal Beheer and Zilveren Kruis are among the most recognised insurance brands in the Dutch market with high Net Promotor Scores (NPS)
- Well diversified distribution mix through the intermediary, direct and banking channels; well positioned for market developments
- Recognised as market leader in innovation and digitisation
- Positioned for growth through:
 - Unique distribution mix
 - Know-how in Dutch retirement market, with asset management, mortgages and pension administration services
 - Selected international markets

Strong and recognised brands



Digital and innovative insurer

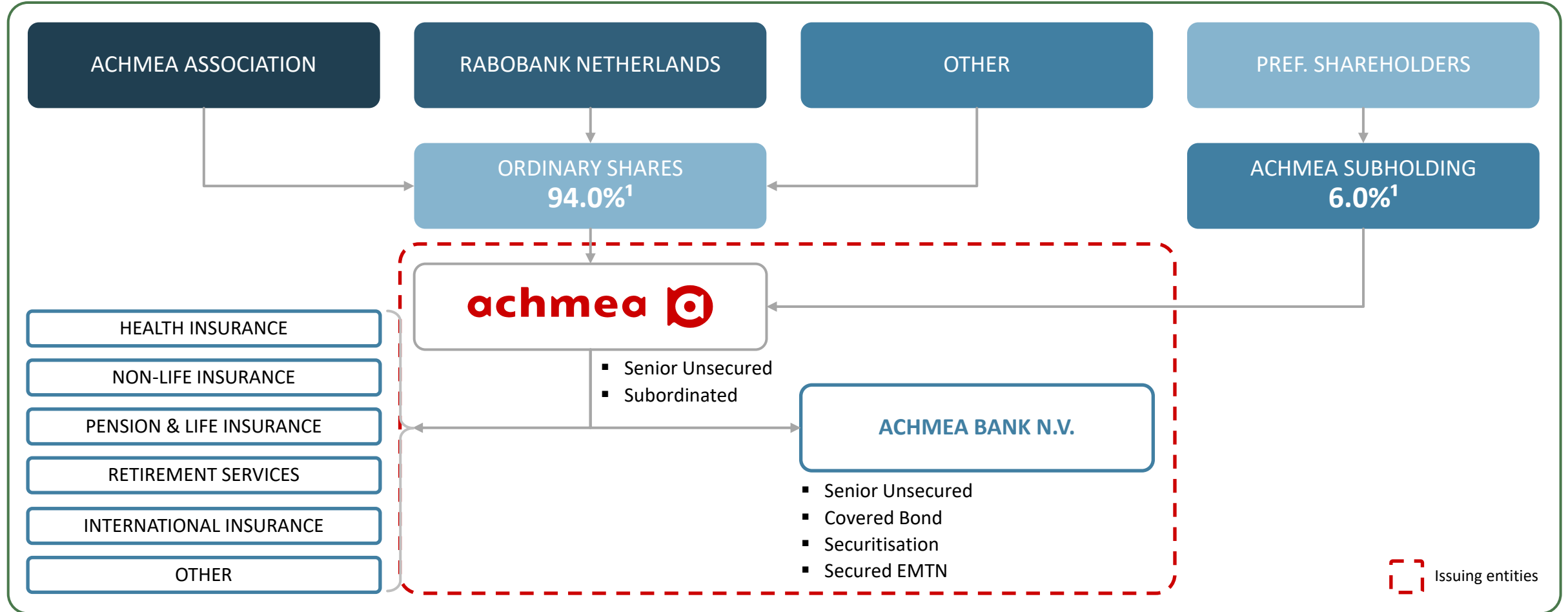
Digital insurer strategy assessment:
Achmea in top quartile of peer group¹



¹ Gartner digital insurer strategy assessment, January 2021

Achmea Group

Ownership Structure - Stability through two major cooperative shareholders



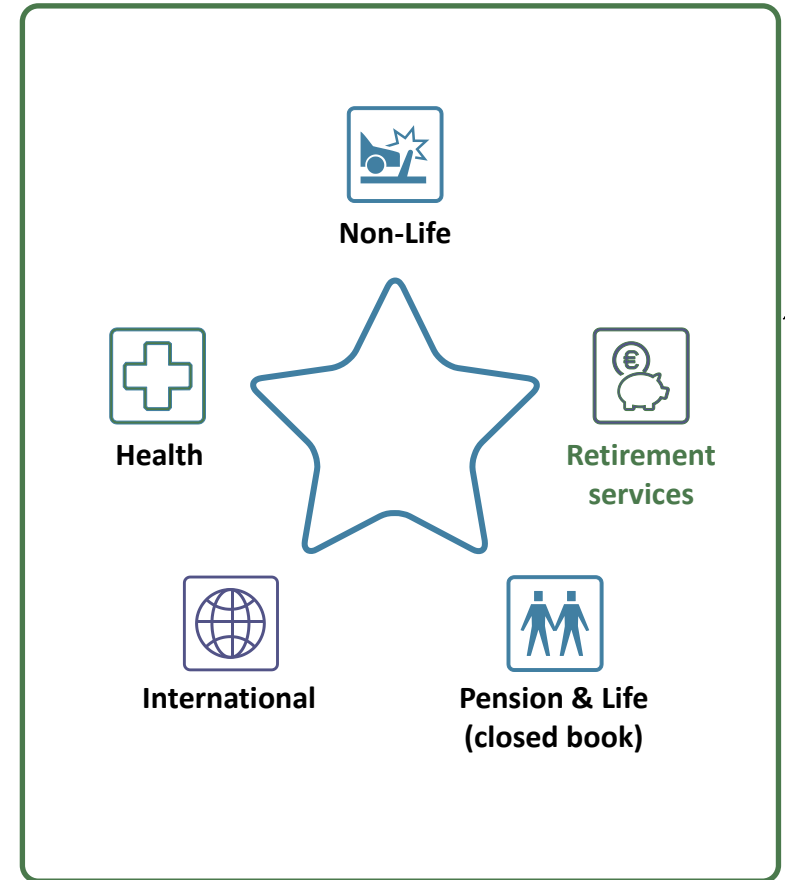
Achmea Group

Achmea Bank plays a key role in the retirement services strategy of Achmea

Achmea is the largest insurer of The Netherlands, with a reinforced market leadership in Health and a strengthened market position in Non-Life and Asset management. Achmea aims to be a leading player in retirement services in response to social and demographic trends and anticipating a shift to more individualized need for retirement solutions

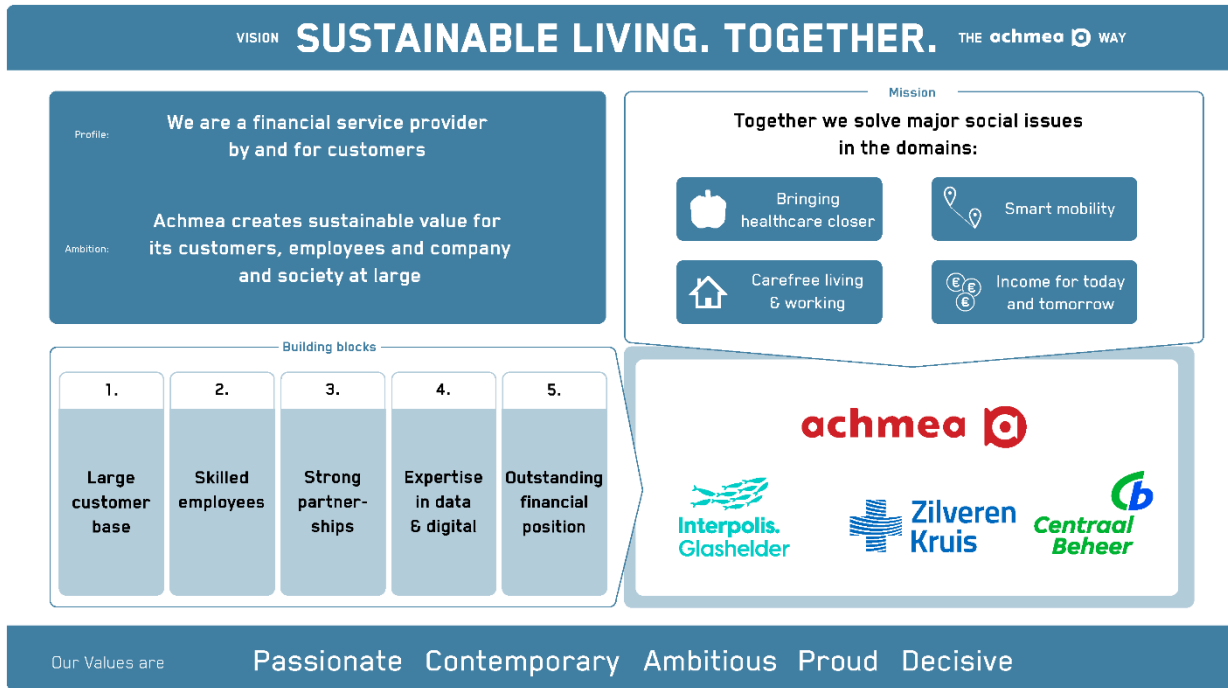
Achmea strongly positioned itself in this market and offers consumers integrated propositions consisting of pension solutions, together with asset management, savings and mortgages products. Achmea Bank plays a key role in the retirement services strategy of Achmea

Five market-oriented chains



Achmea stands for Sustainable Living. Together.

Strategic acceleration based on a powerful vision and ambitious mission



Large customer base

- Strong brands, continued high customer satisfaction and customer loyalty
- Leading positions in Health and Non-Life in the Netherlands strengthened, growth in Asset under Management, expansion InShared to Germany

Skilled employees

- Collective Labour Agreement with climate budget, NPS of 33 on Achmea as employer
- Continued high employee engagement (8.2), despite Covid-19

Strong partnerships

- Interpolis and Rabobank have leading position in bancassurance
- Partnership with PGB: first pension fund on new platform InAdmin RiskCo

Expertise in data & digital

- Online client servicing expanded, good progress in cloud migration
- Implement innovations for clients in the Netherlands and internationally

Outstanding financial position

- Strong operational result, robust solvency, acceleration in synergy



Achmea Bank & Centraal Beheer joined forces with SAREF

Achmea created a central unit that steers on long-term value creation of its mortgage labels

Per October 2020, the newly created central unit Achmea Hypotheken allows Achmea Group to

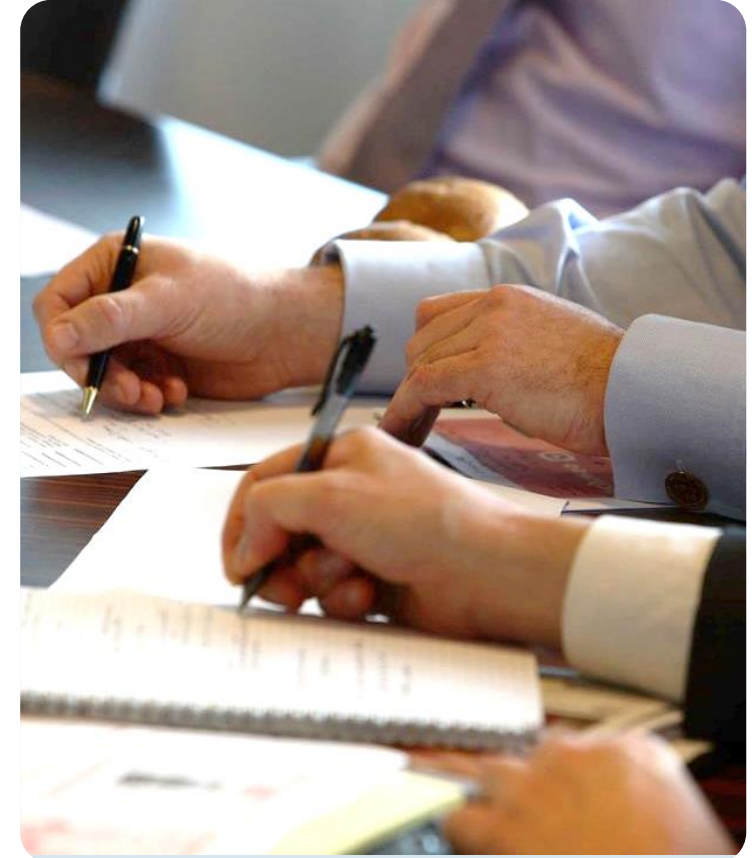
- Optimise long-term value creation of its mortgage labels by
 - efficiently combining its on-balance margin business with third party fee business
 - translating this into attractive consumer propositions through the Centraal Beheer brand
 - whilst optimising the efficiency across the full mortgage value chain
 - Achmea Bank is an investor in this newly established platform

Achmea Group has

- Optimised operations in Tilburg, Apeldoorn and Amsterdam by undoubling activities
- Merged all mortgage origination & servicing activities into one mortgage unit within SAREF in Amsterdam

The envisaged benefits are

- Improved range of attractive propositions for investors through new separate account structure
- Increased market share by focusing on the *power brand* Centraal Beheer
- Lowering costs and reducing operational risks by centralizing and by realizing economies of scale
- Bundling skills and expertise within Achmea Bank, Centraal Beheer and SAREF



Achmea Group - Separate Account

New investment platform tailored to the needs of investors¹

Joining forces

- Previously, Centraal Beheer mortgages were originated on behalf of Achmea Bank as well as Achmea Pension & Life (AP&L)
- Centraal Beheer has become the *power brand* for internal and external funders
- Centraal Beheer mortgages are originated by Achmea Hypotheken on behalf of Achmea Bank, AP&L as well as external funders
- As initial investors, Achmea Bank and AP&L tailored the new structure to their needs

New Lender of Record

- Mortgages are originated via the new lender of record (Achmea Hypotheken). Achmea Bank and other funders' programmes will become owner via a (legal) silent assignment (bi-weekly)
- Achmea Bank remains lender of record for the existing (legacy) portfolio
- Current Achmea mortgage portfolios have become closed book



¹ Currently Achmea Hypotheken are not included in the cover pool

Achmea Group

Sustainability is in the core of our strategy: Sustainable Living. Together.

We commit ourselves to a net zero strategy



Achmea will join and participate in the Net Zero Insurance Alliance and the Partnership for Carbon Accounting Financials (PCAF) – this ensures a transition strategy that is comparable and measurable¹.

Sustainability in products and services

- Calculate the carbon footprint of our insurance portfolio
- Chart a route to net zero ultimately in 2050 and earlier if a scientific basis is available
- Influence customer behaviour through our direct channels

Sustainability in investments

- Net zero footprint of liquid investments in 2040¹
- Minimal energy label of A for real estate investments by 2030
- Average energy label of A for mortgages by 2030
- Use ESG knowledge and capabilities of AIM and SAREF

Sustainability in business operations

- Climate neutral business operations in 2030
- Net zero carbon emissions and energy consumption
- Procurement 100% circular and energy efficient

¹Based on fact-based scientific foundation IPCC (International Panel on Climate Change)

Achmea Group

Carefree living & working: focus on sustainability, prevention and innovation with partners strengthens the relationship with clients, diversifies business and improves claims ratio



Carefree living & working



Green Roofs



Solar Panels



Thermally toughened glass



Insight in climate sensitive zones

We provide our retail clients with the possibility to improve the sustainability and durability of their housing while offering us cross-sell opportunities...

- With a Green Roof, clients can prevent damage, increase the lifetime of their roof and makes their home more sustainable (rainwater collection).
- 44,000m² Green Roofs installed since 2019 with high client satisfaction (NPS > +50)
- We are working with SAREF to install Green Roofs for their tenants
- Centraal Beheer recently started to offer them to clients as well
- Green Roofs can be combined with solar panels (Double Sustainable Roof)

...while providing our (mostly) commercial clients with innovative solutions to reduce damage, especially stemming from climate change

- Thermally toughened glass is more than two times stronger than standard glass and reduces damage by approximately 5-10%¹. Approximately 10% of the current greenhouse portfolio has thermally toughened glass
- Blue Label provides insights into climate sensitive zones helping local authorities and commercial real estate to take remedial actions

¹ Based on initial results on an as-if analysis of the 2016 hail calamity event.

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Achmea Bank at a glance

WELL POSITIONED IN RETIREMENT SERVICES STRATEGY OF ACHMEA

11.1
BILLION
MORTGAGES

>45
YEARS OF
EXPERIENCE
IN THE MORTGAGE
MARKET

**MORTGAGE
ACTIVITIES
INTEGRATED WITH
SAREF**

STRONG BRANDS



AND

Woonfonds

**WITH HIGHLY
QUALIFIED STAFF**

SAVINGS PORTFOLIO
7.3
BILLION

**SOFT BULLET
COVERED BOND
PROGRAMME**
S&P: AAA

**2021: ACQUISITION OF
0.5BN
MORTGAGE
PORTFOLIO FROM
A.S.R.**

**EXPERIENCED COVERED BOND
ISSUER:
3 CPTCBS + 1 SBCB OUTSTANDING**

HIGHLY RATED ISSUER: A-/A, outlook stable (S&P/Fitch)

Overview

Highlights



FINANCIAL PERFORMANCE

- Operating profit before tax of EUR 52 million (2020: EUR 37 million)
- Interest margin EUR 138 million for 2021 (versus 2020: EUR 141 million)
- Common Equity Tier 1 Capital Ratio of 20.9% for 2021 (versus 2020: 20.4%)
- Return on Equity of 4.8% for 2021 (versus FY 2020: 3.4%)



KEY DEVELOPMENTS

- Realisation of a new DNB registered Soft Bullet Covered Bond Programme and an inaugural issuance of EUR 500m
- Purchase of mortgage portfolio (EUR 500 million) from a.s.r. in 2021
- Revolving mortgage ('Krediet Hypotheek') received an award for 'Most Innovative Product' of 2020
- Acceded to the Achmea Hypotheken Mortgage Investment Platform by the implementation of a separate account structure
- Achmea Bank introduced negative interest rates for balances over EUR100k and issued a client stop for new customers as of Q3 2021

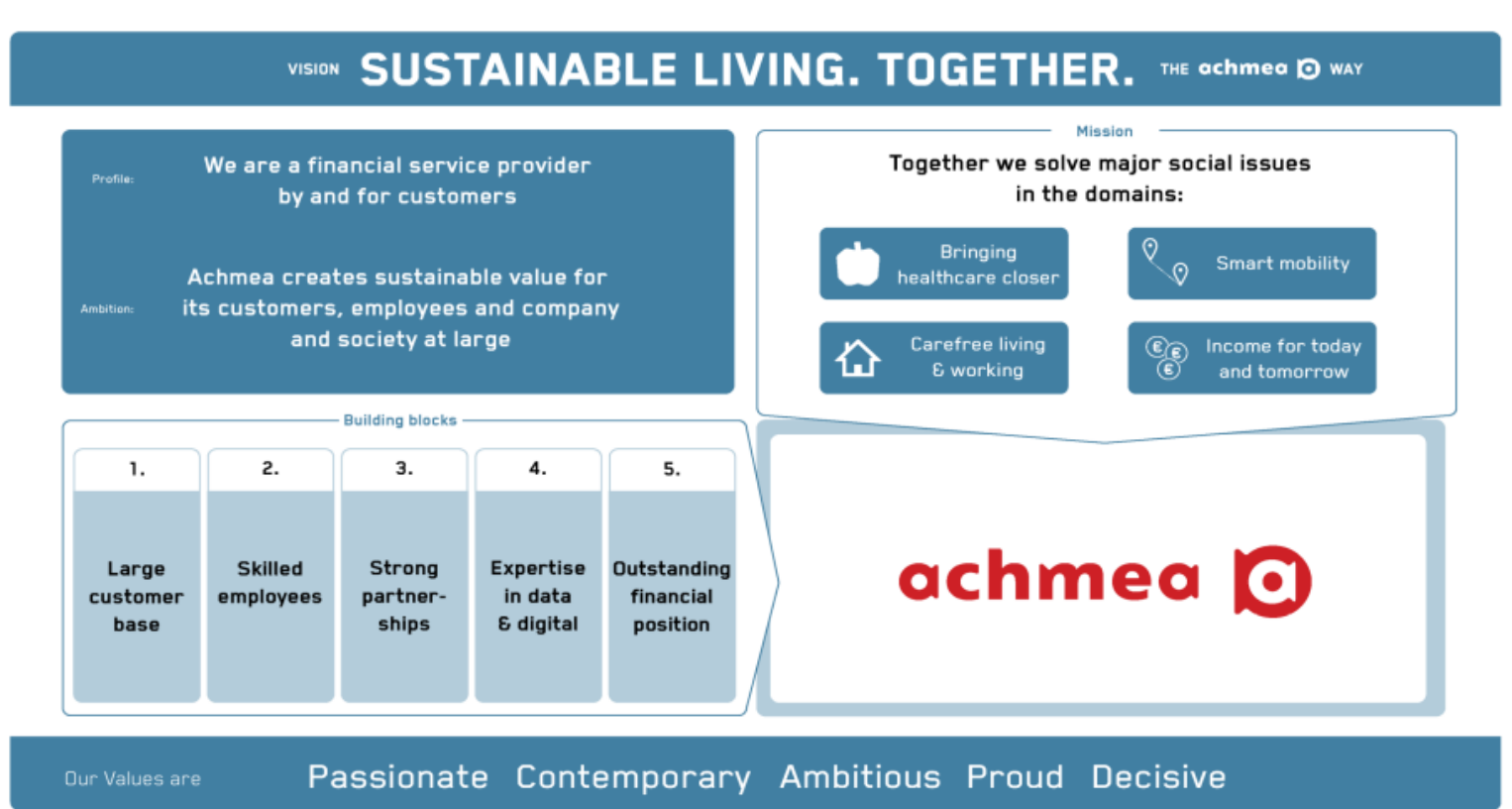


UPDATE ON STRATEGY

- Combining mortgage activities within Achmea to increase efficiency and scale
- Achmea Bank is preparing its (pre) application package for A-IRB
- Achmea Bank has acquired a PSD2 license and has a partnership with Fintech Bittiq for offering PSD2 solutions to its customers
- The Achmea Green Finance Framework was published in February 2022

Achmea Bank

Sustainable Living, Together: Achmea Bank the retail bank of Achmea



- Achmea Bank is the retail bank of Achmea with a focus on mortgages, saving and investments. Sustainable value creation is key to our proposition
- Achmea Bank is a data-driven network bank. Together with its internal and external partners the bank gives shape to 'Income for today and tomorrow' and 'Carefree living & working'
- Achmea Bank supports the ambition of Centraal Beheer to become Netherland's favourite Financial Services provider and the ambition of SAREF to establish the best mortgage platform in the Netherlands

Achmea Bank

Well established originator

- Achmea Bank plays a strategically important role in the retirement services strategy of Achmea Group. Our mortgage and savings products complement the wider range of insurance products provided by Achmea Group. Achmea Bank is the competence and service center for retail savings products within Achmea Group
- Well established originator of mortgages with almost 50 years of experience
- Three labels: Centraal Beheer, Woonfonds and Acier (closed book)

Low Risk

- High quality mortgage portfolio with low arrears and write-offs
- Strong capital and liquidity position
- Diversified funding base, which comprises a mix of retail savings and wholesale funding

Strong ratings profile

- Fitch: A/F1 (stable outlook) reaffirmed April 2022
- S&P: A-/A-2 (stable outlook) reaffirmed March 2022

KEY FIGURES (IN EUR MILLION)		
Achmea Bank NV	FY 2021	FY 2020
Total assets	12,848	13,834
Mortgages (nominal)	11,080	11,653
Savings	7,315	7,174
Capital base	779	808
Risk Weighted Assets	3,726	3,954
Profit before income taxes	52	37
LCR (Liquidity Coverage Ratio)	297%	332%
Leverage Ratio	6.5%	6.0%
NIM (Net Interest Margin)	1.22%	1.23%
Common Equity Tier 1 Ratio	20.9%	20.4%
Total Capital Ratio	20.9%	20.4%

Achmea Bank

Sound strategy in current market circumstances

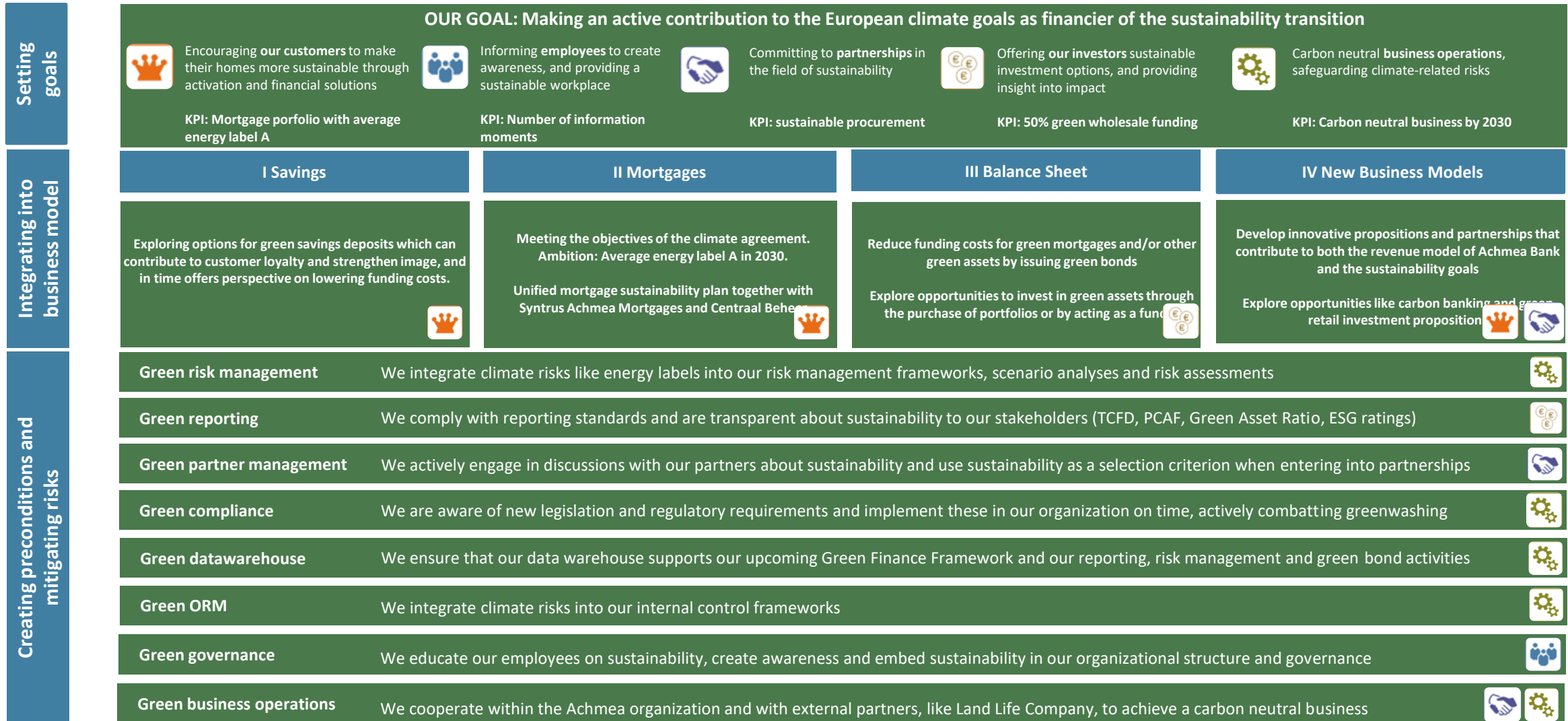
Strategic priorities Achmea Bank

- Robust growth of the mortgage portfolio and profitability, through
 - Growth in mainstream mortgage market through Centraal Beheer
 - Selected growth in niche markets (predominantly through Woonfonds)
 - Investments in credit portfolios of third parties
- Stabilizing savings portfolio, lowering capital requirement and interest rates
- Integrating ESG into strategy, governance, risk metrics and operational steering towards achieving ESG goals
- Lower capital charge and increase ROE by implementing Advanced IRB model
- Continuous investment in digitalisation and data(management) capabilities
- Developing new business models (e.g. PSD2)



Sustainability framework of Achmea Bank

Integrated into three organizational levels



Achmea Bank

Sound Financial Strategy

Increase of Profitability

- Niche propositions with better interest margin
- Optimize liquidity costs
- New fee business
- Liquidity provider & portfolio optimizer (for internal and external portfolios)

Synergy Achmea

- Achmea has combined its mortgage operations as of October 2020. Benefits are:
 - Improved range of attractive propositions for investors through new separate account
 - Increased market share by focusing on the *power brand* Centraal Beheer
 - Lowering costs and reducing operational risks by realizing economies of scale
 - Combining skills and expertise within Achmea Bank, Centraal Beheer and SAREF



Achmea Bank

Brands & Distribution strategy

Mortgage & Savings products are sold using two respected and well known Achmea brands: direct and intermediary channel



**Centraal
Beheer**

- Well known market brand of Achmea Group
- Centraal Beheer focuses on mainstream mortgages and savings
- Direct/broker channel (distribution partners)
- Mortgages are eligible as cover assets for the SB Covered Bond Programme



Woonfonds

- Exclusively via broker channel
- A respected mortgage brand for almost 50 years
- Specialized in niche markets, i.e. self-employed and buy-to-let
- Mortgages are eligible as cover assets for the SB Covered Bond Programme (only owner-occupied mortgages)



acier
Financieringen

- Acier is a closed book portfolio
- Achmea Bank acquired the Acier mortgage portfolio from Staalbankiers
- A significant part of the Acier mortgages are CHF denominated
- Mortgages are not eligible as cover assets for the SB Covered Bond Programme

1. The cover pool includes (only) the Woonfonds and Centraal Beheer mortgage labels

Results FY 2021

Income Statement

- The interest margin decreased from EUR 141 million to EUR 138 million. The lower interest margin relates to a decreased mortgage portfolio combined with lower margins for an amount of EUR 10 million due to the highly competitive mortgage market. This effect was partly compensated by the net interest margin on the acquired mortgage portfolios in 2020 and 2021 (EUR 7 million). Furthermore, the compensation for early redemptions amounts to EUR 39 million (2020: EUR 34 million)
- The fair value result (EUR 5 million) is an accounting result that is mainly compensated in other reporting periods, generally reflecting a pull to par as the underlying derivatives (used for hedging interest rate risk) approach maturity
- As of 1 October 2020, Achmea's operational mortgage activities have been centralised within SAREF, as part of the strategy of Achmea to increase its market share in the Dutch mortgage market in the coming years. This transfer includes the origination of mortgages for Achmea Pensioen- en Levensverzekeringen N.V., which resulted in a decrease of fee income for Achmea Bank of EUR 8 million.
- Compared to 2020, operating expenses slightly decreased with EUR 4 million. The bank-related levies increased by EUR 4 million and the servicing costs related to the acquired portfolios rose by EUR 1 million, which were compensated by lower cost allocation of EUR 8 million as a result of the aforementioned mortgage originations and servicing centralization in 2020 and lower project costs of EUR 1 million

KEY FIGURES (IN EUR MILLION)

Achmea Bank NV	2021	2020
Interest income	304	335
Interest expenses	166	194
Interest margin	138	141
Changes in fair value of financial instruments	5	-5
Interest margin and changes in fair value of financial instruments	143	136
Other income	1	1
Fees and commission income and expenses	1	9
Operating income	145	146
Impairment on financial instruments and other assets	-9	3
Operating expenses	102	106
Operating profit before taxes	52	37
Income tax expenses	13	9
Net profit	39	28

Results FY 2021

Balance Sheet

(IN EUR MILLION)

Assets	FY 2021	FY 2020
Cash and cash equivalents	780	939
Derivative assets held for risk management	62	82
Loans and advances to banks	593	669
Loans and advances to public sector	1	1
Loans and advances to customers	11,363	12,092
Deferred tax assets	2	5
Prepayments and other receivables	48	46
Total	12,848	13,834

(IN EUR MILLION)

Equity and Liabilities	FY 2021	FY 2020
Total Equity	818	835
Derivative liabilities held for risk management	340	456
Deposits from banks	56	377
Funds entrusted	7,515	7,447
Debt securities issued	4,051	4,651
Provisions	1	1
Current tax liabilities	2	8
Accruals and other liabilities	65	57
Subordinated liabilities	1	1
Total	12,848	13,834

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Funding & Liquidity

Achmea Bank's solvency and liquidity is strong

- The total risk exposure amount and capital ratio calculation are based on the Standardized Approach. Achmea Bank is currently working on implementing Advanced Internal Rating-Based (AIRB) models with the earliest implementation date expected to be in 2023
- Current capital base mainly consists of Common Equity Tier 1 capital, therefore sufficient headroom for AT1 and/or T2 issuances if necessary
- Achmea Bank holds a strong liquidity position
- The Total Capital ratio increased to 20.9% (2020: 20.4%). Achmea Bank currently applies the Standardized Approach to calculate the risk weights of its assets. Achmea Bank is working towards the implementation of AIRB approach for its regular mortgage portfolio(s), which strengthens the bank's data driven strategy and credit risk management further and is expected to result in lower capital requirements

BASEL III RATIOS (FULLY LOADED)

Achmea Bank NV	FY 2021	FY 2020
Leverage Ratio	6.5%	6.0%
Common Equity Tier 1 Ratio	20.9%	20.4%
Total Capital Ratio	20.9%	20.4%
LCR	297%	332%
NSFR	133%	126%

Funding & Liquidity

Funding programmes / instruments

Savings

- Achmea Bank has approx. EUR 6.7bn of retail savings and deposits and approx. EUR 0.6bn of built-up capital of savings mortgages, resulting in a total amount of EUR 7.3bn of retail savings on the balance sheet of Achmea Bank at FY2021.

Covered Bond Programmes

- On 7 June 2021, Achmea Bank registered its new Soft Bullet Covered Bond Programme with the Dutch Central Bank and issued a first benchmark size Covered Bond of EUR 500m in September.
- Under its CPT Covered Bond Programme, Achmea Bank successfully issued in total 3 Covered Bonds in benchmark size with a total outstanding amount of EUR 1.5bn

Senior unsecured

- The total outstanding amount under the Unsecured EMTN programme was EUR 1.4bn, at FY2021 (2020: EUR 2.1bn), after redeeming a EUR 750m MTN in February 2021

Commercial Paper

- The total outstanding amount under the French commercial paper programme was EUR 500m at FY2021 (2020: EUR 681m)

Securitisation

- Achmea Bank issues Residential Mortgage Backed Securities (RMBS) with the objective to diversify its funding mix and to (further) enhance its liquidity buffer
- As of 31 December 2021 the Bank has one public RMBS outstanding (DRMP II), with a total outstanding amount of EUR 0.2bn (2020: EUR 0.3bn). In January 2021, Achmea Bank has set up a retained securitisation transaction (SRMP II) for an amount of EUR 1.6bn. In total Achmea Bank holds 1.9bn retained notes

Other funding

- At half-year 2021, Achmea Bank has drawn EUR 350m on the refinancing operations (PELTROs) offered by the European Central Bank (redeemed in July 2021)



Funding & Liquidity

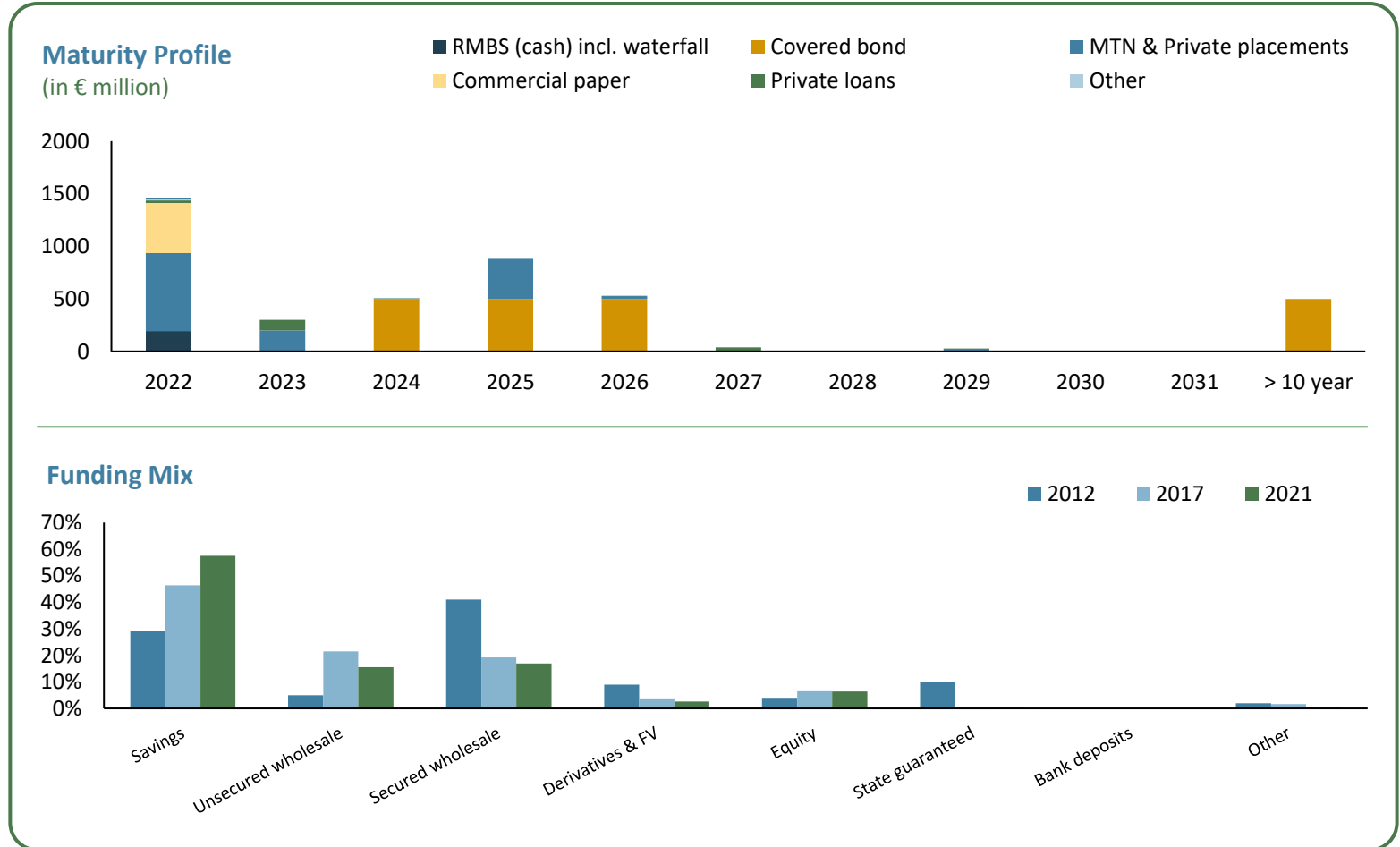
Funding mix and Maturity profile

Maturity profile

- Smoothened future wholesale refinancing peaks
- A well-balanced funding mix: retail funding at least 35% (FY 2021: 58%)





Funding & liquidity strategy

- Diversification: shift in funding mix from secured wholesale funding to savings and unsecured wholesale funding
- Avoiding refinancing peaks – capped at EUR 1.5bn capital market funding p.a.
- Liquidity: survival period of at least six months
- Asset encumbrance (ratio) actively managed



Funding & Liquidity

Key ambitions

	METRIC	FY 2021	AMBITION
 CAPITAL	▪ CET 1 ratio	▪ 20.9%	▪ >13.6%
	▪ Total Capital Ratio	▪ 20.9%	▪ >17.1%
	▪ Leverage Ratio	▪ 6.5%	▪ >3.5%
 LIQUIDITY	▪ Survival period	▪ >12 months	▪ >7 months
	▪ Liquidity coverage ratio	▪ 297% (Surplus = EUR 780m)	▪ Surplus ≥ EUR 40m
	▪ Net stable funding ratio	▪ 133%	▪ >110%
 FUNDING PROFILE	▪ Share retail funding / total funding	▪ 58%	▪ >35%
	▪ Asset encumbrance ratio	▪ 27%	▪ <35%
 PROFITABILITY	▪ Return on equity (RoE)	▪ 4.8%	▪ 5-6%
	▪ Cost/Income ratio (CIR)	▪ 72.6%	▪ 55-65%
	▪ Interest margin	▪ 1.22%	▪ >1%

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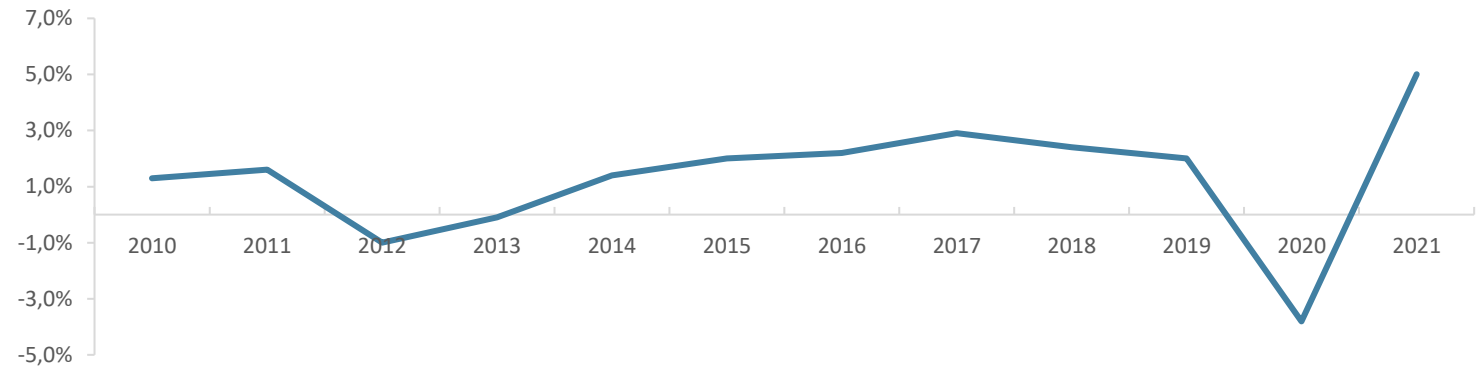
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Dutch Markets

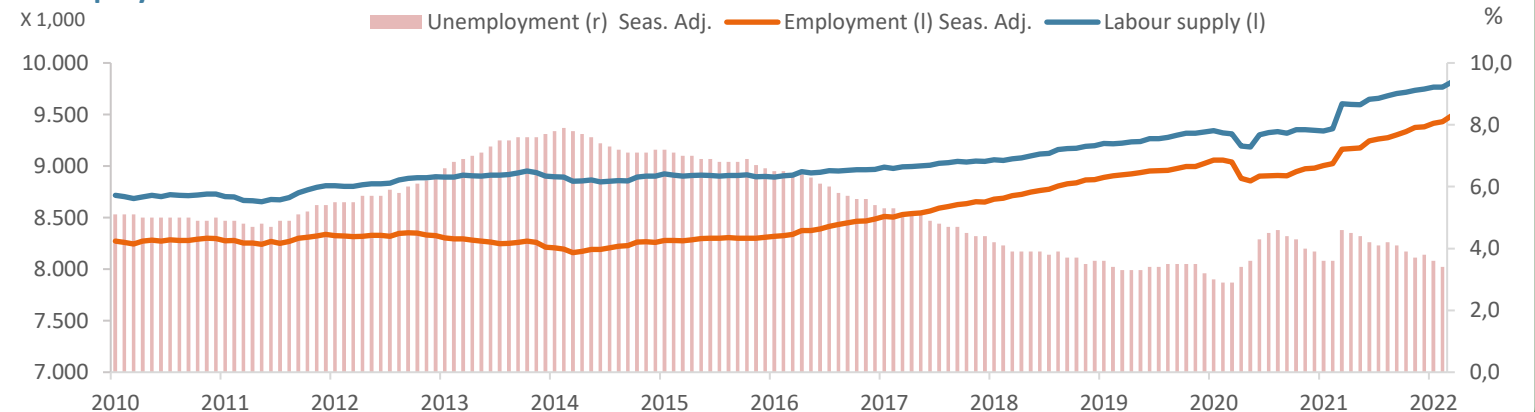
GDP growth & and unemployment expected to remain low

- Compared to 2021, the Dutch economy is expected to grow at a slower pace for the years 2022 and 2023. For 2022 an economic growth of 3.1% is assumed and for 2023 1.2%. The purchasing power of consumers and business' investment opportunities are reduced as a result of sharply increased prices, which are expected to remain high for a longer period due to the war in Ukraine. Sanctions against Russia and voluntary boycotts of companies are further slowing down the growth of Dutch exports
- According to Statistics Netherlands (CBS), 3.3% of the labour force in the Netherlands was unemployed in March 2022. This is the lowest unemployment rate since 2003. For 2022 it is expected that the unemployment level will be around 3.2%. The unemployment rate is expected to remain below 4% in 2023

Gross Domestic Product (GDP) – Y-o-Y change



Unemployment



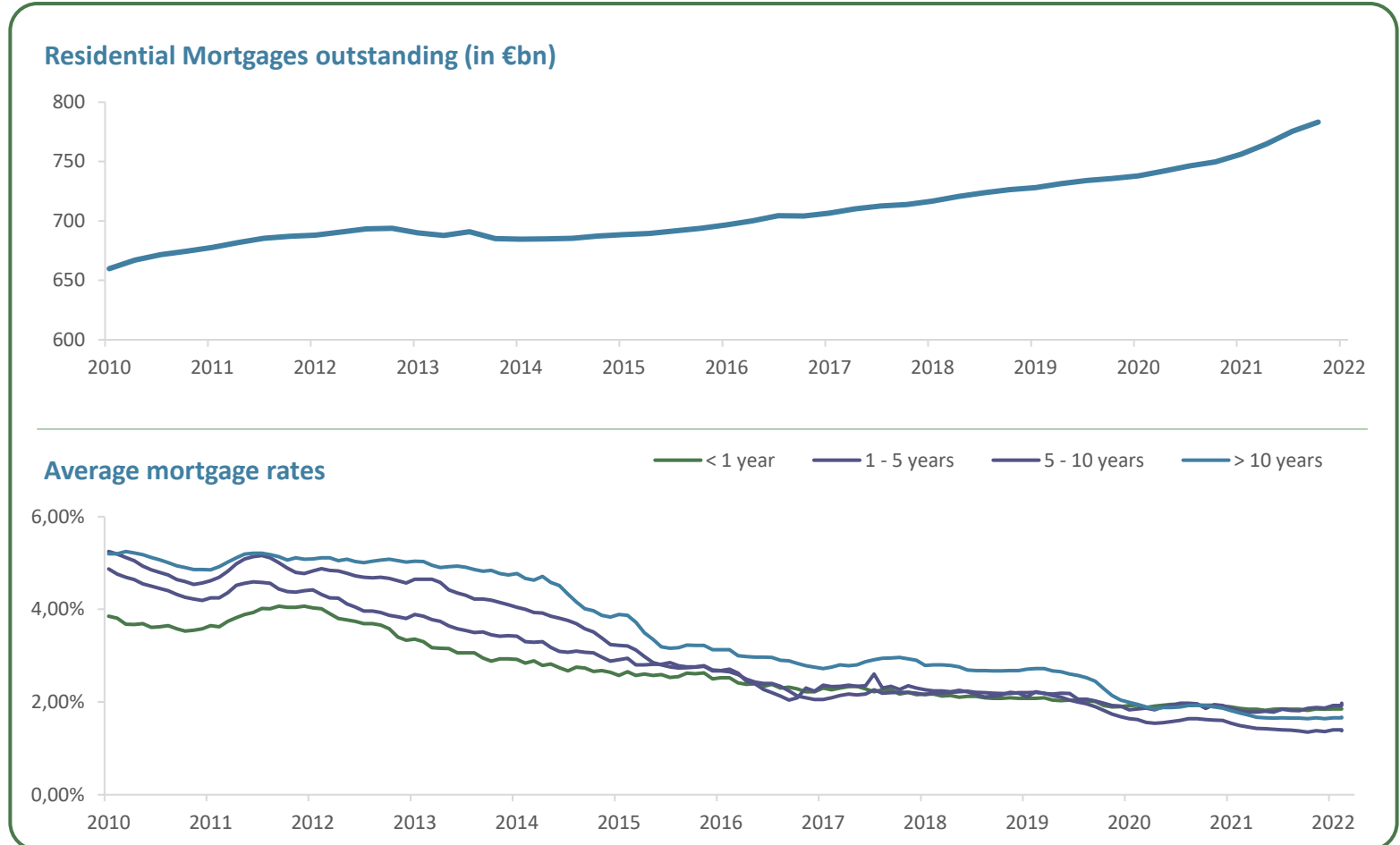
Sources:

- RaboResearch: "Economic growth in the Netherlands expected to weaken due to war in Ukraine" (March 16, 2022)
- RaboResearch: "The Netherlands – Navigating an uncertain economic outlook" (March 31, 2022)
- Statistics Netherlands (CBS)

Dutch Markets

Mortgage debt increasing due to low interest rates and despite increase in housing prices

- The total mortgage debt outstanding in the Netherlands continues to rise along side the increase observed in the house prices
- Mortgage interest rates hit their historical lowest levels in 2021. However, the market is observing a turnaround and interest rates have started to increase. As observed in the below right hand graph, the interest rates in March 2022 are slightly higher compared to the levels as recorded in 2021 Q3 and Q4



Sources:

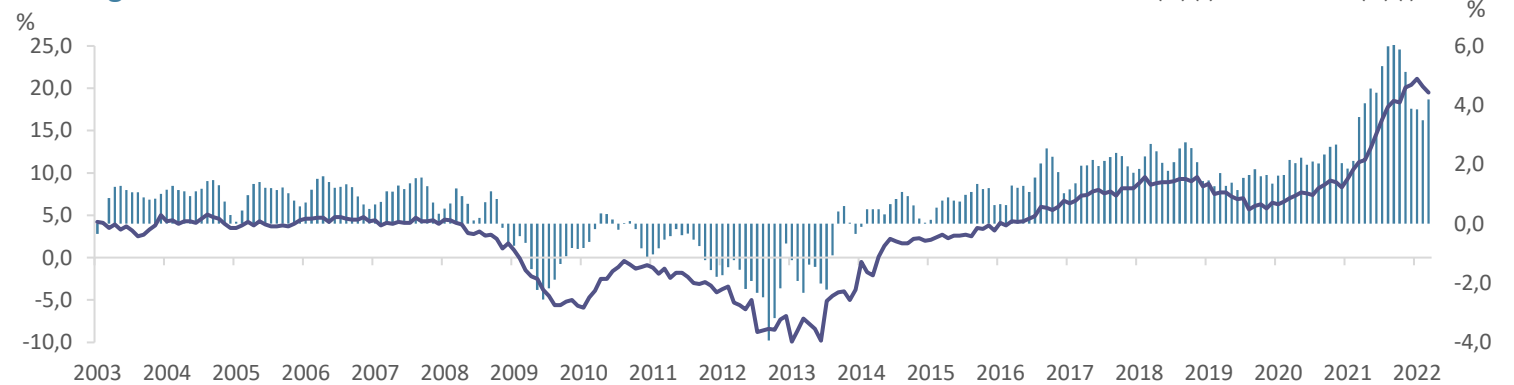
- RaboResearch: "Double-digit house price growth this year, despite increased uncertainty", (March 22, 2022)
- Statistics Netherlands (CBS)
- Dutch Central Bank

Dutch Markets

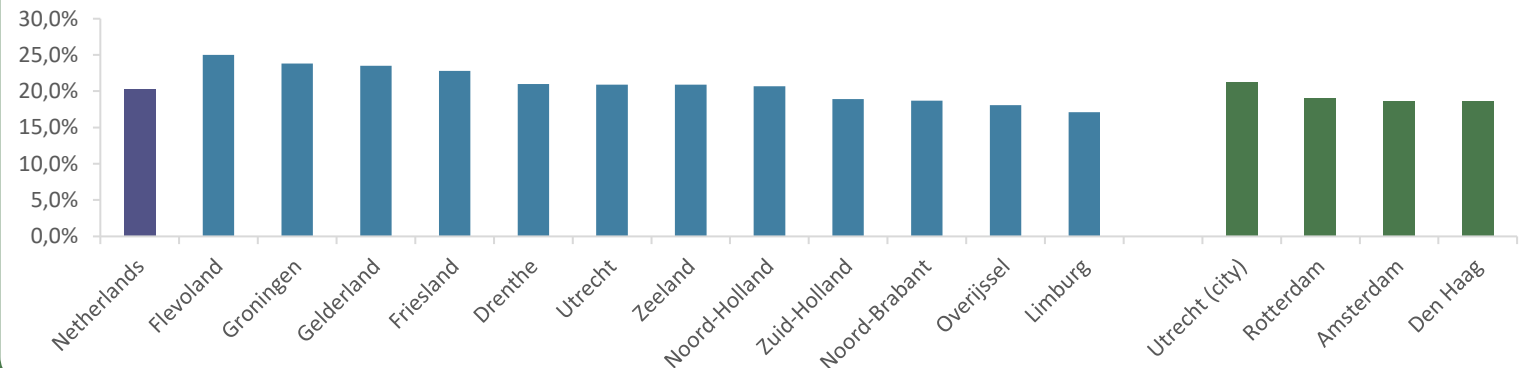
Further increase in housing prices

- In March 2022 houses that were sold were on average EUR 19.000 more expensive compared to January 2021
- For 2022, house prices are expected to climb by 17.3%, followed by a slower, but still increased, 5.5% for the year 2023. We have not seen such increase of house prices since 1977. Year-on-year house price growth has been increasing for seven quarters in a row. The increase of house prices is explained by a severe gap between supply and demand. Demand for housing is high, partly due to relatively low interest rates, while supply remains scarce. In fact, historically, when set against the total number of owner-occupied homes, the number of houses for sale has never been so low
- For 2022, sales volumes are expected to (slightly) fall due to the supply shortage. It is anticipated that 191,000 homes will be sold in 2022. For 2023 a slight recovery is expected to a sales volume of 198,000
- The owner-occupancy rate among young adults is decreasing, that is explained by the steep increase in prices compared with modest young professionals' salaries

Housing Prices Index – YTD March 2022



Q1 2021 – Q1 2022 house price increase per region



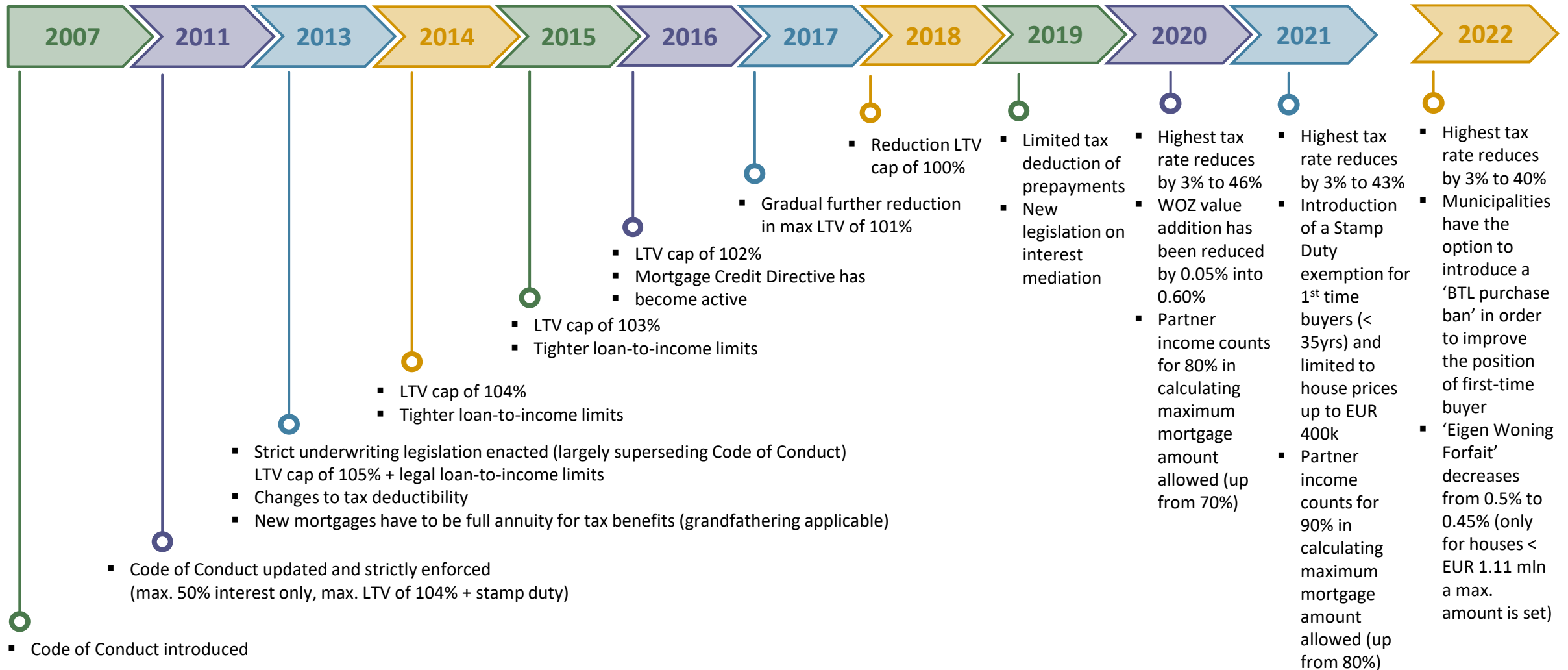
Sources:

- RaboResearch: "Double-digit house price growth this year, despite increased uncertainty", (March 22, 2022)
- Statistics Netherlands (CBS)



Dutch Markets

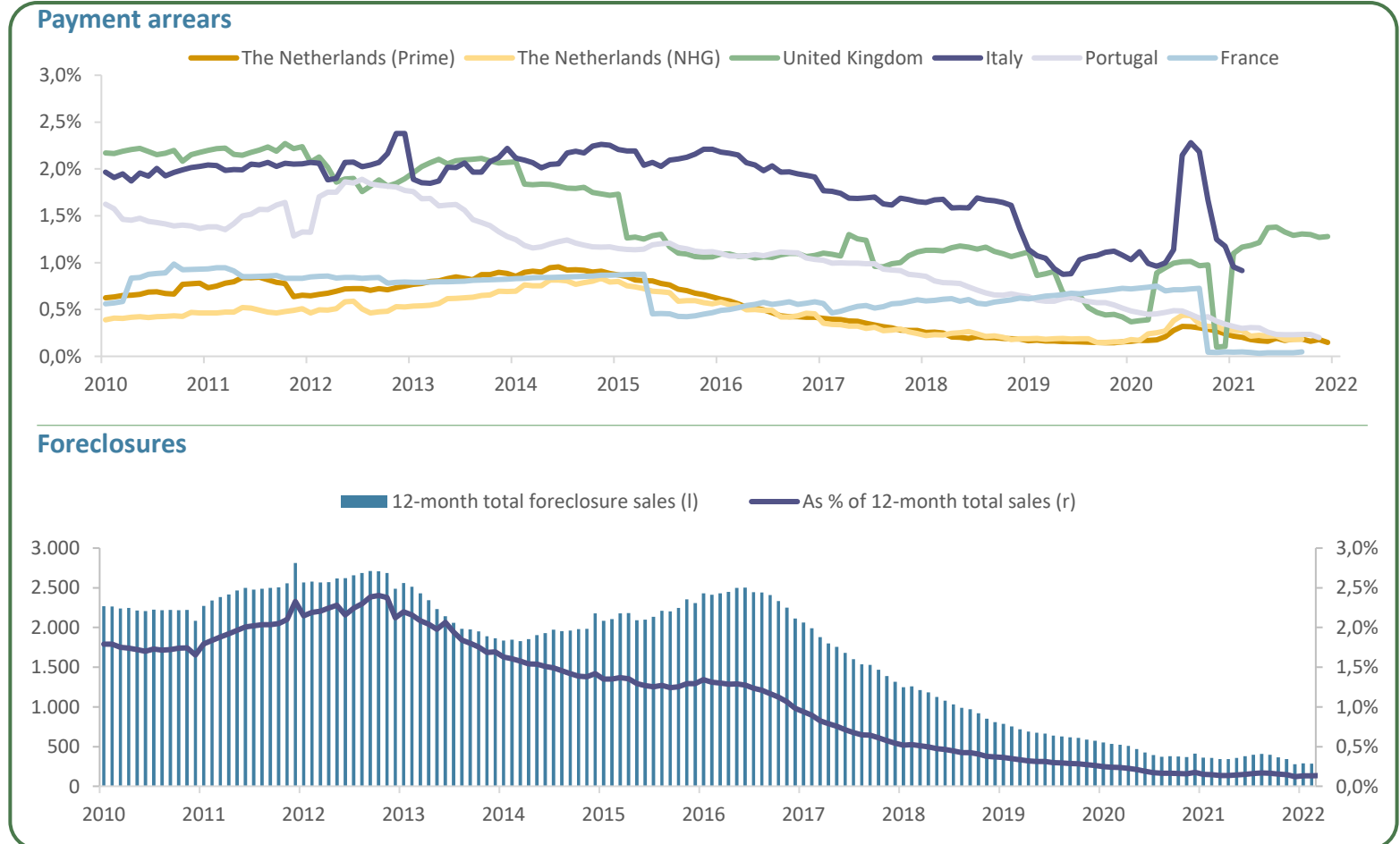
Evolution of Dutch mortgage lending standards



Dutch Markets

Low payment arrears exhibit solid historic performance

- Mortgage payment arrears in Europe have been declining over the last couple of years, where the Netherlands remains the best in class with the lowest arrears in the area with a decreasing trend since the second half of 2014
- A trend of declining public auctions has been present since 2012 and has continued during 2020 and the beginning of 2021. This decline should not only be seen as an improvement of payment problems, but also as a sign that banks supervise home-owners who have fallen into arrears more closely
- As shown in the table on the above right, the Netherlands continues to perform well in terms of the level of payment arrears and forced sales in comparison to other European countries. Historically the Netherlands show low and stable proportions of payment arrears



Sources: Moody's, RaboResearch, Statistics Netherlands (CBS) / Land Registry



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Achmea Bank Mortgage Portfolio

At FY 2021

Long-standing portfolio

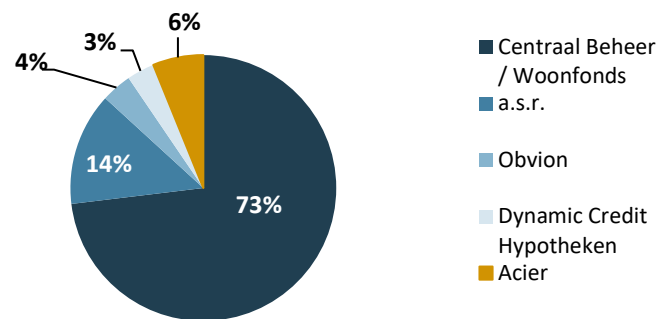
- Achmea Bank has almost 50 years experience in mortgages with Woonfonds and Centraal Beheer
- Four acquired portfolios from Acier, a.s.r., Obvion and Dynamic Credit Hypotheken
- EUR 11.1bn nominal value regular mortgage portfolio at FY 2021 (FY 2020: EUR 11.6bn)
- Approximately 75,000 mortgage contracts
- The low interest environment increases customer interest for longer term mortgages

Regulatory developments

- Because of the limitations on Interest only loans, the percentage of Annuity loans has increased over the years
- A large majority of the loans have a fixed rate character which is in line with peers in the Dutch mortgage market
- Due to the low interest rates and the housing shortage the house prices have increased significantly over the last few years. As a result the average CLTIMV is 55%

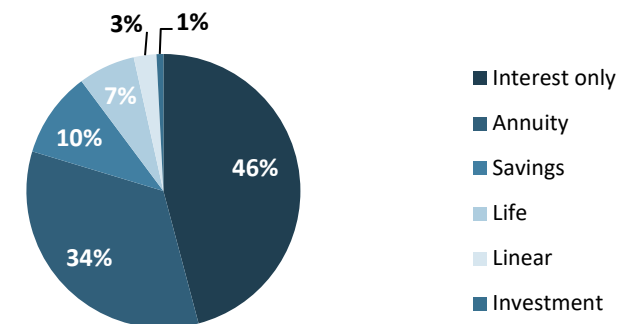
Mortgage size by label

(in %)



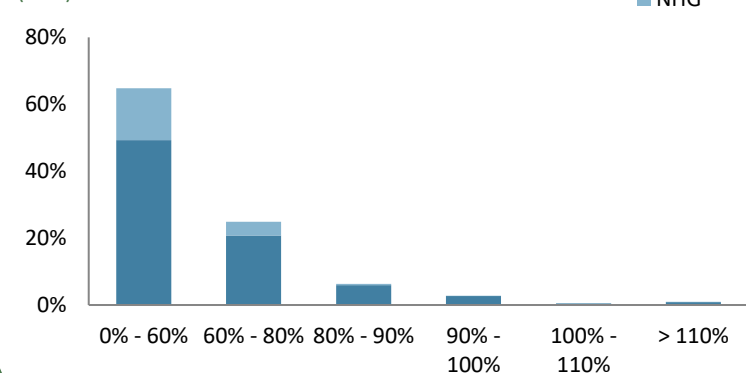
Mortgage type

(in %)



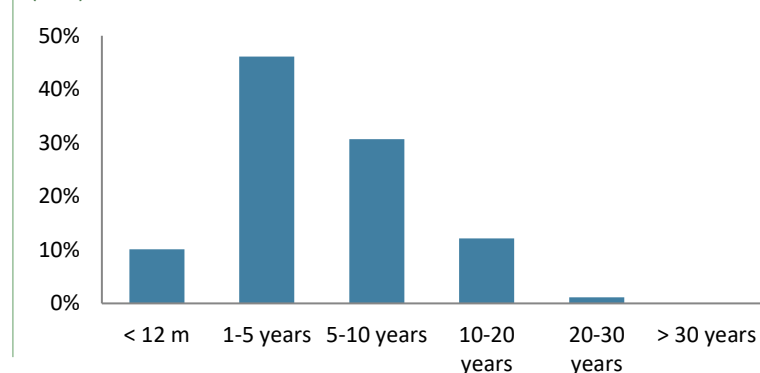
Current loan-to-indexed market value

(in %)



Remaining Interest Rate Fix

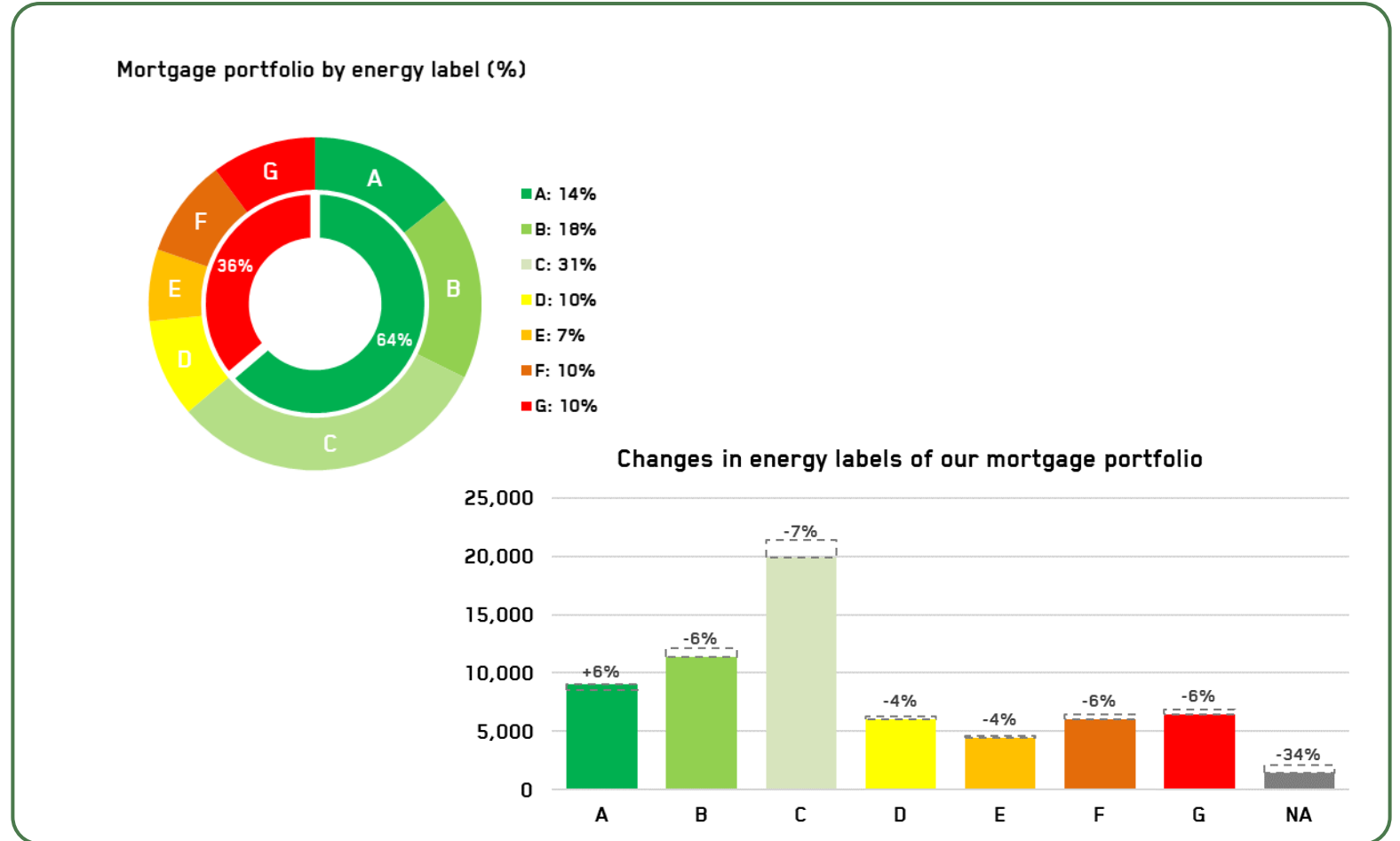
(in %)



Achmea Bank Mortgage Portfolio

Energy Label

- Since 2015 all households in the Netherlands have an indicative energy label based on general information, such as the type of building, floor area and the year of construction
- The Netherlands Enterprise Agency (RVO) registers all indicative and definitive energy labels within the Netherlands
- Calcasa provides the energy labels to Achmea Bank. Calcasa is the leading automated valuation model (AVM) provider in the Netherlands
- Homeowners need a definitive energy label in order to sell their home. A definitive energy label is a more reliable measure of the energy performance of houses
- As of 2021 a definitive energy label can only be determined by an external advisor. Up until last year homeowners could self-certify their definitive energy label. Many homeowners were incentivized to update the status of their energy label
- About 38% (2020: 34%) of matched addresses has a definitive energy label. If no definitive energy label is present an indicative label is given to it by Calcasa
- The ambition of Achmea Bank is an average Energy Label "A" for the total mortgage portfolio by 2030



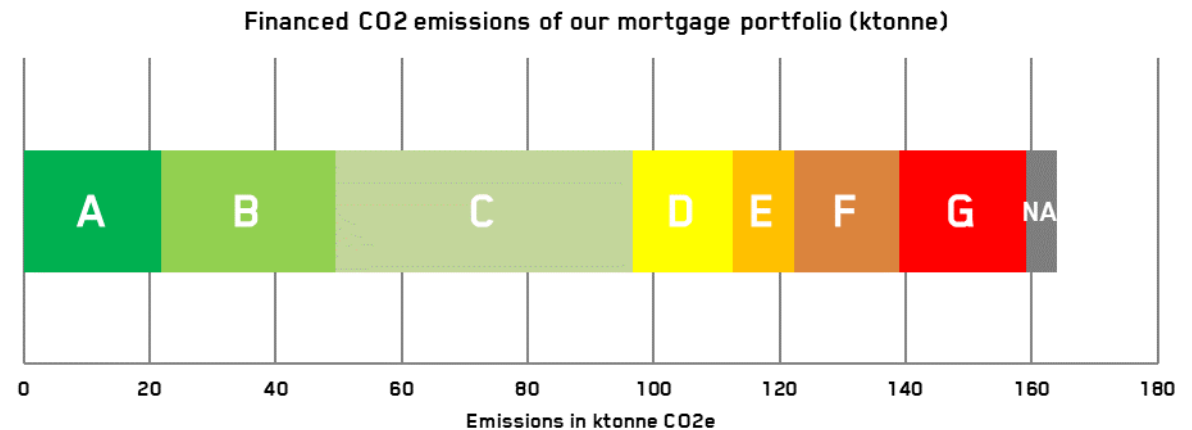
Source: Calcasa at FY 2021 excl. Acier portfolio

Achmea Bank Mortgage Portfolio

Carbon footprint

Achmea Bank has performed an initial analysis to define climate change-related risk drivers in order to identify potential impact on the mortgage portfolio of Achmea Bank

- In 2019 we started monitoring the CO2 emissions of our mortgage portfolio. The carbon emissions from our mortgage portfolio are calculated by using the PCAF methodology
- PCAF stands for: Platform Carbon Accounting Financials. The PCAF was created by a group of Dutch financial institutions to improve carbon accounting in the financial sector and to create a harmonized carbon accounting approach. We actively participate in the PCAF Netherlands working group for mortgages
- The average consumption per building can be converted to CO2-emissions by multiplying with emission factors: 1.785 kg CO2/m3 for natural gas and 0.369 kg CO2/kWh for electricity
- The financed portfolio emissions are calculated by multiplying the absolute CO2-emissions with our Attribution Factor of 0.60. The Attribution Factor is based on a Loan-to-Value approach. This was 163.9 ktonne absolute CO2-emissions and 15.8 kt CO2e/bn. EUR



Year	Total outstanding loans (bn. EUR)	Attribution Factor	Financed emissions (kt. CO2e)	Carbon intensity (kt. CO2e/bn. EUR)
2020	€ 10.8	0.61	184.8	17.0
2021	€ 10.3	0.60	163.9	15.8

Source: PCAF, www.co2emissiefactoren.nl

Achmea Bank Mortgage Portfolio

Key aspects Dutch Code of Conduct



GOVERNANCE

- Dictates the strict framework of mortgage underwriting following codes of conducts and governmental guidelines that are annually updated
- Guidelines are prepared in close consultations with government, mortgage lenders, consumer organisations and intermediaries
- Endorsed by all major mortgage lenders and intermediaries



LOAN

- As of 2018 the maximum loan size cannot exceed 100% of the value of the property.
- In case of a sustainable renovation the loan size may exceed up to 106% of the value of the property after renovation
- As of 2013 new mortgages may consist of interest only up to a maximum of 50% of the value of the property.



BORROWER

- Annual gross salary of borrower and any secondary (f.e. partner)
- Loan size is restricted to governmental guidelines, which is roughly 5 times the gross salary
- Loan size is dependent on interest rate and fixed duration of the interest rate
- Additional securities offered by the borrower
- Credit history checks (BKR)
- Fraud checks (EVA)



PROPERTY

- The valuation of the property is validated by an external valuation report or by a Calcasa Desktop valuation report.
- The valuation has been done or, in case of Calcasa, approved by a professional certified external valuator affiliated with NRV (Netherlands Register Vastgoed Taxateurs).
- Both valuations cannot be older than 6 months



INFORMATION

- The lender provides all information required for the borrower to have a profound understanding of how the mortgage will work, what they may expect to change in the future and what choices they have. Goal is an affordable mortgage for the borrower

Achmea Bank Mortgage Portfolio

Underwriting criteria



MORTGAGE

- 2 types of mortgages: NHG and non-NHG
- Maximum mortgage in ratio to value of property is 100% since 2018
- Maximum mortgage in ratio to value of property after sustainable renovation is 106%
- Maximum loan size is EUR 1,000.000
- Loan to income is determined based on governmental guidelines that are annually updated



BORROWER INFORMATION

- Type of income (self employed, fixed or variable):
 - Annual gross salary of borrower and any secondary
 - Loan size is restricted to governmental guidelines, which is roughly 5 times the gross salary
 - Loan size is dependent on interest rate and fixed duration of the interest rate
- Additional securities offered by the borrower
- Credit history checks (BKR)
- Fraud checks
- Income determination employment contract (SV loon)



PROPERTY

- Type of property: private properties or private property with a small part business (max 25% of the value)
- Appraisal report criteria:
 - The valuation of the property is validated by an external valuation or by a Calcasa Desktop valuation report.
 - The external valuation cannot be older than 6 months, calculated from the value reference date
- The valuation has been done, or in case of Calcasa, approved by a professional certified external valuator affiliated with NRVT (Nederlands Register Vastgoed Taxateurs).
- The appraisal report is prepared according to the latest model of the Nederlands Register Vastgoed Taxateurs
- Report should contain the market value
- The certified valuator by this institute may not be involved directly or indirectly in the transaction



INFORMATION

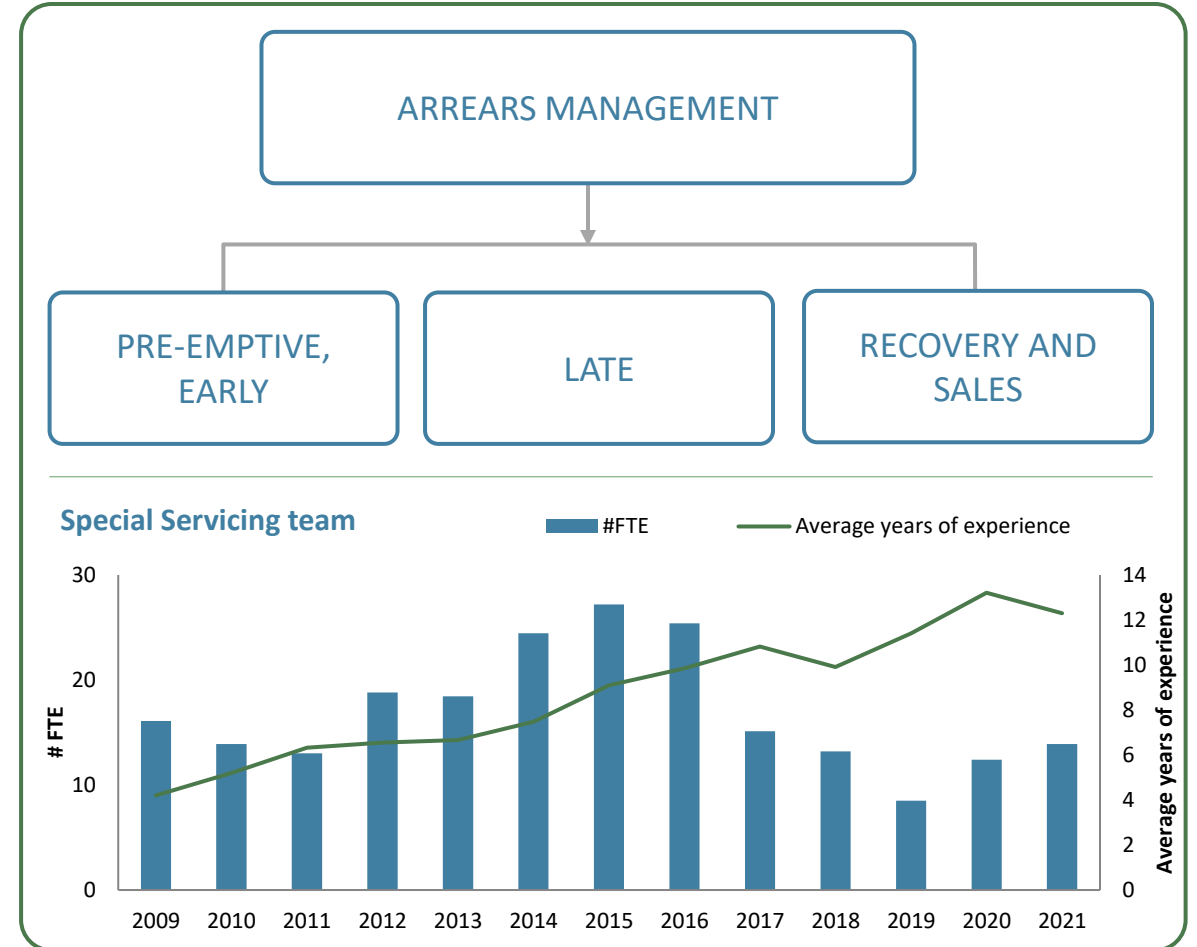
- Underwriting criteria are automatically checked by the system
- Review and deviations of the applications are checked by the underwriters

Achmea Bank Mortgage Portfolio

Dedicated special servicing team

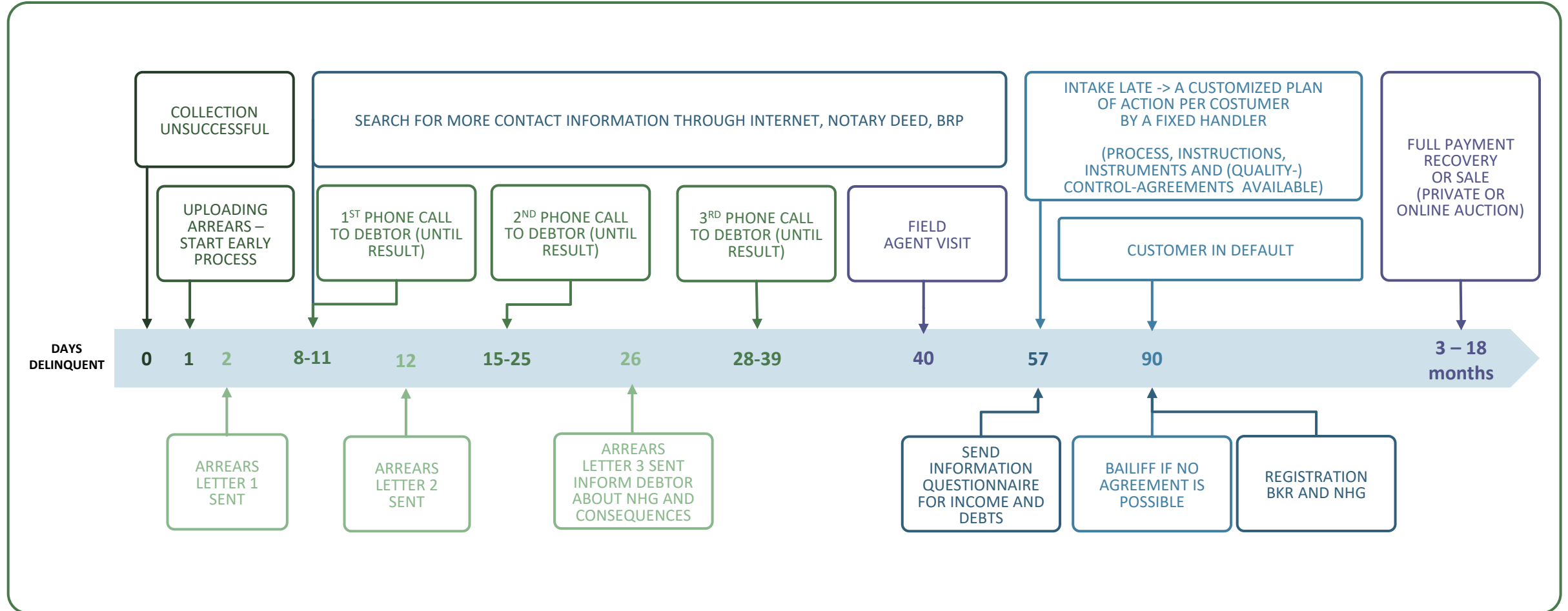
Pre-emptive management to prevent clients from getting into arrears:

- Checks on early warning signals such as divorce or loss of job
- The AIRB model aids in portfolio analysis by identifying potentially higher credit risks
- Early risk management focuses on quick recovery and gaining customer insights
- Late risk management focuses on sustainable recovery
- There are clear processes in place for every situation (standardized ‘treatment paths’) with room for personalized solutions such as interest averaging, modifying the mortgage or discharge
- Customer focus as a competitive advantage
- In 2021 the dedicated special servicing team of Achmea Bank was transferred to SAREF, located in Amsterdam. Although this resulted in an initial increase of the team in #FTE, some colleagues decided not to stay because of the change in location. This explains the small decline in average years of experience, which remains high



Achmea Bank Mortgage Portfolio

Process early and late arrears management*



*This process remains unchanged after combining the activities with Syntrus Achmea (SAREF)

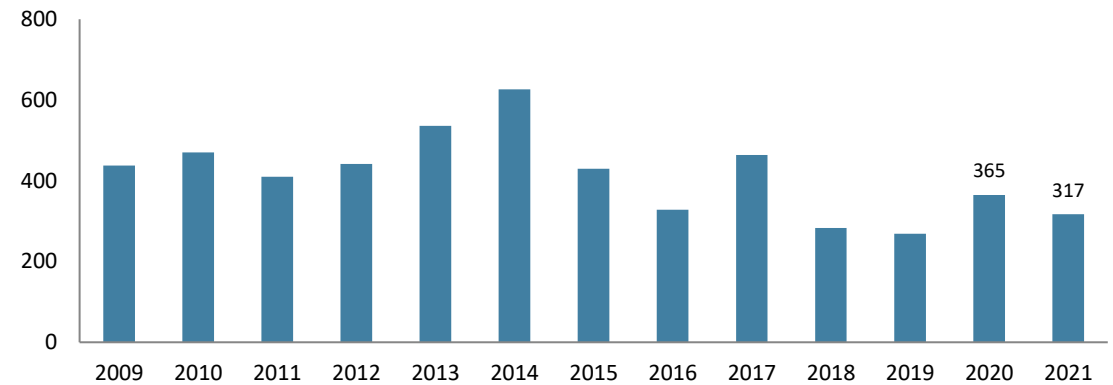


Achmea Bank Mortgage Portfolio

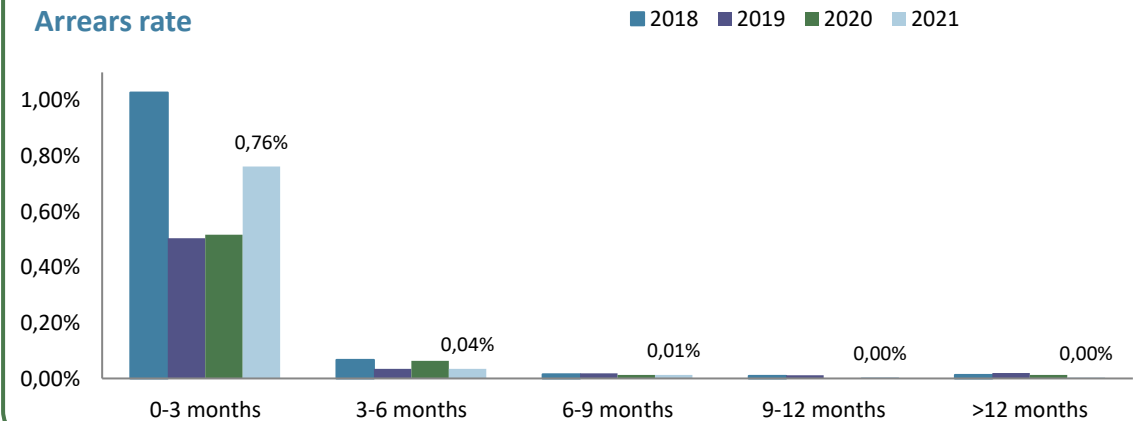
Special servicing

- Direct contact as soon as payments are overdue. Together with the customer we look for a suitable solution
- Making a physical house call after a 38-day arrears of payment and no response from the customer
- Inventory of the customer's situation and mapping the credit risk
- Deploy customized instruments in consultation with the customer (job coach /budget coach and interest rate or product adjustment)
- Flow from early collections to late collections remains low and well below the standard of 30 cases per month
- Arrears rates remain low as a result of close monitoring from 2 months overdue
- Total number of mortgages that are managed under special servicing (Pre-Emptive, Late and Sales) decreased from 365 in December 2020 to 317 in December 2021. This decrease was caused due to the recovery of the payment holidays during the first wave of the corona virus in 2020

Late collections



Arrears rate



Achmea Bank Mortgage Portfolio

Foreclosures

Foreclosures

- In 2021: 54 foreclosures (2020: 93 foreclosures)
- Average sale proceeds in 2021: 112% of the updated market value (2020: 129%)
- Average time for a private sale in 2021: 2.5 months (2020: 3.3 months). This decline is caused by the house shortage in the Netherlands and thus the high demand

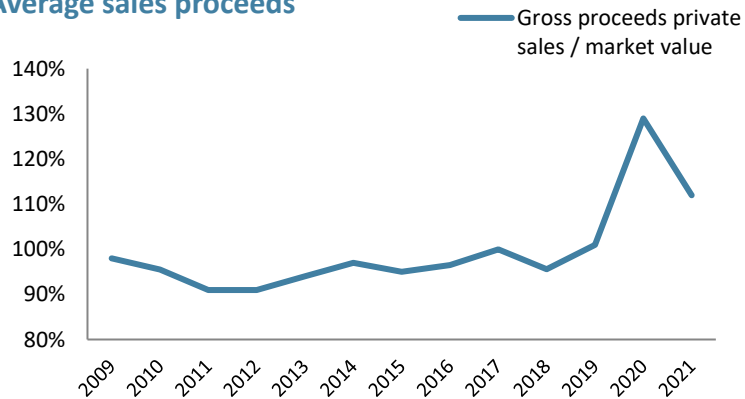
Private sales & Public auctions

- In 2021: 49 private sales (2020: 90 private sales) and 5 public auctions (2020: 3 auctions)
- In 2021 the average proceeds amounted to 139% of the foreclosure value at time of origination (2020: 109%)

NHG Pay out ratio

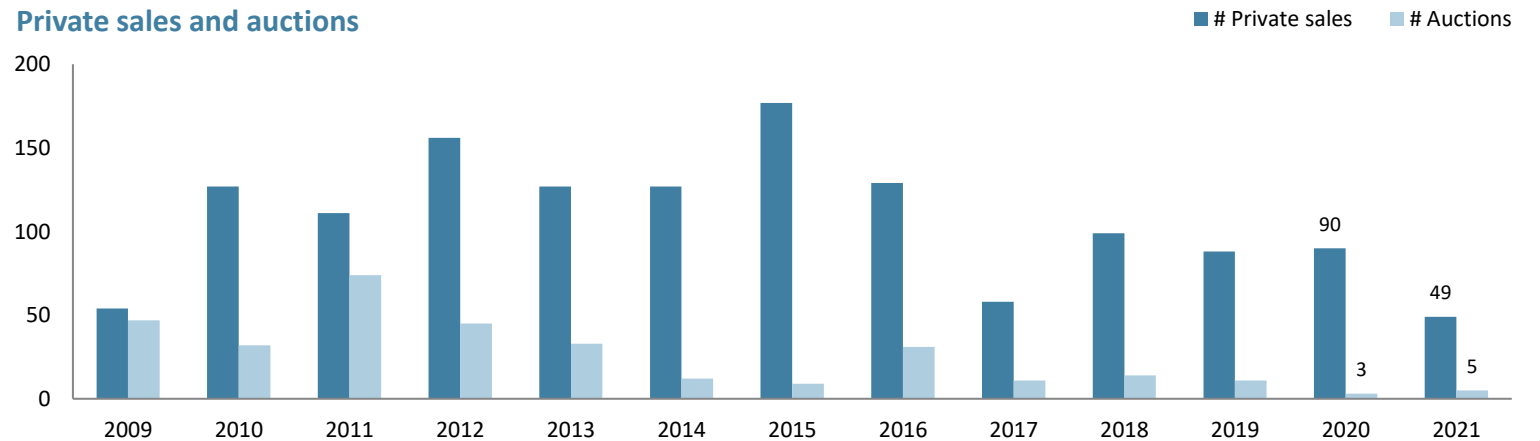
- NHG pay-out ratio for the period 2018-2020 is 94% (benchmark 91%)
- No NHG claims were filed in 2021

Average sales proceeds



PERIOD FOR SALE	2020	2021
	NUMBER OF FORECLOSURES	NUMBER OF FORECLOSURES
0 - 3 months	66	38
3 - 6 months	12	13
6 - 9 months	7	1
9 - 12 months	4	1
12+ months	4	1
Total	93	54

Private sales and auctions



Achmea Bank Mortgage Portfolio

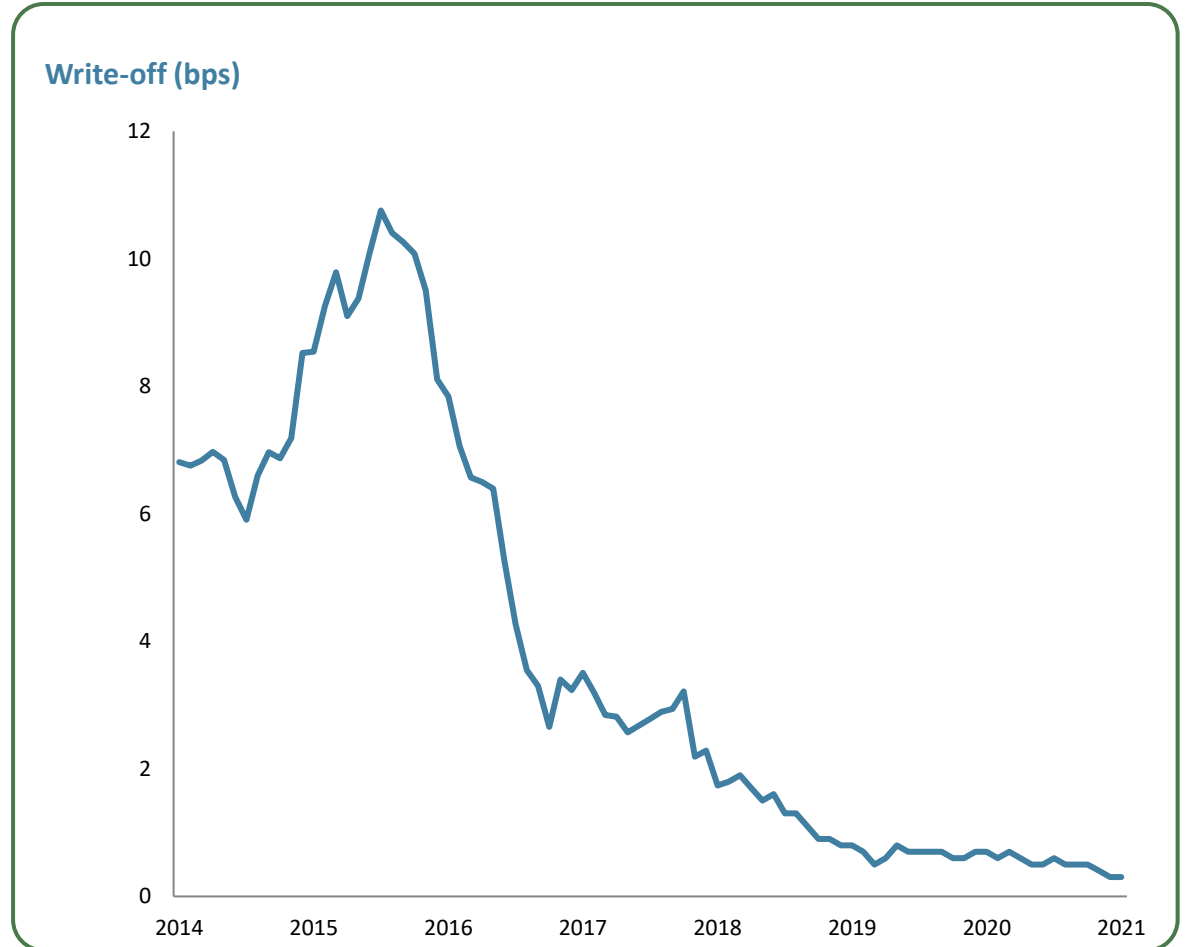
Provisions and losses

Adequate loan loss provisions

- Despite the current macro-economic developments, the house prices in the Netherlands are still rising. Together with the impact of the implementation of a second generation of the IFRS 9 risk model, the loan loss provision decreased with EUR 14 million (2020: EUR 28 million) in 2021. This decline reflects the inherent low credit risk profile of the Achmea Bank's mortgage portfolio.

Low write offs

- The total write offs at FY 2021 are EUR 0.2m (FY 2020: EUR 0.6m), which is 0.3bps of the mortgage portfolio (excl. balance sheet transactions)



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Achmea Bank's Soft Bullet Covered Bond Programme

Programme Highlights

Issuer	Achmea Bank N.V.
Programme Size	EUR 5 bn
Format	Soft Bullet
Extension Period	Maximum of 12 months
Rating (S&P)	AAA <i>expected</i>
Currency	Multi Currency
Guarantor	Achmea SB Covered Bond Company B.V. (CBC)
Collateral	Prime Dutch Residential Mortgages
Indexed LtV Cut-Off	80%
Governing Law	Dutch Covered Bond Legislation
Overcollateralisation	<ul style="list-style-type: none"> Regulatory OC% of at least 5% Asset Percentage: 94.3% Current OC%: 161.4%
Swaps	<ul style="list-style-type: none"> Swaps are optional to the Programme Currently no swaps have been executed

Key Benefits

Dual Recourse

- Recourse to Achmea Bank (A-/A) (S&P/Fitch) on an unsecured basis should the Cover Pool be insufficient to repay Covered Bond Holders
- Recourse to CBC in case of default of Achmea Bank

Favourable Regulatory Treatment

- Qualify as LCR eligible (Level 1)
- Solvency II eligible
- ECB CBPP3 eligible
- UCITS and CRR article 129 compliant
- ECB repo eligible

Cover Pool¹

- Weighted average CLTMOV of 50.6%
- 16.7% is backed by NHG guarantee
- Mortgage loans originated by Achmea Bank and Achmea Hypotheken

Reporting

- Industry compliance through NTT and HTT reporting
- ECBC Covered Bond Label

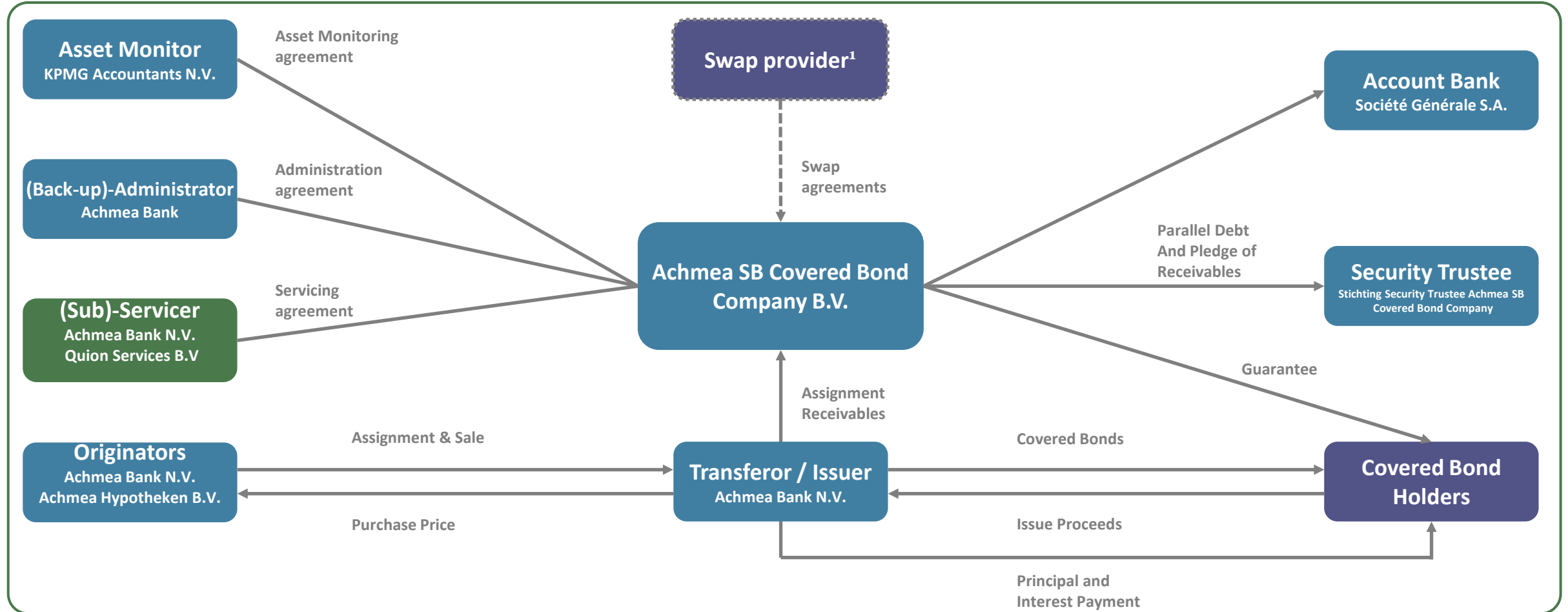
Cut-off date 30 April 2022

1. This information is based on the current cover pool (EUR 608.8m) including a portfolio of EUR 698.1m which Achmea Bank will add to the cover pool. Note that the composition may change in the future



Achmea Bank's Soft Bullet Covered Bond Programme

Transaction Structure



1. portfolio swaps, structure swaps and interest rate swaps are optional

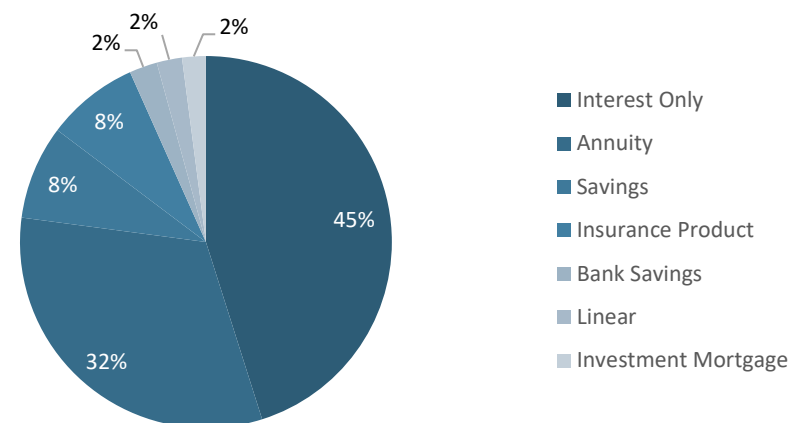


Achmea Bank's Soft Bullet Covered Bond Programme

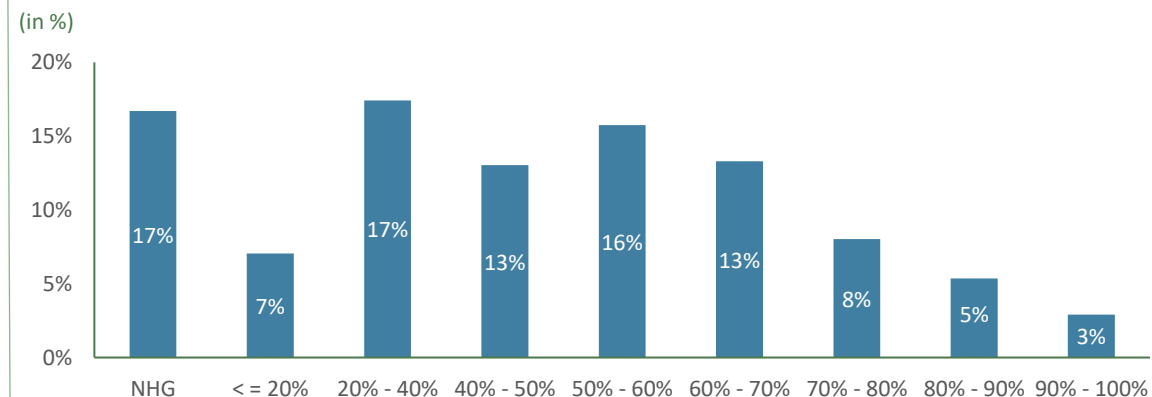
Cover Pool Highlights¹²

Cut-off Date	30 April 2022
Principal Balance	EUR 1,588,517,552
Value of saving deposits	EUR 281,578,154
Net Principal Balance	EUR 1,306,939,398
Number of Loans	9,118
Number of Loan Parts	20,145
Average principal balance (per borrower)	EUR 143,336
w.a. current interest rate (%)	2.62%
w.a. remaining fixed rate period (yrs)	7.1
w.a. seasoning (yrs)	10.6
w.a. CLTOMV (%)	68.0%
w.a. CLTIMV (%)	50.6%
NHG (%)	16.7%

Mortgage Type
(in %)



Current Loan-to-Indexed Market Value



Cut-off date 30 April 2022

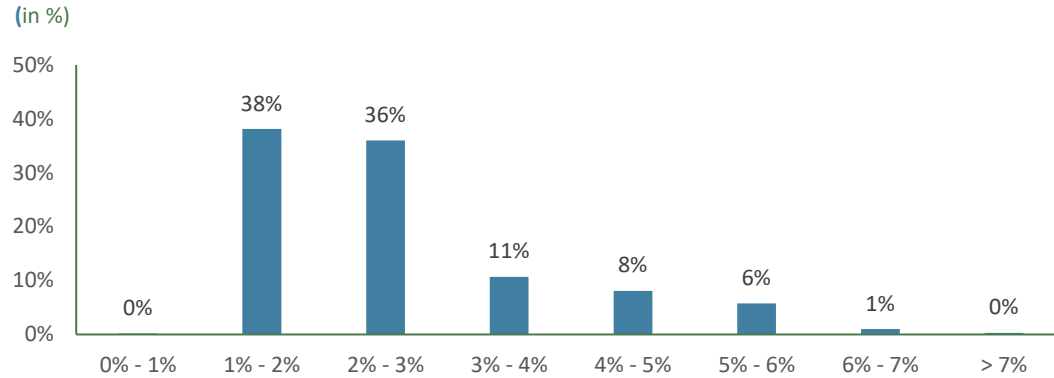
1. This information is based on the current cover pool (EUR 608.8m) including an portfolio of EUR 698.1m which Achmea Bank will add to the cover pool. Note that the composition may change in the future
2. Currently no Achmea Hypotheken are included in the cover pool



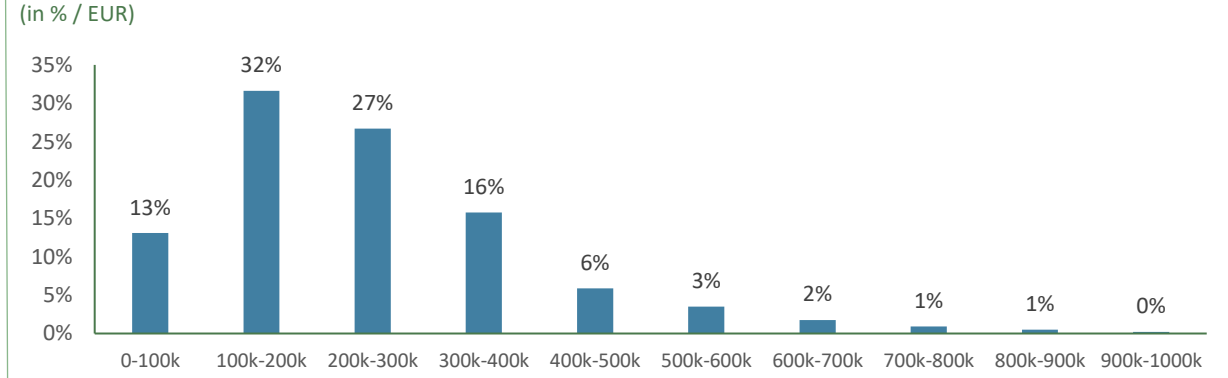
Achmea Bank's Soft Bullet Covered Bond Programme

Cover Pool Highlights¹

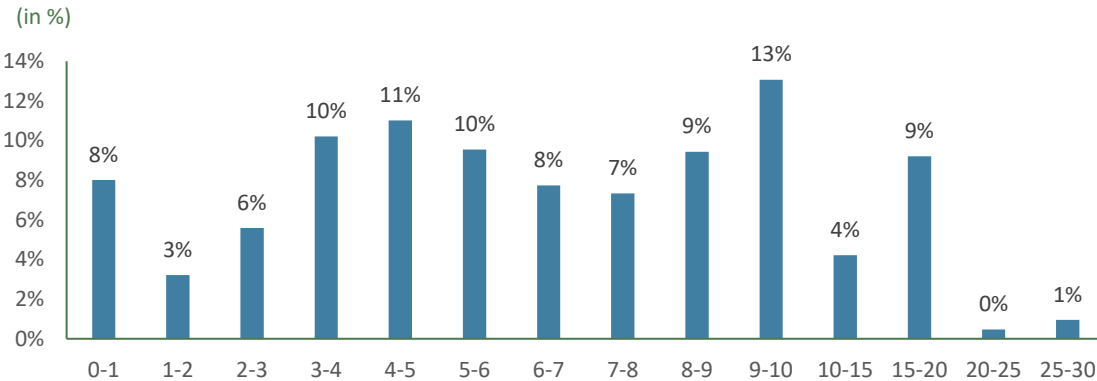
Interest Rate Buckets



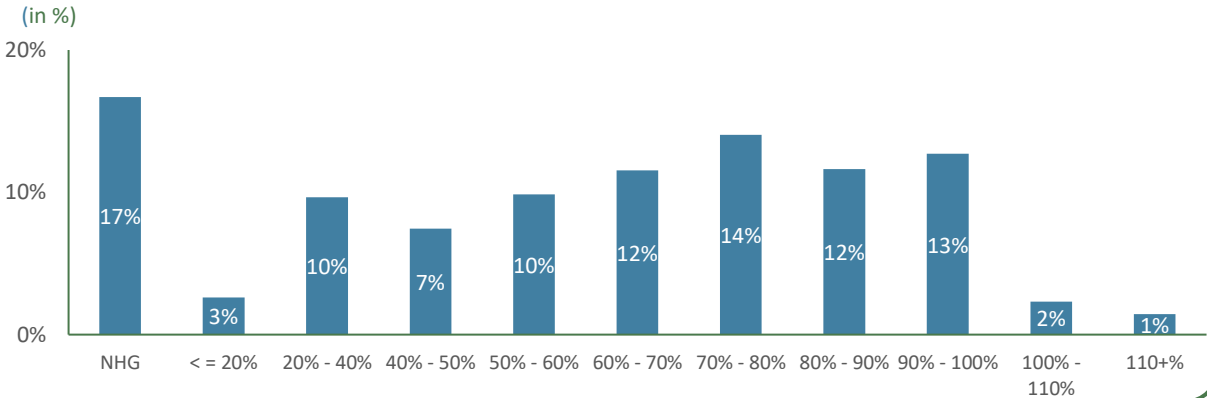
Current Loan Balance



Interest Reset Date



Current Loan-to-Original Market Value



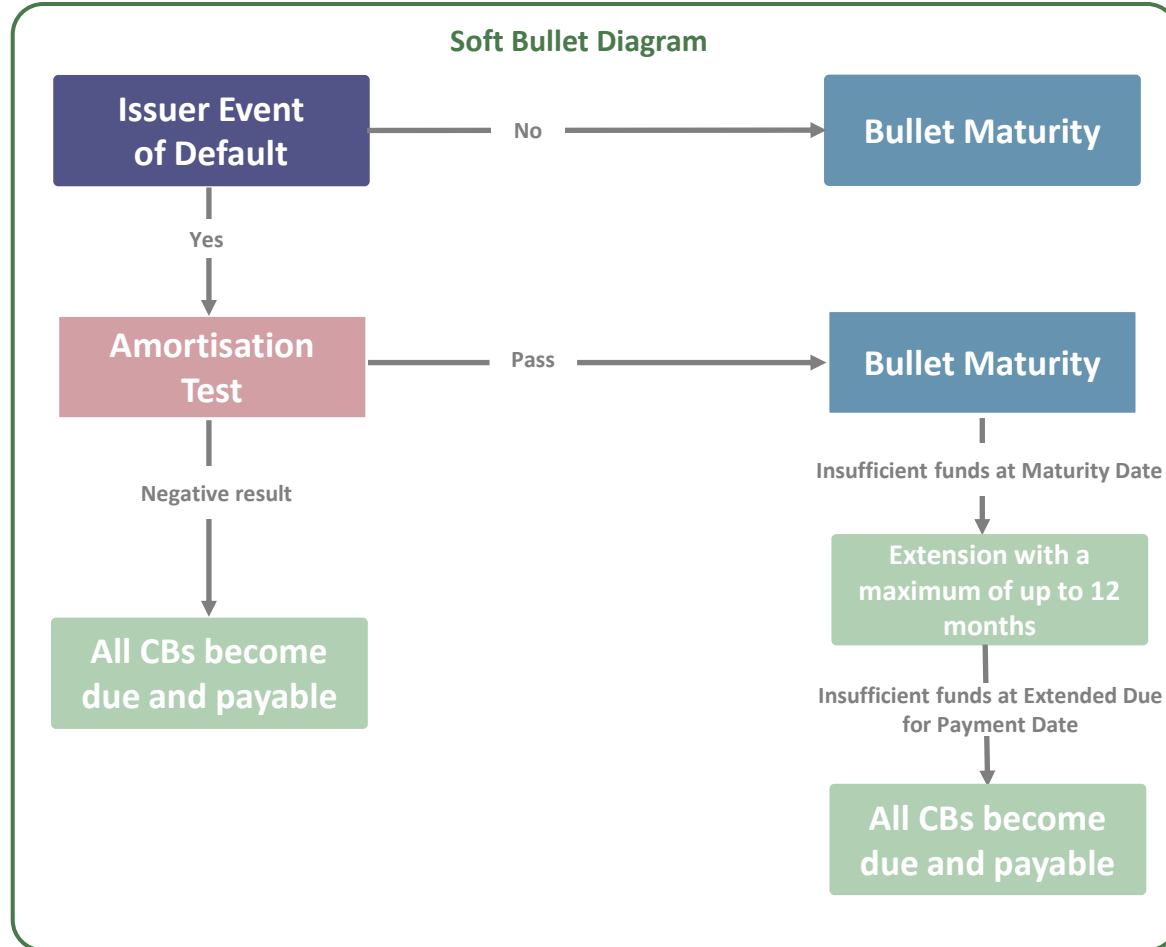
Cut-off date 30 April 2022

1. This information is based on the current cover pool (EUR 608.8m) including an portfolio of EUR 698.1m which Achmea Bank will add to the cover pool. Note that the composition may change in the future



Achmea Bank's Soft Bullet Covered Bond Programme

Soft Bullet Mechanism



Going-concern










- The Covered Bonds (CBs) are bullet securities due on the Maturity Date and the issuer makes the coupon and principal payments to the investors
- The ACT ensures that the cover pool meets the minimum OC requirements

Issuer Event of Default

- The ACT will be replaced by the Amortisation Test
- If on the Maturity Date of the CB an Issuer Event of Default takes place and the CBC has insufficient funds to redeem the CB, this will not trigger a CBC Event of Default
- At such moment the Maturity Date is extended for a maximum of 12 months
- During this extension period the administrator undertakes to (partially) sell the cover pool and to use the proceeds to (partially) repay the CB series on every Interest Payment Date within this period
- If the structure has insufficient funds to repay a specific series on the Extended Due for Payment Date, this will trigger a CBC default and result in all CBs becoming due and payable
- A Breach of the Amortisation Test would also constitute a CBC Event of Default and lead to all CBs becoming due and payable

Dutch Covered Bond programmes compared

Main Highlights¹

	 ABN-AMRO	 achmea	 EGON	 Van Lanschot	 ING	 NIBC	 NN	 Rabobank	 de volksbank
Issuer Rating (S/M/F)	A/A1/A	A-/NR/A	A/NR/NR	BBB+/NR/BBB+	A+/A1/AA-	BBB+/NR/BBB	A-/NR/NR	A+/Aa2/A+	A-/A2/A-
Programme Rating (S/M/F)	NR/Aaa/AAA	1) NR/Aaa/AAA 2) AAA/ NR/NR	1) AAA/NR/NR 2) AAA/ NR/NR	1) AAA/NR/AAA 2) AAA/ NR/NR	AAA/Aaa/AAA	AAA/NR/AAA	AAA/NR/NR	NR/Aaa/NR	NR/Aaa/AAA
Collateral Type	Prime Residential Dutch Mortgages	Prime Residential Dutch Mortgages	Prime Residential Dutch Mortgages	Prime Residential Dutch Mortgages	Prime Residential Dutch Mortgages	Prime Residential Dutch Mortgages	Prime Residential Dutch Mortgages	Prime Residential Dutch Mortgages	Prime Residential Dutch Mortgages
Repayment Type	HB/SB	1) CPT 2) SB	1) CPT 2) SB	1) CPT 2) SB	HB/SB	CPT	SB	SB	SB
Indexed Valuation	Kadaster, 85% increase 100% decrease	Calcasa, 90% increase 100% decrease	Kadaster, 90% increase 100% decrease	Kadaster, 90% increase 100% decrease	Kadaster/ Calcasa, 90% increase 100% decrease	Kadaster, 90% increase 100% decrease	Kadaster, 90% increase 100% decrease	Kadaster, 90% increase 100% decrease	Kadaster, 100% increase 100% decrease
Asset Percentage	87.0%	1) 93.5% 2) 94.3% ²	1) 93.0% 2) 96.7%	1) 95.0% 2) 85.0%	97.56%	97.5%	96.5%	100%	88.5%
CLtIMV	53.89%	1) 52.14% 2) 44.79%	1) 48.1% 2) 46.2%	1) 47.48% 2) n.a.	49.55%	n.a.	51.22%	53.46%	49.15%
Total Return Swap Provider	n.a.	n.a.	n.a.	n.a.	ING Bank N.V.	n.a.	n.a.	n.a.	n.a.
UCITS Compliant	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CRR Article 129 Compliant	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
DNB Registration	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Comments		Two public programmes	Two public programmes	Two public programmes					

1. Based on NTT (March) reporting figures as published by individual issuers in April-22
 2. This information is based on the current cover pool of which the composition may change in the future

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