

Annual Report 2018

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Annual Report 2018

Nederlandsche Algemeene Maatschappij van Levensverzekering

"Conservatrix" N.V.



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PROFILE

Conservatrix is a life insurer specialized in life insurances and mortgages with a history that dates back to 1872.

Since May 15, 2017 Conservatrix is owned by Trier Holding B.V. With the transfer of ownership Conservatrix is a properly capitalized insurance company at the dawn of a new era. In 2018 as well as in 2017 highest priority is given to attaining controlled and stable operations. This is a critical condition to return to the market as an active player. At the end of 2018 Conservatrix reached, according to the Board, the right level of controlled and stable operations.

Next to strengthening the operations, management also strengthened the Balance Sheet for future expenses, changes in assumptions and the impact of further lowering yields and the Ultimate Forward Rate. This resulted in a lower Solvency level, but higher prudence in the provisions.

Key figures

<i>In thousands of euros</i>	2018	2017	2016
Gross premiums	26,265	29,448	32,384
Reinsurance premiums	-231	-101,247	-1,464
Net premiums	26,034	-71,799	30,920
Total result on investment	8,907	34,349	37,015
Claims and benefits paid	43,261	37,371	31,782
Operating expenses (excluding acquisition costs)	9,284	10,859	9,071
Net Result	-9,515	95,161	-14,874
Own funds	61,674	74,240	3,953
Total Assets	574,366	602,842	700,651
MCR ratio	295%	385%	-37%
Solvency II ratio	148%	188%	-16%
Number of customer contracts	83,301	86,258	88,881

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Composition of the Board

The composition of the Executive Board and the Supervisory Board of the Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. (Conservatrix) was as follows:

Executive Board

Composition as at December 31, 2018

E. van der Wal, CEO

P. C. de Bruijne, CFO¹

Resigned in 2018

M. R. E. Harkema CFO²

Joined in 2018

P.C. de Bruijne, CFO¹

Supervisory Board

Composition as at December 31, 2018

R. Hinse, Chairman

M. Castelvetri

P. G. Q. Coopmans⁴

J. L. Melis

Resigned in 2018

G. A. Luecke³

Joined in 2018

P. G. Q. Coopmans⁴

- 1 Joined July 1, 2018
- 2 Resigned July 1, 2018
- 3 Resigned October 15, 2018
- 4 Joined November 15, 2018

REPORT OF THE SUPERVISORY BOARD

The Supervisory Board hereby presents the annual accounts 2018, as prepared by the Executive Board of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. (hereinafter: Conservatrix) to the General Meeting of Shareholders. The independent auditor's report with their opinion of the financial statements giving a true and fair view of the financial position, is included. We offer the annual report to you for approval. This approval discharges the Executive Board for the management and also discharges the Supervisory Board for the supervision conducted in.

In 2018 the Supervisory Board gave special attention to progress of the further stabilization of Conservatrix by the Executive Board after the change of the shareholder in 2017.

October 15, 2018 mr G.A. Luecke stepped down as a member of the Supervisory Board, we like to thank him for his contributions to the Supervisory Board. Per November 15, 2018 the Supervisory Board was strengthened with mr P.G.Q. Coopmans.

All members of the Board have signed a moral ethical statement on their appointment. In the year 2018, there were no conflicts of interest involving members of the Supervisory Board.

The Supervisory Board gives an active interpretation to its role. On the one hand, the Supervisory Board followed the regular course of affairs in the organization, focusing on the development and management of the solvency of Conservatrix on the basis of the current supervisory framework under Solvency II, and on compliance with laws and regulations. On the other hand, in line with 2017 special attention was paid to the recapitalization, the realization of the unbundling from the Conservatrix group and a sufficient organization, including the design of its operations and sound business practices and the formulation of the strategy in the long term in which the Supervisory Board monitors the impact on the position of stakeholders, in particular policyholders, employees and shareholder.

In 2018 the Supervisory Board met seven times in the presence of the Executive Board. In the meetings, in addition to the aforementioned current and general policy topics, the investment policy, the methods and principles for Solvency II, the financial reports, the own risk analysis, the commercial strategy and the general course of events in the organization were discussed.

In addition, the Supervisory Board met several times in 2018. In this, preliminary consultations were held on agenda items and the course of affairs with the Executive Board was discussed and evaluated.

The members of the Supervisory Board collectively took part in the permanent education program. The topics are geared to current events and were held three times in 2018, besides several occasions which are permanent education related. The members of the Supervisory Board were satisfied with the structure and content of the program. In 2018 the Supervisory Board has evaluated its performance and that of the chairman himself in a special meeting.

The Audit and Risk Committee (hereinafter: ARC) was chaired by co-board member Mr J.L. Melis. The ARC met four times in 2018. The findings and reports of the second line functions (Compliance, Risk

Management, Actuarial Function) and Internal Audit (3rd line of defense) have been discussed with these functions as well as other relevant topics related to financial and operational risks like the internal control measures, the valuation principles and the financial reports. The ARC has reported its findings to the Supervisory Board.

The Nomination and Remuneration Committee met twice. In this meeting the performance of the members Executive Board, the KPI's and the composition of the staff was discussed.

The members of the Supervisory Board receive a fixed remuneration for their work as supervisor at Conservatrix, which is supplemented if there is a special above-average effort by the relevant supervisory board members.

Finally, the Supervisory Board is grateful to the employees and the Executive Board for the progress achieved in 2018 and the effort and commitment shown.

Utrecht, April 16 2019

R. Hinse, Chairman

M. Castelvetri

P. G. Q. Coopmans

J.L. Melis

REPORT OF THE EXECUTIVE BOARD

Business Developments

Conservatrix is a life insurer specialized in life insurances and mortgages. In 2018 the focus of the business was to obtain the right level of controlled and stable operations. At the end of 2018 Conservatrix reached, according to the Board, the right level of controlled and stable operations. The company is in the process of being reviewed by DNB to substantize the opinion of the Executive Board.

In 2018 the executive board of Conservatrix consists of two members

- CEO, Mr. Erwin van der Wal
- CFO, Mr. Menno Harkema (until July 1st 2018) and Mr. Peter de Bruijne (from July 1st 2018)

Per July 1st 2018 the management of Conservatrix was strengthened by appointing Mrs. Wendy van Liempt as Chief Operating Officer. In her role Mrs. Van Liempt is responsible for IT and Operations. Since May 15 2017 Conservatrix is a full subsidiary of Trier Holding BV.

The first and major goal of the board was to reorganize the company in a way that it has a sound, controlled and ethical operating environment and is fulfilling all of its obligations toward all of the stakeholders. The activities being focused on were addressed in a project plan. First the design of policies on processes took place. After design we have shown the demonstrable practice of the policies.

Immediately after the acquisition in 2017 unbundling from former group entities started. Apart from the IT department by the end of 2017 the unbundling was completed. Prior to the acquisition, a transfer services agreement was signed to secure the delivery of IT services for Conservatrix by the former shareholder. In May 2018 we finalized the project for unbundling the IT department. From that moment on the Conservatrix IT infrastructure is a fully cloud based IT infrastructure.

In the first half of 2018 Conservatrix setup her own IT department in line with the outsourcing of the IT infrastructure, therefore we were able to have a limited number of headcounts to support the business in general.

In the second half of 2018 the department responsible for relationship management and the operations department were combined into a Shared Service Center structure. All client orientated activities are now combined leading to a more effective and customer orientated service model.

Conservatrix has a responsible investment policy that complies with the standards for the sustainable Investment Code ('Code Duurzaam Beleggen') of the Dutch Association of Insurers ('Verbond van Verzekeraars'). Conservatrix subscribes to this Code, in which the UN Principles for Responsible Investments are incorporated. In order to be as transparent as possible to our stakeholders we provided an overview of our investments in Appendix I.

In the second half of 2018 (and early 2019) the ultimate beneficiary owner of Conservatrix was mentioned in several publications. Conservatrix management has consulted international legal experts to verify whether the interests of policyholders are safeguarded in relation to the two reinsurance and collateral arrangements used as risk mitigator. Management considers the outcome of the different opinions sufficient. These publications are a second argument to be transparent on our investments and provide the overview in Appendix I.

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During the transformation of the company, daily business was performed and necessary improvements were undertaken at the same time. In 2018, Conservatrix activated the remaining policyholders as part of the total program on investment insurance policies.

In general, as 2017, 2018 was a year of change and reorganization for the company and its employees.

Due to the change we had an increase in headcounts in the first half of 2018 mainly consisting of temporarily staff to help us out in the ongoing process of realizing the right level of controlled and stable operations. At the end of 2018 we were on a headcount of 37 employees and a limited number of 3 temporarily staff. Conservatrix has a Works Counsel for small companies ("Personeelsvertegenwoordiging" or "PVT") in which working conditions and staff regulations are being evaluated.

The Conservatrix Board appreciates the hard work undertaken by the company and its employees and is convinced that together with the team the goals set will be achieved.

Financial Developments

The full-year 2018 result before tax decreased significantly to € -2.9 million from € 84.9 million in 2017. The positive one-off effect of the reinsurance agreement with Colorado Bankers Life Insurance Company increased the 2017 result. However, in 2018 there was no such one-off effect as in 2017. Conservatrix strengthened the provision for future expenses, with a negative effect on the result in 2018. These are the main causes of the decreased result.

Gross premiums earned decreased to € 26.3 million from € 29.4 million in the previous year, mainly due to the fact that Conservatrix does not sell new policies yet. Meanwhile gross claims and benefits paid increased to € 44.1 million from € 39.2 million in 2017 mainly due to expected expirations.

Operating expenses decreased to € 9.7 million from € 11.4 million in the previous year. The expenses were mainly caused by internal and external staff costs and other non-recurring expenses due to the disentanglement of the former companies and investments in the business to achieve a stabilized company. Each quarter of 2018 the operating expenses reduced.

Shareholders' funds decreased to € 61.7 million from € 74.2 million last year, due to the above-mentioned addition to the provision for future expenses and the addition to the provision of insurance liabilities due the changes in the Yield-curve and the Ultimate Forward Rate (UFR). This increase was partly offset by the positive outflow of risk margin related to expiring policies.

The decrease of Shareholders' funds caused a reduction in eligible own funds to € 41.3 million, from € 47.7 million in 2017. In combination with an increased Solvency Capital Requirement (SCR) due to a changed asset allocation to € 27.9 million, from € 25.4 million in 2017, this resulted in a Solvency II ratio of 148%, (188% in 2017) being 48% above the required 100%.

Capital Management

The aim of capital management at Conservatrix is to meet all future policyholder claims. An important precondition is that the amounts of the Solvency Capital Requirement (SCR) and the Minimum Capital Requirement (MCR) are at all times sufficiently covered by the amount of own funds.

Dividend Policy and Capital Actions

When acquiring the shares of Conservatrix on May 15, 2017 it was stated that Conservatrix will refrain from declaring or paying out any dividend within a period of ten years. In 2018 Conservatrix therefore did not pay any dividend.

After the transfer of its shares to Trier Holding B.V. in 2017 the capital position of Conservatrix was strengthened by means of a direct capital injection of € 18.4 million. Next to that the capital position was further reinforced with € 72.1 million via a reinsurance agreement with Colorado Bankers Life Insurance Company. Due to the reinsurance contract also € 10.7 million of risk margin was released in 2017. As of May 15, 2017 the internal minimum solvency ratio is set at 135%, calculating the SCR according to the Solvency II standard formula.

In 2018 Conservatrix strengthened the provisions for expenses and the technical provision. Although € 43.3 million net claims and benefits were paid, the change in technical provisions was just € 15.7 million, mostly due to a change in expense provision, lower yield curve and UFR, resulting in a higher technical provision.

Additional information on capital management is available in the Financial Statements section.

Liquidity Management

Liquidity risk means the risk that Conservatrix is unable to realize investments and other assets in order to settle its financial obligations when they fall due. The operational cash flow of Conservatrix is to a considerable extent predictable. Liquidity is managed for the short term as well as the long term. Estimations are updated on a regular basis.

The investment policy of Conservatrix focuses on generating a positive yield from investing in illiquid assets, at all times matched to the liquidity needs of the portfolio. Dutch residential mortgages constitute a significant part of the asset portfolio € 264.1 million. The exposure to illiquid assets, including a marginal allocation of Property € 9.3 million, is counterbalanced by investments in liquid securities € 169.4 million and cash € 49.3 million.

Risk Management

Accepting risk is integral to the business model of insurance and asset management at Conservatrix. Conservatrix has a risk management structure that is designed to identify, assess, control and monitor the risks associated with its specific business. By working within this structure, Conservatrix aims to meet its obligations to policyholders, mortgage clients and other customers and comply with applicable laws and regulations.

Solvency II classifies the different related risks for which sub-modules are used to calculate the required solvency capital (SCR). Conservatrix calculates its SCR in accordance with the standard formula and the individual risk sub-modules. Next to the calculated SCR, Conservatrix performs at least on an annual basis an Own Risk and Solvency Assessment (ORSA). This ORSA was made mid 2018 and was shared in July 2018 with The Dutch Central Bank (DNB). This ORSA provides

sensitiveness of the company to the different risks. It also provides insight in risks that are not covered by the standard formula, or require other solutions than an increase of SCR, like a Business Continuity Plan (BCP) for crisis situations.

Just like many other insurance companies, Conservatrix uses the three lines of defense concept. This concept defines three risk management levels, each with distinct roles, decision authorities and responsibilities. This framework ensures that risk is managed in line with the risk appetite as defined by the Executive Board, ratified by the Supervisory Board.

The business managers form the first line are responsible for the ownership and implementation of policies. The second line of defense are the Compliance Function, Actuarial Function and Risk Management Function, who monitor, support and challenge the first line to ensure that risks and controls are effectively managed. The Internal Audit function (3rd line of defense) controls the first and second lines in order to provide an independent assurance to the Executive Board and the Supervisory Board.

Additional information on risk management is available in the Financial Statements section.

Outlook

The Conservatrix' strategy is to turn the company around into a sustainable, well-organized, flexible and cost-efficient operation, to be ready to achieve growth in assets under management by acquiring companies, portfolios or incremental sales.

We expect to handle this growth with the current staff numbers and without requiring new Equity. Conservatrix will make cost conscious investment decisions in IT-developments and the development of staff to improve the efficiency of client-based processes. The main external influence on this strategy is the current low-interest environment, for which we will further improve the balance-sheet management.

Utrecht, April 16 2019

E. van der Wal, CEO

P.C. de Bruijne, CFO

FINANCIAL STATEMENTS

Balance Sheet

Before appropriation of result

<i>In thousands of euros</i>		December 31, 2018	December 31, 2017
Investments			
Investment property	1	9,300	9,300
Financial investments			
Bonds	2	158,757	214,939
Mortgages	3	264,075	300,222
Other loans	4	4,791	4,841
Investment funds	5	45,732	
Total financial investments		473,355	520,002
Investments at policyholders' risk			
Equity and other investments	6	11,557	14,514
Deferred tax assets	7	24,611	30,343
Short term receivables			
Reinsurers		751	1,819
Policyholders		781	700
Intermediaries	9	0	1
Group companies	8	2,826	2
Other receivables	9	411	574
Total short-term receivables		4,769	3,096
Other assets			
Equipment	10	691	907
Cash	11	49,276	23,653
Total other assets		49,967	24,560
Accrued income	9		
Accrued interest		651	1,027
Accrued dividend		156	0
Total accrued income		807	1,027
Total Assets		574,366	602,842

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<i>In thousands of euros</i>		December 31, 2018	December 31, 2017
Shareholders' funds			
Share capital	12	13,848	13,848
Share premium	13	46,926	46,926
Revaluation reserve	14	35,427	38,478
Other reserves	15	25,011	-120,172
Result before appropriation	16	-9,515	95,161
Total shareholders' funds		61,674	74,240
Insurance liabilities			
At own risk	17	683,577	688,990
At policyholders' risk		8,321	14,132
Gross insurance liabilities		691,898	703,122
Reinsurers' share		191,259	-186,759
Net insurance liabilities		500,639	516,363
Provisions			
Pension obligations	18	0	826
Long-term liabilities			
Other long-term liabilities	19	28	34
Short term liabilities			
Reinsurers		1,089	1,450
Intermediaries		175	337
Tax and social security contributions		425	611
Payables arising from direct insurance		8,678	5,730
Other liabilities	20	1,658	3,250
Total short-term liabilities		12,025	11,379
Total Liabilities		574,366	602,842

Income Statement

<i>In thousands of euros</i>		2018	2017
Insurance premiums earned			
Gross premiums		26,265	29,448
Outgoing reinsurance premiums		-231	-101,247
Net premiums earned	21	26,034	-71,799
Investment income			
Investment property	22	299	252
Other investment income	23	13,459	14,669
Realized gains on investments	24	-620	18,964
Total investment income		13,137	33,885
Unrealized gains/losses on investments	25	-4,230	464
Claims and benefits paid			
Gross claims and benefits paid		44,121	39,183
Reinsurers' share		-859	-1,812
Net claims and benefits paid	26	43,261	37,371
Change in technical provisions			
Gross change in technical provision		-11,223	-19,931
Reinsurers' share		-4,500	-150,109
Net change in technical provision		-15,724	-170,040
Change in other provisions		0	-1,654
Profit sharing and benefits		0	13
Operating expenses			
Acquisition costs		440	508
Staff, overhead and depreciation costs	27	9,284	10,859
Total operating expenses	28	9,724	11,367
Investment management expenses		568	553
Investment income attributable to non-technical account		-1,282	-1,232
Result technical account life insurance		-4,171	83,708
Investment income attributable from technical account		1,282	1,232
Result before tax		-2,889	84,940
Income tax	29	6,626	-10,221
Net Result		-9,515	95,161

The investment income attributable to the non-technical account is based on the Interest Rate Structure as used for discounting the cash flows in the technical provision. For this Conservatrix uses the Volatility Adjustment (VA) per 2017YE.

Overview total result

<i>In thousands of euros</i>	2018	2017
Net result	-9,515	95,161
Change revaluation reserve investment property	285	1,207
Change revaluation reserve other investments	-149	-24,214
Change revaluation reserve loans	-3,186	-20,293
Total amount recognized directly in equity	-3,051	-43,300
Total result	-12,566	51,861
Share premium contribution	0	18,426
Movement shareholders' funds	-12,566	70,287

Cash Flow Statement

<i>In thousands of euros</i>	2018	2017
Net result before unrealized income and tax	1,938	54,941
Depreciation equipment	216	184
Change in liability to intermediars	0	6
Change in receivables group companies	-2,824	1,018
Change in receivables to intermediars	-162	30
Change liability reinsurer	707	29
Change short term liability	1,163	5,622
Realised gains bonds	2,834	0
Change technical provision	-15,724	-170,040
Change other provision	-826	-3,458
Change in equity securities	0	-273
Change depot insurers	0	-6
Change amortization	-136	-171
Change other short-term receivables	83	-1,415
Total movement	-14,450	-168,474
Cash flow from operational activities	-12,512	-113,533
Mortgage loans	29,610	40,849
Other loans	63	6,805
Equity securities	1,308	700
Derivatives	0	67,369
Bonds	77,480	169,887
Equipment	0	48
Disinvestments, sales and disposals	108,460	285,658
Mortgage loans	0	-27,145
Investment funds	-45,987	0
Equity	0	-270
Bonds	-24,340	-163,726
Equipment	0	-954
Total Investments in acquisitions and purchases	-70,327	-192,095
Cash flow from investing activities	38,133	93,563
Movement of share premium	0	18,426
Cash flow from financial activities	0	18,426
Net increase/decrease in cash	25,623	-1,544

Accounting Principles

General

The financial statements have been drawn up in accordance with the statutory provisions of Title 9, Book 2 of the Dutch Civil Code and the Annual Reporting Guidelines of the Dutch Accounting Standards Board. This implies that Guideline 605 has been applied in the preparation of this annual report. Unless stated otherwise, assets and liabilities are recognized at their face value. Income and expenses are allocated to the year to which they pertain. The activities of the Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V., with its registered office in Utrecht, consist of concluding life insurance contracts, pensions, and mortgages on the Dutch market. Conservatrix has an entry at the Chamber of Commerce of Utrecht under the number 31007947.

Use of estimates

The preparation of the financial statements requires the Executive Board and management to form opinions and make estimates and assumptions that influence the application of accounting principles and the reported value of assets and liabilities, and income and expenses. The actual results may differ from these estimates.

Continuity

With effect from May 15, 2017 Trier Holding B.V., acquired Conservatrix. The new shareholder invested with a direct capital injection of € 18.4 million in Conservatrix and indirectly reinforced the capital with another € 72.1 million through a reinsurance agreement with Colorado Bankers Life Insurance Company.

In addition, the company has sufficient liquid assets and readily marketable investments at its disposal to meet its obligations over the coming years. Consequently, the financial statements have been drawn up on the basis of the going concern principle.

Fair value hierarchy

Financial assets and liabilities are categorized into the following fair value hierarchy.

Quoted prices in an active market ('unadjusted, market observable prices') are sought first. If such prices are not available or if there is no active market, financial instruments are measured using input available in the market other than market prices: measurement derived from pricing. If no direct external or derived market prices are available, Conservatrix uses brokers' quotes.

Published prices in active markets ('Level 1')

Fair value measured at Level 1 only uses quoted prices (unadjusted) in active markets for identical assets and liabilities. An active market is one in which transactions take place with sufficient frequency and volume so that prices are regularly available. Examples are equity securities, bonds and investment funds listed on active markets.

Measurement method based on significant observable market inputs ('Level 2')

Fair value measured at Level 2 uses inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If an asset or liability has a given contractual term, a Level 2 input variable must be observable for practically the full term of that asset or liability. Level 2 involves the following input variables:

- Quoted prices for similar (i.e. not identical) assets/liabilities in active markets;

- Input variables other than quoted prices observable for the asset (for example, interest rates and yield curves observable at customary intervals, volatility, early redemption spreads, loss ratio, credit risks and default percentages);
- Input variables arising mainly from or confirmed by observable market data by correlation or other means (market-confirmed inputs).

Examples of assets or liabilities at Level 2 are financial instruments measured using discounted cash flow models. These are based on observable market swap yields, on investment property measured using observable market data and quoted debt instruments or equity securities in a non-active market.

Measurement method not based on significant observable market inputs ('Level 3')

Fair value measured at Level 3 significantly uses inputs for the asset or liability that are not based on observable market data. Unobservable inputs can be used if observable inputs are not available, and so fair value can still be measured at the reporting date in situations in which there is no or almost no active market for the asset or liability.

Investment property

Investment property is held for long-term rental yields and is not occupied by Conservatrix. Investment property is measured at fair value, which is supported by market evidence, as assessed by a qualified external appraiser. These appraiser quotes are challenged every three years by obtaining quotes from other appraisers as well. Changes in the fair value are recognized in the shareholders' funds within the other reserve. Investment property is presented under level 2.

Equipment

The fair value of equipment is not materially different from the carrying value. The carrying value is determined by historical cost less accumulated depreciation and impairment.

Bonds

Bonds are measured at fair value. The fair value of investments is measured using the fair value hierarchy as described above. Changes in the fair value of investments are recorded in a specific investment revaluation reserve within the share holder's funds. When investments are sold or impaired the accumulated fair value adjustments are transferred out of the revaluation reserve to the income statement. When the fair value is below cost price, the revaluation is accounted for in the income statement in the period in which the value change occurs. Quoted bonds in active markets are measured at fair value level 1, unquoted are measured at fair value level 2.

Other loans

Loans are measured at Fair Value whereas discounted cash flows are calculated against the interest rate associated with the duration of that cash flow. This includes the use of an index and credit profile of comparable investments for each individual loan. Changes in the fair value of investments are recorded in a specific investment revaluation reserve within the share holder's funds. When investments are sold or impaired the accumulated fair value adjustments are transferred out of the revaluation reserve into the income statement. When the fair value is below cost price, the revaluation is accounted for in the income statement in the period in which the value change occurs. This method is measured at fair value level 3.

Investment funds

Investment funds are measured at fair value. The fair value of investments is measured using the fair value hierarchy as described above. Changes in the fair value of investments are recorded in a

specific investment revaluation reserve within the share holder's funds. When investments are sold or impaired the accumulated fair value adjustments are transferred out of the revaluation reserve to the income statement. When the fair value is below cost price, the revaluation is accounted for in the income statement in the period in which the value change occurs. Quoted investment funds in active markets are measured at fair value level 1. Investment funds that are not quoted in active market, but for which a valuation policy is in place to provide an objective, consistent and transparent basis for estimating the fair value of the investments held in the fund, are measured at the value provided by the fund in accordance to that policy.

Investments at policyholders' risk

Investments at policyholders' risk are equity securities and participations in investment institutes. For participations in these investment institutions these are required to be calculated against the last known price; these participations are listed on the stock exchange as common and preferred stocks. Changes in the fair value of investments at policyholders' risk are measured and classified at fair value through profit and loss.

Mortgages

Mortgages are recognized at fair value for which mortgages are divided between residential mortgages and commercial mortgages. The valuation of residential mortgages is done by a third party. The revaluation of the mortgages is recognized through share holder's funds within the other reserve.

Receivables and other financial assets

Receivables and other Financial assets are initially valued against fair value and are subsequently valued at amortized costs. (Discount) premium and the directly attributable transaction costs are included at first recognition. A provision is created in case debtors have financial difficulties on an individual basis. Receivables related to reinsurance contracts are short- and long-term receivables on reinsurance companies. These receivables are depended on the expected claims from the reinsurance contracts. The valuation is based on the same assumptions as for the gross technical provisions it corresponds with the individual agreements with the reinsurance company.

Cash

Cash is directly available funds at banks. The carrying value of cash is regarded as a good approximation of the fair value, as these assets are of a short-term nature. Cash are measured against fair value Level 1.

Cash equivalents

Cash equivalents are measured at the nominal value including accrued interest. Types of Securities are Treasury bills; agency discount notes; insured certificates of deposit and money market funds. The carrying value of cash equivalents is regarded as a good approximation of the fair value, as these assets are of short-term nature. Cash equivalents are measured against fair value Level 1.

Provisions

Provisions are created for concrete or specific risks and obligations existing on the balance sheet date, whose magnitude is uncertain, but which can be reasonably estimated.

Insurance liabilities

The provision for insurance liabilities is calculated on the basis of the Solvency II principles. The interest rate used for this purpose is based on the interest rate structure published by the regulatory authority, adjusted for volatility.

The provision is the sum of:

- the expected value equal to the present value of the future annual payments plus the future costs of the insurances minus the gross premiums on the basis of best estimate assumptions (the net present value is calculated on the basis of the interest rate structure prescribed and published by the EIOPA, adjusted for volatility)
- the required risk margin, given the calculated solvency capital requirement on the basis of the risks quantified for the company.

Provisions for insurance of investments at policyholders' risk

The provisions for insurance in investment units are valued based on the number of units assigned to the relevant policyholders at the price per unit as at the balance sheet date.

Provisions for deferred taxes

Deferred taxes are in principle deferred claims or obligations vis-à-vis the head of the tax entity. The Conservatrix provisions for deferred taxes concern the tax claim that rests on all qualifying differences between commercial valuations and valuations for tax purposes of assets and liabilities, as well as the amount for which the reserves permitted for tax purposes have been created. The provisions are created in relation to a lower valuation for tax purposes of equities, bonds, loans, and immovable property. The provision is calculated on the difference between the tax and commercial value of the asset multiplied by the current tax rate of 20.5%.

Long-term liabilities

Long-term liabilities include liabilities with a remaining term longer than one year.

The long-term liabilities are initially valued at fair value and are subsequently valued at amortized cost.

Short-term liabilities

The short-term liabilities have an expected term of a maximum of one year. The short-term liabilities are initially valued at fair value and are subsequently valued at amortized cost, whereby the transaction costs that are directly attributable to the acquisition are included in the valuation.

Accounting principles for determining the result

Premiums earned for own account

Premiums earned for our own account consist of regular gross premiums and single premiums minus outgoing reinsurance premiums.

Yields from investments

This includes the proceeds realized on the operation of lands and buildings, and other investments such as mortgage loans, equities, and bonds. The realized exchange results on the sale of immovable property or the realized share prices of securities are included in the proceeds of the investments.

Unrealized gain on investments

Unrealized equity prices determined for each individual fund that can no longer be withdrawn from the revaluation reserve created in previous years are debited to the result. Unrealized price gains, determined for each individual fund, that pertain to price losses charged to the result in previous years are recovered and credited to the result.

Benefit payments own account

The benefit payments own account consists of the total liabilities arising from the payment of life insurance policies minus the amounts to be received from the reinsurers.

Change in technical provisions for life insurance

The change in technical provisions own account is equal to the difference between the opening balance and the final balance of the technical provision (after deducting the reinsurance).

This item therefore includes all effects of financial transactions, adjustments to economic actuarial principles and deviations between reality and the previously used assumptions.

Operating costs

The operating costs are determined on a historical basis and are allocated to the financial year to which they relate.

Taxes from ordinary business operations

The company tax is calculated on the result in accordance with the profit and loss account at the applicable rate, with due consideration to the tax facilities. Conservatrix is part of a fiscal unity for income tax, where Trier Holding B.V. is head of the tax entity Conservatrix N.V. is therefore not independently liable for tax. The calculated income tax has been accounted for in the current account with Trier Holding B.V. Conservatrix N.V. is jointly and severally liable for the period that it forms part of the fiscal unity.

Cash flow statement accounting principles

The statement of cash flows, prepared according to the indirect method, shows the structure of and changes in cash and cash equivalents of Conservatrix during the financial year from the cash flows arising from operating activities, investing activities and financing activities. The cash flows from investing activities primarily comprise changes in investment securities (such as securities available-for-sale or loans to customers). Financing activities include all cash flows from transactions involving the issuing of own shares, paid share premium. Cash flows from operating activities contain all other activities, which belong to the principal revenue-generating activities.

Related parties

All legal entities, natural persons and other related companies that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also entities, natural persons and other related companies which can control the Company are considered to be a related party. In addition, statutory directors, other key management of Conservatrix or the ultimate parent company and close relatives are regarded as related parties.

Transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is necessary in order to provide the true and fair view.

Comparison with previous year

The valuation principles and method of determining the result are the same as those used in the previous year, with the exception of the changes in accounting policies as set out in the relevant sections.

Risk Management

Risk management system

The Conservatrix' risk management system is in accordance with Solvency II requirements and covers the following areas:

- a) underwriting and reserving
- b) asset and liability management
- c) investment, in particular derivatives and similar commitments
- d) liquidity and concentration risk management
- e) operational risk management, including integrity and compliance risks
- f) reinsurance and other risk-mitigation techniques

Conservatrix seeks an effective risk management system comprising strategies, processes and reporting procedures necessary to identify, measure, monitor, manage and report, on a continuous basis the risks, at an individual and at an aggregated level, to which they are or could be exposed, and their interdependencies.

Design of risk management

The Supervisory Board is responsible for supervising the Executive Board and the general course of affairs of the company and the business with it. The Supervisory Board has two committees, i.e., the Audit and Risk Committee, and the Nomination and Remuneration Committee that informs the Supervisory Board of any major development in the area of its responsibilities.

The Executive Board is responsible for the day-to-day management and the overall strategic direction of the company. In the design of its operations the Executive Board uses the "three lines of defense" model.

The three lines of defense model consists of three defense lines with different responsibilities with respect to the ownership of risk control. The first line of defense lies with the managers whose activities create and manage the risks that can facilitate or prevent company objectives from being achieved. This includes taking the right risks. The first line owns the risk, and the design and execution of the organization's controls to respond to those risks. The first line therefore comprises business managers, including IT, Finance & Control and Human Resource Management.

The second line consists of the compliance function, the actuarial function—by means of outsourcing—and the risk management function. The second line is put in place to give countervailing power to the first line and to support management by bringing expertise, process excellence, and management monitoring alongside the first line to help ensure that risk and control are effectively managed. Policies provide support in areas such as risk, compliance, and control. There are regular meetings with the Executive Board and the Audit and Risk Committee. Furthermore, the second line functions have quarterly meetings with the Chairman of the Audit and Risk Committee and/or the Chairman of the Supervisory Board.

Internal audit, as the third line, controls the first and second line in order to provide extra assurance to the Board of Directors and the Supervisory Board. As of the end of 2017 a broad skills set has been made available to Conservatrix by means of outsourcing. Internal audit evaluates the adequacy and effectiveness of the internal control system -including outsourced activities- and other elements of the system of governance. Furthermore, the internal audit function reports directly to the Supervisory Board and thus independent from the operational functions. There are meetings on a regular basis with the Executive Board, Chairman of the Audit and Risk Committee and/or the Chairman of the Supervisory Board.

The second line, i.e., actuarial function, compliance function, and risk management function, together with the third line i.e., internal audit, are considered to be the Solvency II “key functions”.

Approach of risk management

Solvency II categorizes types of risks in order to calculate the SCR. This calculation can be performed with the SCR standard formula. The standard formula is intended to reflect the risk profile of most insurance undertakings. Conservatrix uses the standard formula and has no indication the standard formula should not adequately reflect the risk profile of Conservatrix.

The standard formula discriminates between financial and non-financial risks. Financial risks are risks that come with the insurance and investment activities of Conservatrix. Non-financial risks are operational risks. Integrity risks are not included in the standard formula of Solvency II. Risks that do not directly link to a SCR standard formula will be assessed during the own risk and solvency assessment (ORSA) process and systematic integrity risk analysis (SIRA). The results of the computation of the SCR for several risk types is presented below:

in thousands of euros

SCR	
December31, 2018	December31, 2017
27,943	25,355

Loss absorbing capacity of deferred taxes	BSCR	SCR Operational risk
-3,105 -4,474	28,068 26,800	2,981 3,029

Diversification BSCR	
-11,555	-10,775

SCR Market risk	SCR Counterparty default risk	SCR Life
14,740 10,116	12,777 15,692	12,107 11,767

The Risk-capitals required are distributed rather evenly over Market Risk, Counterparty Default Risk and Life Risk.

Market risk

Market risk means the risk of loss or of adverse change in the financial situation resulting, directly or indirectly, from fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments.

The Conservatrix investment portfolio leads to an exposure to market risks. Yield curve changes and spread changes do impact the value of investments. Conservatrix does not invest in Equity, except for a small amount related to unit linked policies. Changes in the valuation of the mortgage loans also drives market risk as well as underwriting risk, as the yield on the mortgage loans is linked to the claims of a substantial number of policyholders.

Counterparty default risk

The counterparty default risk reflects possible losses due to unexpected default, or deterioration in the credit standing of the counterparties and debtors of insurance and reinsurance undertakings. The counterparty default risk takes into account: risk-mitigating contracts such as reinsurance arrangements, securitizations and derivatives, and receivables from intermediaries, as well as any other credit exposures that are not covered under market risk. Conservatrix takes appropriate account of collateral or other security and the risks associated therewith.

Counterparty default risk consists of type 1 and type 2 risks. Type 1 risk especially relates to cash at banks and reinsurance arrangements. The SCR for counterparty default risk for the reinsurers Heco Re and Colorado Bankers Life Insurance is nil due to the high level of collateral provided and their adequate solvency ratios.

Type 2 relates to the mortgage loan portfolio. The value of the property is monitored at least once every three years by a third-party. The monitoring may result in an identification of property that needs revaluation. In addition to the mortgage on the property, most mortgage loans also have a National Mortgage Guarantee, in Dutch: *Nationale Hypotheek Garantie* (NHG). NHG is a guarantee provided to the mortgage lender by a government-backed foundation, the Homeownership Guarantee Fund (*Waarborgfonds Eigen Woningen*). The guarantee decreases as if the mortgage loan is a level payment mortgage, even if the actual guaranteed loan would have another term of redemption e.g., interest only. When calculating the SCR for counterparty default risk, Conservatrix does not take into account the NHG guarantee.

Underwriting risk

Underwriting risk means the risk of loss or adverse change in the value of insurance liabilities due to amongst others inadequate pricing and provisioning assumptions, related to mortality, longevity, lapse and expenses. In 2018 Conservatrix strengthened the provision for future expenses resulting in higher SCR requirements as well. The risks are monitored within the existing portfolio. For products both existing and envisioned, or product changes, the underwriting risk is assessed when the product approval and review process (PARP) is passed through.

Operational risk

Operational risk means the risk of loss arising from inadequate or failed internal processes, personnel or systems, or from external events. Operational risk includes legal risks and exclude risks arising

from strategic decisions, as well as reputation and integrity risks. During 2018 Conservatrix has improved her internal control structure significantly.

ORSA process and SIRA

The ORSA and SIRA focus on risk-areas potentially not covered by the Standard formula. During 2017 and 2018 Conservatrix has worked hard to comply to all covenants set by DNB at the purchase in May 2017, including an ORSA and SIRA. Conservatrix has discussed with DNB an ORSA (Own Risk and Solvency Assessment), a SIRA (Systematic Integrity Risk Analysis), numerous new and improved policies and a renewed governance structure in certain parts of risk management. In July 2018 Conservatrix formally uploaded the ORSA 2018 to DNB, in October 2018 the SIRA 2018 was delivered to DNB.

Capital Management

Capital management

As of May 15, 2017, the internal minimum solvency ratio is set at 135% calculating the SCR according to the Solvency II standard formula. When acquiring the shares of Conservatrix on May 15, 2017 it was stated Conservatrix will refrain from declaring or paying out any dividend within a period of ten years. In addition to this there is a recapitalization commitment from direct and indirect shareholders to replenish any shortfall in the SCR ratio.

During 2018 Conservatrix stayed well above the internal solvency ratio of 135%. Conservatrix has not paid or proposed any dividend payment.

The amount of SCR should enable Conservatrix to absorb unexpected losses originating from the types of risk covered by the SCR as described in the paragraph Risk Management. In line with the Solvency II Directive the SCR reflects a Value-at-Risk measure, with a 99.5 % confidence level, over a one-year period.

Trigger events

An ad hoc ORSA is triggered by preset events. One of the trigger events is a breach of the minimum level for the SCR ratio. The Conservatrix capital policy includes several actions to keep the SCR ratio above the envisioned minimum. These actions should lead to a rise in the SCR ratio and to determine actions rather than triggering the intervention of the supervisor. In 2018 no trigger events occurred.

Own funds and solvency capital required

<i>In thousands of euros</i>	2018	2017
Own funds	61,674	74,240
Tier 1	37,063	43,897
Tier 2	0	0
Tier 3	24,611	30,343
Total available own funds	61,674	74,240
Eligible own funds	41,255	47,700
Solvency capital required		
Market risk	14,740	10,116
Counterparty risk	12,777	15,692
Life underwriting risk	12,107	11,767
Diversification	-11,555	-10,775
BSCR	28,068	26,800
Operational risk	2,981	3,029
LACDT	-3,105	-4,475
Total solvency capital required	27,943	25,354
Minimum capital required	12,575	11,410
Solvency II ratio	148%	188%
Solvency II ratio internal minimum target level	135%	135%

Solvency ratio

At December 31, 2018 the Eligible Own Funds Solvency II were € 41.3 million and the required capital was € 27.9 million resulting in a Solvency ratio of 148%. The calculation of the solvency ratio is based on the standard formula.

Under Solvency II it is permitted to reduce the required capital with the mitigating tax effects resulting from a one in two-hundred-year loss ('Shock loss'). A tax effect could be that the shock loss can be partially compensated with taxable profits. Insurers can only substantiate the post-shock net deferred tax assets with future profits if the SCR are met within the currently applicable recovery period. Conservatrix included a beneficial effect on its solvency ratio(s) due to the application of the loss-absorbing capacity of deferred taxes (LAC DT). The LAC DT volume is € 3.1 million.

Profit appropriation

The Executive Board proposes to deduct the result to the other reserves within the shareholders' funds.

Notes to the Balance Sheet

In thousands of euros

(1) Investment property	2018	2017
At January 1	9,300	7,400
Revaluation	0	1,900
At December 31	9,300	9,300

Cost of investment property amounts € 5.792 (2017: € 5.425).

(2) Bonds	2018	2017
At January 1	214,939	222,010
Purchase	24,340	163,726
Disposals	-77,481	-169,887
Unrealized result	-3,041	-910
At December 31	158,757	214,939

Cost of bonds amounts to € 161.542 (2017 € 215.825).

(3) Mortgages	2018	2017
At January 1	300,222	332,158
Additions	0	27,145
Redemptions	-29,610	-40,849
Change in revaluation	-6,537	-18,232
At December 31	264,075	300,222

The mortgage loans are primarily provided to private individuals on the Dutch market, have a predominantly long-term interest rate review date of 10, 15 and 20 years, and are primarily concluded with a National Mortgage Guarantee (NHG guarantee). The nominal value amounts € 224.9 million (2017: € 254.5 million). The mortgage loans are maintained to mitigate the interest rate risk included in the future cash flows of long-term insurance liabilities.

(4) Other loans	2018	2017
At January 1	4,841	13,472
Change amortization	136	171
Redemptions	-62	-6,805
Revaluations	-124	-1,997
At December 31	4,791	4,841

Other loans mainly consist of loans issued to financial institutions and a building society. The nominal value amounts € 5,622 (2017: € 5,638).

(5) Investment funds	2018	2017
At January 1	0	0
Purchase	45,987	0
Change in revaluation	-255	0
At December 31	45,732	0

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(6) Investments at policy holders' risk	2018	2017
At January 1	14,514	13,911
Purchase	0	270
Disposals	-1,308	-700
Unrealized result	-1,649	1,033
At December 31	11,557	14,514

Details on Investments

For details on investments at Conservatrix we refer to Appendix I.

(7) Deferred tax assets	2018	2017
Deferred tax assets	33,619	43,169
Deferred tax liabilities	-9,008	-12,826
At December 31	24,611	30,343
At January 1	30,343	11,886
Revaluation investment property	285	-475
Unrealized gains bonds	52	10,955
Unrealized gains loans	1,665	4,594
Change in technical provision	-2,181	-5,533
Change tax rate investment property and loans	1,816	-4,355
Change tax rate technical provision	-7,369	13,271
At December 31	24,611	30,343

Of the deferred tax assets, it is not expected that an amount is deductible within one year.

(8) Group companies	2018	2017
At January 1	2	0
Intercompany Trier Holding BV	2,824	2
At December 31	2,826	2

The intercompany with Trier Holding consists of € 2.795 million current tax.

(9) Short term receivables	2018	2017
Intermediaries		
Intermediaries current account	259	275
Provision for uncollectability	-259	-274
Total intermediaries	0	1
Accrued income		
Mortgage loans	0	43
Bonds	651	984
Dividend	156	0
Total current income	807	1,027
Other receivables		
Debtors	0	7
Prepayments	0	81
Other	411	486
Total other receivables	411	574

All short-term receivables have a duration less than one year.

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(10) Equipment	<i>Cost Dec 31, 2017</i>	<i>Disposal</i>	<i>Purchase 2018</i>	<i>Cost Dec 31, 2018</i>
Company cars	114	0	0	114
Office improvement	954	0	12	966
Total equipment	1,068	0	12	1,080

Equipment	<i>Carrying value Dec 31, 2017</i>	<i>Disposal or depreciation</i>	<i>Purchase 2018</i>	<i>Carrying value Dec 31, 2018</i>
Company cars	30	27	0	3
Office improvement	877	201	12	688
Total equipment	907	228	12	691

Depreciation rate is: Office improvement and company cars 20%.

(11) Cash	2018	2017
Bank	49,276	23,653

(12) Share capital	2018	2017
Share capital	13,848	13,848

The company's ordinary share capital consists of 5,539 ordinary shares with a nominal value of € 13,848.

(13) Share premium	2018	2017
At January 1	46,926	28,500
Share premium contribution		18,426
At December 31	46,926	46,926

(14) Revaluation reserve	2018	2017
At January 1	38,478	81,777
Revaluation property	285	1,207
Revaluation loans	-3,186	-20,293
Revaluation bonds	-149	-24,213
At December 31	35,427	38,478

(15) Other reserves	2018	2017
At January 1	-120,172	-105,298
Result prior year	95,161	-14,874
At December 31	-25,011	-120,172

(16) Result before appropriation	2018	2017
At January 1	95,161	-14,874
Result current year	-9,515	95,161
Transfer to other reserve	-95,161	14,874
At December 31	-9,515	95,161

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(17) Insurance liabilities	2018	2017
At January 1	703,122	723,053
Addition	-11,224	-19,931
Gross technical provisions	691,898	703,122
Reinsurers' share	-191,259	-186,759
At December 31	500,639	516,363

Insurance liabilities	2018	2017
At own risk	492,318	502,231
At policyholders' risk	8,321	14,132
At December 31	500,639	516,363

Insurance liabilities	2018	2017
Best Estimate	490,558	506,548
Risk margin	10,081	9,815
At December 31	500,639	516,363

The movement of the best estimate

Best estimate at January 1	506,548	662,456
Reinsurers' share	186,759	36,650
Best estimate at January 1	693,307	699,106
Change model primo	-602	2,549
Roll forward existing portfolio	-22,856	-10,654
Best estimate at December 31	669,849	691,001
Variance non-economical	-2,445	-2,346
Death	279	2,107
Lapse	1,155	-7,673
Expenses	10,251	7,517
Adjustment non-economical assumptions	11,685	1,951
Inflation curve	-1,765	92
Interest	4,494	2,609
Variance economical	2,729	2,701
Best estimate at December 31	681,818	693,307
Reinsurers' share	-191,259	-186,759
Best estimate at December 31	490,558	506,548

(18) Pension obligations	2018	2017
At January 1	826	2,034
Release	-826	-1,208
At December 31	0	826

The company has a pension scheme that grants participants a pension, whereby the company runs an actuarial risk. An adjustment pension provision was created relating to this risk based on the provisions of IAS 19R, which also meets the Solvency II regulations. The IAS-provision relates to the pension rights granted up to 1st of October 2018. Since October 2018 the company changed the pension scheme to a Defined Contribution scheme, reducing the IAS provision towards the future.

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(19) Long-term liabilities	2018	2017
Premium deposit	28	34
At December 31	28	34

(20) Other liabilities	2018	2017
Other liabilities		
Creditors	780	1,057
Accruals	878	2,193
At December 31	1,658	3,250

Assets given in collateral by reinsurers for ceded technical provisions

Collateral	2018	2017
Heco Re		
BNP Paribas – bonds	25,296	22,686
BNP Paribas – equity securities	8,814	8,296
BNP Paribas – cash	370	8,983
Accrued interest	233	104
Total Heco Re	34,713	40,069
CBL		
Fifth Third Bank – fixed and floating income security's	148,973	93,115
Fifth Third Bank – cash	8,863	63,431
Accrued interest	2,518	375
Total CBL	160,354	156,921
At December 31	195,067	196,990

After finalizing the company accounts, the CBL collateral was replenished to 105% of the CBL ceded technical provisions.

Contingent liabilities

Fiscal Unity & Deferred Tax Assets

For corporate income tax purposes, until December 29, 2015, Conservatrix N.V. was part of the fiscal unity Conservatrix Groep B.V. From December 30, 2015 onwards, Conservatrix N.V. was part of the Nuvema N.V. tax group, until this fiscal unity was broken-up as a result of the transfer dated 15 May 2017. Since then, Conservatrix forms a fiscal unity with Trier Holding B.V.

Conservatrix has determined its fiscal position per transfer date based on best efforts, taking into account the advice from tax specialists and lawyers. When the Conservatrix shares were transferred, no agreements concluded about how to handle the tax positions. For tax purposes Conservatrix applies the Decree profit determination and technical reserves insurance companies 2001 (BWRV) and determines its technical provisions based on historical tariff rates. Conservatrix considers this a consistent approach, in line with Dutch legislation.

However, the former fiscal unity filed a request with the Dutch Tax authorities to change the tax base of the technical provisions, which would lead to an additional tax loss. Management considers this change to be incorrect and unlawful. In the unlikely event that the Dutch Tax authorities agree with this contra legal approach, this would have an effect on the realization of a part of the deferred tax assets as included in the 2018 financial statements for an amount of € 24.6 million. Management considers this risk as "remote".

In addition, there is uncertainty about the tax treatment of the reinsurance construction with HECO including the deductibility of the paid reinsurance premiums to HECO during the existence of the old Nuvema NV fiscal unity. It is uncertain whether and what impact this will have on the tax position. Currently no more premiums are being paid to HECO.

Pursuant to the Collection of State Taxes Act, Conservatrix and the other entities of the old fiscal unity with Nuvema N.V. are severally and jointly liable for the tax payable by the combination until May 15, 2017.

Current tax position is recognised in the intercompany position with Trier Holding BV. Tax losses are carried forward to a maximum of six years. The tax loss of the fiscal unity Trier is expected to be compensated within the available time frame. A provision for compensable taxable losses is therefore valued at nil. Compensable losses are recognised at an amount of € 16,1 million.

Off-balance sheet commitments

Bankguarantees have been issued for the total amount of € 0.1 million (2017: € 0.4 million). This commitment has a duration between one and five years. Conservatrix has a non-cancellable office rental agreement of yearly € 0.2 million until August 2022.

Other information

Events after the balance sheet date

There were no events after balance date impacting the figures of Conservatrix.

Stater contract

On December 22, 2011, Conservatrix signed a contract with Stater Nederland B.V. for transferring and collecting monies in respect of the mortgage loans provided by the company to private individuals. In 2013, a provision for handling arrears during the collection of amounts owed in respect of these loans was added to this contract. Any services are provided for in the account and risk of the company. The term of the contract is seven years. Should Conservatrix decide to cancel the contract prior to the end of its term, there is an exit fee that decreases in accordance with an agreed upon sliding scale for each year of early termination.

Unit4

In 2018 Conservatrix outsourced the salary payment of the own employees to Unit4. The calculation and administration of the (periodical) payments is outsourced to Unit4, also.

Reinsurance contracts

Conservatrix has reinsured a sub portfolio with pension insurances. The reinsurance was contracted with Heco Re S.A., a reinsurer domiciled in Luxembourg. To cover the counterparty credit risk, it is agreed that this reinsurer will maintain a reinsurance deposit in the name of the insurer in the amount of the maximum technical provision in accordance with the Solvency II principles, and 90% of the technical provision on the basis of the tariff bases less the initial costs relating to these obligations capitalized on the reinsurer's balance sheet.

This condition must be met no later than July 1, following the end of the financial year.

At the time these financial statements were drawn up, the value of the investments maintained in the deposit was lower than the value of the provision pursuant to the Solvency II principles, as at December 31, 2018.

Conservatrix has also reinsured its DIL (Immediate Annuity) products sub portfolio and its NGP (Natural Guarantee Plan) products sub portfolio. The reinsurance was contracted with Colorado Bankers Life Insurance Company (CBL). To cover the counterparty credit risk, it is agreed that this reinsurer will maintain a reinsurance deposit in the name of the insurer in the amount of 105% of the Technical Provisions. At the time these financial statements were drawn up, the value of the investments maintained in the deposit was lower than 105% of the value of the provision.

Notes to the Income Statement

Details of Income

<i>In thousands of euros</i>	2018	2017
Regular premiums	25,695	28,852
Single premiums	570	596
Outgoing reinsurance premiums	-231	-101,247
(21) Net premiums earned	26,034	-71,799

The premium income came entirely from insurance contracts concluded in the Netherlands.

	2018	2017
Rental income	887	841
Operating expenses	-588	-589
(22) Investment property	299	252

	2018	2017
Mortgage loans	10,818	12,788
Equity securities	537	424
Bonds	1,958	1,574
Other loans	107	171
Policy loans	0	5
Interest on bank accounts	0	36
Dividend	298	
Paid interest	-259	-329
(23) Other investments	13,459	14,669

	2018	2017
Own risk	13,034	14,245
Policy holder	425	424
(23) Other investments	13,459	14,669

	2018	2017
Own risk	-112	18,942
Policy holder	-508	22
(24) Realized gains on investments	-620	18,964

Investment income attributed to non-technical account concerns the result of the technical investment income related to the average Shareholders' funds.

	2018	2017
Own risk	-2,325	-574
Policy holder	-1,905	1,038
(25) Unrealized gains / losses on investments	-4,230	464

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Details of expenses

	2018	2017
Benefits at death	1,672	1,938
Benefits on expirations	21,117	13,248
Annuity benefits	2,347	2,727
Pension benefits	6,503	6,754
Expenses on premium exemption	11	11
Reinsurers' share	-859	-1,812
Total claims and benefits paid	30,791	22,866
Surrenders	12,470	14,506
Total surrenders	12,470	14,506
(26) Net claims and benefits paid	43,261	37,371

	2018	2017
Profit policyholders	0	13
Profit-sharing and discounts	0	13

Operational expenses	2018	2017
Salaries	3,151	2,142
Termination benefits	345	2,245
Social security contributions	351	275
Pension expenses	-316	364
Travel costs	213	136
External staff	1,462	2,217
Other staff costs	35	544
Withdrawal restructuring provision	0	-1,804
Allocated to group companies	0	-161
Staff costs	5,241	5,958
Office costs	1,913	1,261
Housing costs	259	208
Marketing costs	-169	686
Other costs	2,157	2,103
Overhead expenses	4,160	4,258
Depreciation	-117	643
(27) Staff-, overhead- and depreciation costs	9,284	10,859
Acquisition costs	440	508
(28) Total operating expenses	9,724	11,367

- The average full time equivalent of permanent staff members was 36.9 (2017: 29.6)
- The staff costs include the remuneration of the Executive Board members in the amount of € 997.7 (2017: € 1,185.0) and the remuneration of the Supervisory Board members in the amount of € 139.0 (2017: € 118.0).
- The accountants fee has been estimated on about € 326.1 (2017: € 544.5). This fee concerns the investigation of the annual report applicable on the current year. No other services were included.

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Depreciation costs

The total amount of depreciation costs was as follows:

Depreciation costs	2018	2017
Own assets	221	107
Allocated from group companies	0	717
Release of provision for intangible assets	-337	-181
Total depreciation costs	-117	643

Profit sharing and discounts

This concerns the profit additions in favor of the holders of policies belonging to the traditional portfolio.

Income tax

The determination of the income tax takes the permanent and temporary differences between the commercial result and the taxable result into account.

An effective income tax rate of 25% is used for the calculation of the deferred asset arising from the difference between the provision for insurance obligations, determined on a commercial and a tax basis.

The amount included in the profit and loss account is structured as follows:

Income tax	2018	2017
Current tax	-2,924	-2,483
Change in tax rate gross deferred tax asset	7,369	-13,271
Movement gross deferred tax asset	2,181	5,533
(29) Total income tax	6,626	-10,221

Analysis of the result by margin

In thousands of euros

Basic Own Funds	2018	2017
At January 1	74,240	3,952
Variations due to investments and financial liabilities	9,475	34,901
Capital injection shareholder	0	18,426
Variation in deferred tax position	-5,732	18,458
Total technical flows on net technical provisions	-26,952	-100,618
Release technical provisions	15,724	170,039
Variation in investments in unit-linked	-2,883	246
Other variations in Excess of Assets over Liabilities	-2,198	-71,164
At December 31	61,674	74,240

Due to the start of the reinsurance agreement with CBL in 2017, the figures for 2017 and 2018 can hardly be compared. In 2017 the total technical flow was largely influenced by the reinsurance premium of € 100 million. The result of this is a one-off release of technical provisions of € 150 million. Similarly, the other variations in Excess of Assets over Liabilities contains the difference of both mentioned amounts.

Utrecht, April 16 2019

Executive board

E. van der Wal, CEO

P.C. de Bruijne, CFO

Supervisory board

R. Hinse, Chairman

M. Castelvetri

P. G. Q. Coopmans

J.L. Melis

OTHER INFORMATION

Independent auditor's report

We refer for the Independent auditor's report to the next page.

Appropriation result according to the Articles of Association

According to the Company's articles of association the result is at the disposal of the General Meeting.

Independent auditor's report

To: the shareholders and Supervisory Board of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V.

A. Report on the audit of the financial statements 2018

Our opinion

We have audited the financial statements 2018 of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V., based in Utrecht.

WE HAVE AUDITED	OUR OPINION
The financial statements which comprise: 1. the balance sheet as at 31 December 2018; 2. the income statement for 2018; and 3. the notes comprising a summary of the accounting policies and other explanatory information.	In our opinion the enclosed financial statements give a true and fair view of the financial position of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. as at 31 December 2018 and of its result for 2018 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

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 Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at € 850,000. The materiality has been calculated with reference to a benchmark of the eligible own funds (representing 2% of eligible own funds) which we consider to be one of the principal considerations for stakeholders of the company in assessing the financial performance of the company. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

We agreed with the audit & risk committee that misstatements in excess of € 43,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the board of management and the audit & risk committee. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

VALUATION OF INVESTMENTS	OUR AUDIT APPROACH
<p>Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. has investments in real estate, funds and mortgages. These investments are valued at market value.</p> <p>There is no active market for all investments. As a result, the market value must be estimated. To make this estimate, management has to make assumptions based on judgement of management.</p> <p>These investments consist of complex calculations and significant estimates. The valuation of the investments has a major influence on equity and result of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. and therefore this is a key audit matter.</p>	<p>In order to determine the market value of the real estate, the management engaged a surveyor. The surveyor determined the market value. We evaluated the competence, capabilities and objectivity of the surveyor. We also engaged a real estate specialist to check the valuation assumptions made by the surveyor. Finally, we determined if the source data used are reliable.</p> <p>The investment funds are not listed. The market value is determined by the fund managers, which the management has made use of. We engaged an investment specialist to verify the valuation of the underlying investments. By means of a sample, we determined whether the models have been correctly applied. We also determined if the source data used are reliable.</p> <p>The market value of the mortgages is determined by means of a calculation model. The management engaged an expert for this. The actuarial function holder of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. established that the correct calculation model has been used by the expert. We evaluated the competence, capabilities and objectivity of the experts. We also engaged an expert to check the calculation model. The source data comes from a service organization. Through a review of ISAE 3402 Type II we determined that this data source is reliable.</p>

	<p>We checked whether the accounting policies, stated on page 16, 17 and 18 of the financial statements and the supplementary information on pages 27 and 28 of the financial statements, are in accordance with the applicable reporting framework. We ascertained whether the different type of investments are disclosed correctly in the financial statements.</p>
INSURANCE LIABILITIES	OUR AUDIT APPROACH
<p>Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. has insurance liabilities in their accounts. To calculate the insurance liabilities management has to make assumptions (generation table, decrease of the portfolio, interest, mortality, morbidity future costs and other assumptions) based on judgement of management.</p> <p>The insurance liabilities consists of complex calculations and significant estimates. The valuation of the gross insurance liabilities has a major influence on equity and result of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. and therefore this is a key audit matter.</p>	<p>We determined the effective operation of the internal control measures which secure the reliability of the policy data and determined that all policies are accounted for in the insurance liabilities. With the support of an independent and professional auditor's expert we audited the gross insurance liabilities. We performed audit procedures regarding the accuracy of the calculations made internally at Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. including assessing the appropriateness of the actuarial and economic assumptions used. The auditor's expert reviewed the adequacy and the outcome of the actuarial function holder report. We evaluated the competence and objectivity of the auditor's expert. We also evaluated the adequacy of the work performed by the auditor's expert.</p> <p>We checked whether the accounting policies, stated on page 19 of the financial statements and the supplementary information on pages 30 of the financial statements, are in accordance with the applicable reporting framework. We ascertained whether the gross insurance liabilities are disclosed correctly in the financial statements.</p>
REINSURANCE SHARE INSURANCE LIABILITIES	OUR AUDIT APPROACH
<p>Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. has insurance liabilities in their accounts. Some parts of the insurance liabilities have been reinsured with reinsurance companies. The reinsurance companies have provided security to Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. by means of opening up trust accounts in which certain assets have been deposited.</p>	<p>The actuarial function holder assessed the valuation of the reinsured part of the insurance liabilities and included his opinion in his actuarial function holder report. With the support of an independent and professional auditor's expert we reviewed the adequacy and the outcome of the actuarial function holder report including assessing the appropriateness of the actuarial and economic assumptions used.</p>

<p>The fact that a part of the insurance liabilities are reinsured and assets have been deposited is of importance because it mitigates risks, it covers a material part of the insurance liabilities and it has a strong influence on the outcome of the solvency capital requirement of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V.. Therefore we consider this is a key audit matter.</p>	<p>We determined whether the reinsurers share is in accordance with the terms and conditions included in the reinsurance contracts. We evaluated the competence and objectivity of the auditor's expert and we evaluated the adequacy of the work performed by the auditor's expert.</p> <p>The reinsurance and trust agreements are important contracts because they cover a material part of the insurance liabilities. For some of these contracts foreign law is applicable. Therefore Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. hired a legal expert to understand the terms and conditions of the contracts from a legal point of view.</p> <p>We involved legal specialists in order to review the opinion from the management expert. An important aspect of the review has been whether the assets in the depot are freely available to Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. in case of default of the reinsurance company. Another important aspect of the review has been whether the assets in the depots met the terms and conditions in the reinsurance and trust agreements.</p> <p>We verified the existence of the assets in the depots by a direct confirmation from the custodian.</p> <p>We ascertained whether the reinsured share of the insurance liabilities is disclosed correctly in the financial statements.</p>
<p>IT ENVIRONMENT</p> <p>The manageability and the continuity of the activities of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. depends strongly on the IT-infrastructure.</p> <p>The IT-infrastructure is among other important to guarantee the legality of the beneficiary's bank account numbers. The affected (application) controls within the organization should be sufficient to guarantee the accuracy of the beneficiary's bank account numbers.</p>	<p>OUR AUDIT APPROACH</p> <p>In our audit team specialized IT auditors are involved. Our audit procedures consisted of a review of the developments in the IT infrastructure and testing of the relevant internal control measures regarding the IT environment, like reliability and continuity of the policy and claim registration. We audited whether the segregation of duties are also implemented in the applications used for the policy and claim registration and we determined whether procedures regarding identification and authentication regarding these applications are sufficient.</p>

Due to the importance of the IT infrastructure for the activities of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. this is a key audit matter.	In order to establish the correctness of the outgoing flow of money, we determined by means of a partial observation whether the bank account number after which payment is paid belongs to the rightful recipient.
SOLVENCY II	OUR AUDIT APPROACH
The solvency II regulation includes guidelines to calculate the (minimum) solvency capital requirement and the existing solvency capital requirement. These calculations are based on estimates and significant assumptions of management. In the financial statements a disclosure is included regarding the application of this regulation. Given the importance of Solvency II for the financial position of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. and the complexity of the calculations regarding the (minimum) solvency capital requirement and the existing solvency capital requirement we defined the adequate application of the Solvency II regulation as a key audit matter.	We verified the method used by Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. for calculating the solvency capital requirement and also verified the application of the Solvency II regulation in the disclosures of the financial statements. We audited the effective operation of the internal control procedures regarding the calculations. We also reviewed the actuarial function holder report. Furthermore we performed audit procedures regarding the data used for the calculations and audited whether the assumptions and calculations are in accordance with the Solvency II regulations. For this we used the support of an auditor's expert. We evaluated the expertise and objectivity of this expert. We reviewed whether the disclosure in the financial statements is in accordance with internal Solvency II calculations. We audited whether the disclosures in the financial statements are in accordance with the applicable accounting policies.

B. 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:

- ▶ Profile;
- ▶ Report of the supervisory board;
- ▶ Report of the executive board;
- ▶ other information as required by Part 9 of Book 2 of the Dutch Civil Code;
- ▶ Appendix I: Specification of investments.

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. These scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

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

C. Report on other legal and regulatory requirements

Engagement

We were engaged by shareholders as auditor of Nederlandsche Algemeene Maatschappij van Levensverzekering "Conservatrix" N.V. on 15 December 2017 as of the audit for financial year 2017 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5 (1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

D. Description of responsibilities for the financial statements

Responsibilities of management and the Supervisory Board for the financial statements

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

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

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

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit 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 have detected all material errors and fraud.

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

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

- ▶ Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- ▶ Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company ceasing to continue as a going concern;
- ▶ Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- ▶ Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit & risk committee 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. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the audit & risk committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit & risk committee, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Utrecht, 16 April 2019

For and on behalf of
BDO Audit & Assurance B.V.,

Sgd.

W.J.P. Hoeve RA

APPENDIX I

Specification of investments

<i>In thousands of euros</i>	ISIN Code	December 31, 2018
Dutch residential mortgages		264,075
Apollo Credit Allocation Fund I	QS000212C1S7	19,788
NN European Fixed Income Fund	NL0012441703	15,952
DWS Invest Euro High Yield Corporates	LU1054331407	9,992
NEDER WATERSCHAPSBANK FRN 27/4/2021	XS0611951814	4,762
BK NEDERLANDSE GEMEENTEN FRN 9/2/2021	XS0575962286	4,713
REPUBLIC OF AUSTRIA INTL 0.591% 24/10/2035	XS0231558858	4,622
REPUBLIC OF AUSTRIA INTL 2.112% 4/8/2025	XS0224366608	4,181
EURO DM SECURITIES 0% 8/4/2021	DE0004778469	4,089
DEUTSCHE BAHN FIN GMBH FRN 13/10/2023	XS1306411726	4,046
ABN AMRO BANK NV FRN 11/3/2020	XS1199643427	4,011
Woningbouw Coop Alliantie 01-04-07 /01-04-2032		3,768
COMMONWEALTH BANK AUST FRN 11/8/2020	XS0530735496	3,524
RABOBANK NEDERLAND FRN 30/3/2022	XS0292328068	3,348
INTL BK RECON & DEVELOP 5% 5/2/2019	IT0006527060	3,013
BRITISH SKY BROADCASTING 1.5% 15/9/2021	XS1109741246	3,080
SAP SE FRN 1/4/2020	DE000A14KJE8	3,055
BMW FINANCE NV 0.875% 17/11/2020	XS1321956333	3,042
VESTEDA FINANCE BV 1.75% 22/7/2019	XS1089859505	3,015
BRITISH TELECOMMUNICATIO 0.625% 10/3/2021	XS1377680381	3,018
SKANDINAVISKA ENSKILDA FRN 15/9/2020	XS1291152624	3,015
CAISSE CENTRALE DESJARDN FRN 20/1/2020	XS1170332107	3,009
ING BANK NV FRN 20/11/2019	XS1143001102	3,008
SHELL INTERNATIONAL FIN FRN 15/9/2019	XS1292468987	3,007
3M COMPANY FRN 15/5/2020	XS1234366448	3,004
COCA-COLA CO/THE FRN 9/9/2019	XS1197832832	3,004
DH EUROPE FINANCE SA FRN 30/6/2022	XS1637162246	2,988
STEDIN HOLDING NV FRN 24/10/2022	XS1705553417	2,978
BNP PARIBAS FRN 22/9/2022	XS1584041252	2,974
WELLS FARGO & COMPANY FRN 31/1/2022	XS1558022866	2,972
HSBC HOLDINGS PLC FRN 27/9/2022	XS1586214956	2,944
DAIMLER AG FRN 3/7/2024	DE000A2GSCY9	2,914
GE CAPITAL EURO FUNDING FRN 17/5/2021	XS0254356057	2,855
EUROPEAN INVESTMENT BANK 1.25% 15/7/2020	XS0222759689	2,436
NOMURA BANK INTL PLC FRN 30/9/2019	XS0451161748	2,320
ROYAL BK OF SCOTLAND PLC 4.6% 11/12/2019	NL0009287614	2,190
DIAGEO FINANCE PLC 1.125% 20/5/2019	XS1069539374	2,007
TORONTO-DOMINION BANK FRN 8/9/2020	XS1287714502	2,012

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<i>In thousands of euros</i>	ISIN Code	December 31, 2018
TOYOTA MOTOR FINANCE BV FRN 26/2/2020	XS1781813511	2,003
DEUTSCHE TELEKOM INT FIN FRN 3/4/2020	XS1382791892	2,001
GECINA FRN 30/6/2022	FR0013266343	1,971
AKZO NOBEL NV FRN 8/11/2019	XS1715353105	1,702
RABOBANK STRUCTURED PROD 0% 14/5/2020	XS0502907602	1,597
VONOVIA FINANCE BV 1.625% 15/12/2020	DE000A18V138	1,537
SYMRISE AG 1.75% 10/7/2019	DE000SYM7704	1,512
BANK OF MONTREAL FRN 28/9/2021	XS1691466756	1,508
BERTELSMANN SE & CO KGAA 0.25% 26/5/2021	XS1619283218	1,505
SPAREBANK 1 SMN FRN 9/11/2020	XS1715295223	1,505
ASTRAZENECA PLC 0.25% 12/5/2021	XS1411403709	1,500
JYSKE BANK A/S FRN 2/6/2020	XS1622575360	1,502
MCDONALD'S CORP FRN 26/8/2019	XS1237187718	1,501
NYKREDIT REALKREDIT AS FRN 2/6/2022	DK0009514473	1,456
SANTANDER UK GROUP HLDGS FRN 18/5/2023	XS1615065320	1,426
LLOYDS BANKING GROUP PLC FRN 21/6/2024	XS1633845158	1,427
DELHAIZE GROUP 3.125% 27/2/2020	BE0002189554	1,347
COOPERATIEVE RABOBANK UA 0.658% 14/10/2025	XS0231106799	1,352
REPUBLIC OF AUSTRIA 0.669% 29/6/2020	XS0221500571	1,168
REPUBLIC OF AUSTRIA INTL 5.498% 22/4/2020	XS0216258763	1,166
APRR SA FRN 3/1/2020	FR0013054020	1,105
ALLIANZ FINANCE II B.V. 4.75% 22/7/2019	DE000A1AKHB8	1,027
NUON FINANCE BV 4.5% 17/12/2019	XS0208469923	1,045
BSH HAUSGERATE GMBH 1.875% 13/11/2020	XS0992602465	1,034
LUXOTTICA GROUP SPA 3.625% 19/3/2019	XS0758640279	1,008
HEINEKEN NV 2.5% 19/3/2019	XS0758419658	1,006
ADECCO INT FINANCIAL SVS 2.75% 15/11/2019	XS0953093308	1,018
IBM CORP 1.375% 19/11/2019	XS0856023147	1,014
KONINKLIJKE DSM NV 1.75% 13/11/2019	XS0993228294	1,012
HONEYWELL INTERNATIONAL 0.65% 21/2/2020	XS1366026596	1,008
COLGATE-PALMOLIVE CO FRN 14/5/2019	XS1230926609	1,001
AKTIA BANK PLC FRN 12/10/2020	XS1697551080	999
Achmea Hypotheekbank N.V. 05-08-99 / 05-08-24		986
LEASEPLAN CORPORATION NV FRN 25/1/2021	XS1757442071	982
F VAN LANSCHOT BANKIERS 4.75% 9/10/2019	NL0009706399	927
STATKRAFT AS 6.625% 2/4/2019	XS0421565150	884
BERKSHIRE HATHAWAY INC 0.5% 13/3/2020	XS1380333929	905
PROLOGIS LP 1.375% 7/10/2020	XS1117452778	822
ABB FINANCE BV 2.625% 26/3/2019	XS0763122578	805
VIVENDI 4.875% 2/12/2019	FR0010830034	784
COUNCIL OF EUROPE 0% 22/2/2019	XS0094651899	745
REPUBLIC OF AUSTRIA 1.298% 10/10/2025	XS0229808315	526

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<i>In thousands of euros</i>	ISIN Code	December 31, 2018
HEINEKEN NV 2.125% 4/8/2020	XS0811554962	517
FONCIERE DES REGIONS 1.75% 10/9/2021	FR0012146744	513
LINDE FINANCE BV 1.75% 11/6/2019	XS0790015548	504
SANTANDER CONSUMER BANK 0.375% 17/2/2020	XS1564331103	501
KBC GROUP NV FRN 24/11/2022	BE0002281500	493
EUROPEAN INVESTMENT BANK 0% 5/2/2019	IT0006527052	432
DE VOLKSBANK NV 0.125% 28/9/2020	XS1689666870	300
Loans to other dutch residential persons		38
Total financial investments		473,355

<i>In thousands of euros</i>	December 31, 2018
Investment property Germany	9,300
Total Investment property	9,300

<i>In thousands of euros</i>	ISIN Code	December 31, 2018
NN Dutch Fund	NL0000287993	3,094
Robeco Hollands Bezit	NL0000286615	2,155
Robeco All Strategies Funds - Robeco Multi Asset I	LU1387747915	2,116
Robeco NV	NL0000289783	1,152
Rolinco	NL0000289817	619
Koninklijke Ahold Delhaize NV	NL0011794037	572
ACTIAM Duurzaam Mixfonds Neutraal	NL0010579165	462
Unilever NV	NL0000009355	459
Robeco Capital Growth Funds - All Strategy Euro Bo	LU0528646820	337
Royal Dutch Shell PLC	GB00B03MLX29	257
DWS Invest - New Resources	LU0237014641	114
Unibail-Rodamco SE & WFD Unibail-Rodamco NV	FR0013326246	91
ACTIAM Duurzaam Europees Aandelenfonds	NL0010579074	74
ING Groep NV	NL0011821202	27
DWS Invest - Global Agribusiness	LU0273158872	26
Total investments at policyholders' risk		11,557