

# KEY FACTS INSURANCE IN THE NETHERLANDS

December 2016



## IN 2015, DUTCH INSURANCE COMPANIES:



paid out an average of

**200**

million euros to private  
individuals and companies  
on a daily basis

> p. 3



employed

**47.000**

people

> p. 11



had a premium turnover of

**72**

billion euros

> p. 4



invested

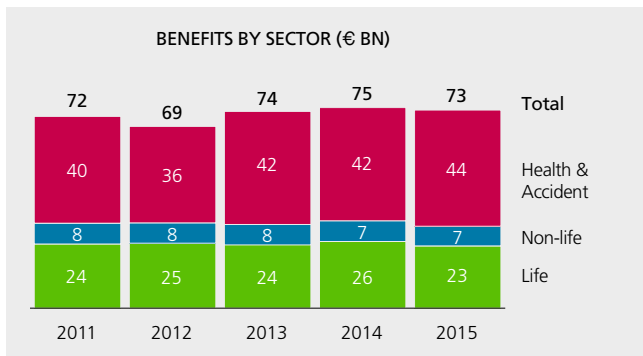
**440**

billion euros

> p. 9

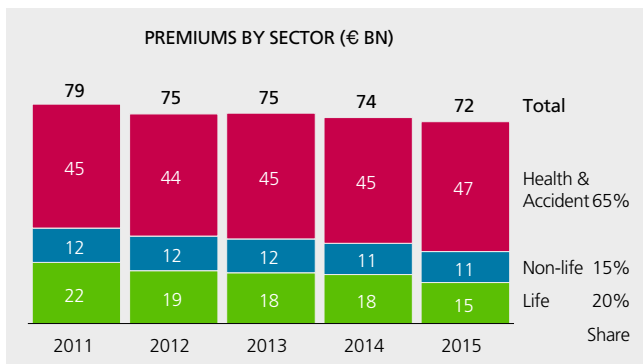


## INSURERS PAID OUT AN AGGREGATE SUM OF 73 BILLION EUROS IN 2015



Every day, insurance companies pay out an average of 200 million euros to or for insured private individuals and companies, which serve to, for example, pay for a visit to a doctor, cover water damage to business premises, or supplement a pension.

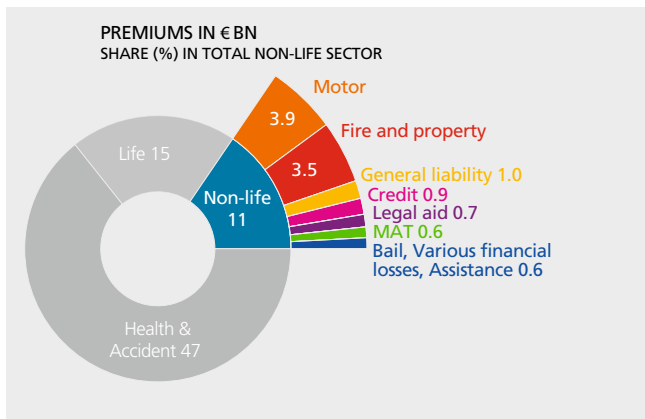
## TURNOVER IN THE LIFE SECTOR IS FALLING, TURNOVER IN THE HEALTHCARE SECTOR IS INCREASING



The industry consists of three sectors: Health & Accident, Non-life and Life. In the Health & Accident sector, premium turnover rose along with increasing healthcare costs. Turnover in the Non-life sector has been reasonably stable for years. With the exception of 2011, turnover in the Life sector has been falling.



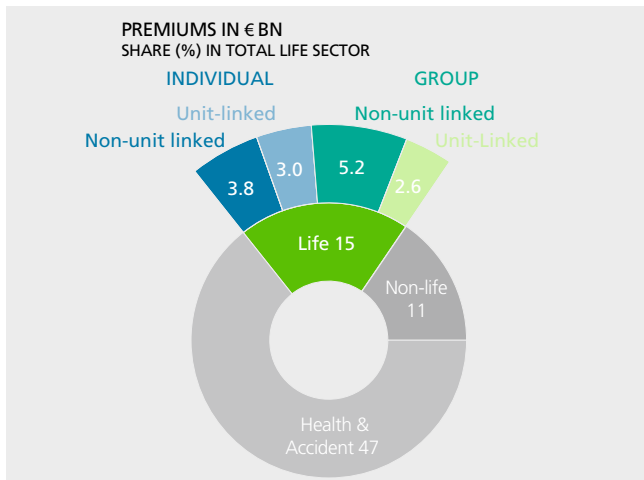
## FIRE AND MOTOR ACCOUNT FOR MOST OF THE CLAIMS



The Non-life sector is a collection of insurance policies through which the insurance company covers personal loss and property damage, such as in the case of traffic injuries, theft from homes or goods storage facilities, or legal assistance.



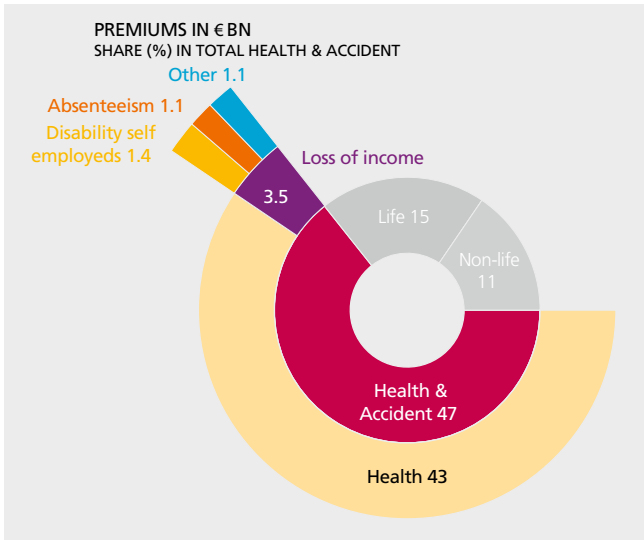
## GROUP LIFE TURNOVER EXCEEDS INDIVIDUAL LIFE TURNOVER



Life insurers pay out benefits for as long as a person is alive, which benefits serve to, for example, supplement a pension, and/or after death, which benefits serve to, for example, pay for a funeral or cremation. There are different types of life insurance. Mortgage-linked products make it possible to pay off the mortgage and continue to live in the house after the death of the partner. Life insurance is often intended as a provision for old age. Private individuals take out individual life insurance policies themselves; group life insurance policies are taken out if, for example, employers want to arrange a group pension for their employees. Life insurance policies 'work' in different ways: in the case of investment-linked insurance policies, the insured shares the investment risk. As such, payouts may end up being higher or lower; in the case of cash-based insurance policies, the insured does not run that risk.

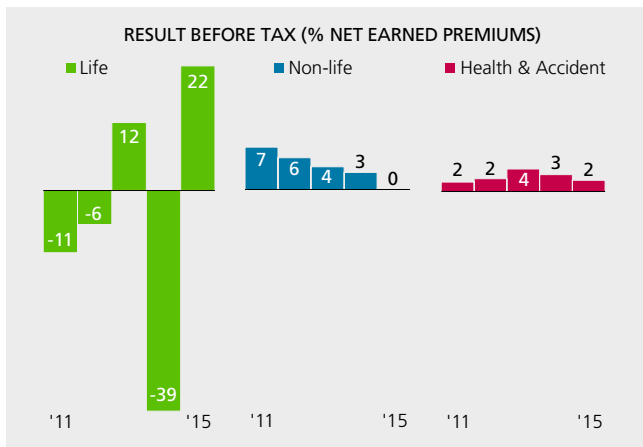


## 92% OF THE HEALTH & ACCIDENT SECTOR CONSISTS OF HEALTH INSURANCE POLICIES



The other 8% of the Health & Accident sector consists of loss of income insurance policies against loss of income due to, for example, occupational disability, illness or an accident.

## RESULT ACHIEVED BY LIFE INSURANCE COMPANIES FLUCTUATES GREATLY

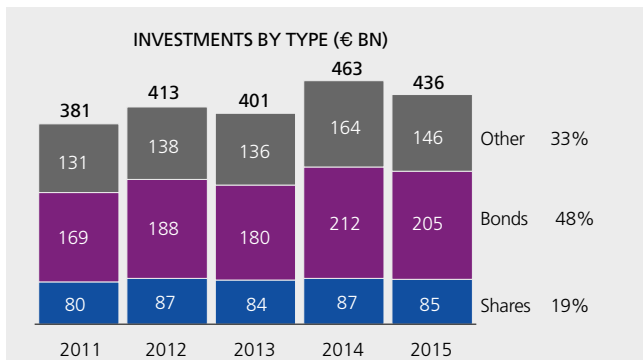


The financial performance of Health & Accident and Non-life insurers is fairly stable, while that of Life insurance companies is more changeable. This is the result of differences between investment income from one year to the next. Financial performance is also impacted by the increases in the reserves held by the life insurers in order to be able to meet future obligations. In 2015, insurers companies made a profit of 5 cent per euro premium.





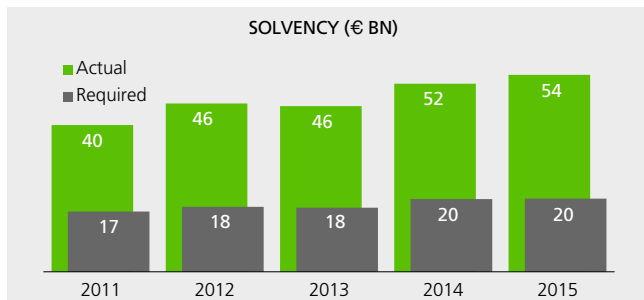
## INSURANCE COMPANIES INVEST PRIMARILY IN BONDS



Because of their long-term commitments, such as pension supplements, life insurers invest more than health & accident insurers and non-life insurers, which cannot put away their money for the long term because they pay out benefits in the short term. Approximately 90 percent of the investments made in 2015 were life insurance investments. The majority of the investments consists of bonds. Their value is more stable than that of shares.



## SOLVENCY OF INSURANCE COMPANIES MORE THAN TWICE THE REQUIRED LEVEL

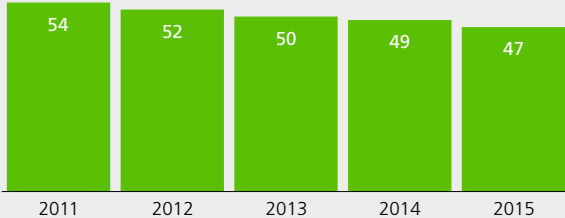


Solvency is the extent to which the insurance companies are able to meet future obligations. The supervisory authority DNB sets a minimum, according to Solvency I up to and including 2015, the required solvency. In the last few years, the actual solvency was at least twice as much as the required solvency, i.e. more than 200%. Even during the credit crisis, the actual solvency was well above the required level.



## INSURANCE COMPANIES EMPLOY 47,000 PEOPLE

NUMBER OF EMPLOYEES OF INSURANCE COMPANIES  
(NUMBER, IN THOUSANDS)

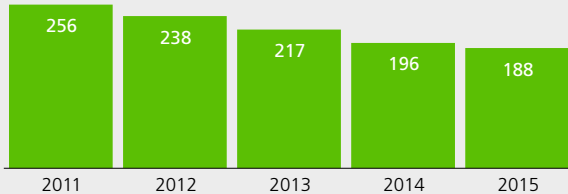


47,000 people work for insurance companies. Through digitisation, take-overs, company integrations and cost savings, the number of employees is decreasing.



## NUMBER OF INSURANCE COMPANIES DECREASING

NUMBER OF COMPANIES UNDER DNB SUPERVISION



The number of insurance companies has been decreasing for years. This is due to take-overs.

Most of the figures in this booklet have been taken from *Dutch Insurance Industry in Figures and Financieel jaarverslag verzekeringsbranche* (the financial annual report of the insurance industry, in Dutch with summary in English). These publications can be found at [www.verzekeraars.nl](http://www.verzekeraars.nl).

## **ABOUT THE DUTCH ASSOCIATION OF INSURERS**

The Dutch Association of Insurers represents the interests of private insurance companies operating in the Netherlands. The Association's members represent more than 95 percent of the insurance market. The Association is an independent organisation managed and financed by its members.

© Verbond van Verzekeraars

No rights may be derived from this publication.

The use of this publication in whole or in part is permitted only if accompanied by an acknowledgement of the source.