



**NN Group**  
**Creating long-term**  
**value for our**  
**stakeholders**

August 2022

# NN Group at a glance

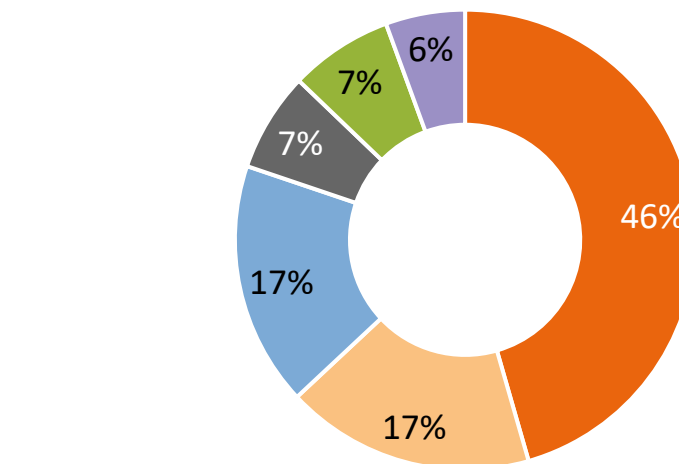
## Our company

- International financial services company, with a strong presence in Europe and Japan
- Active in 11 countries, unified international culture with shared best practices
- Approx. 18 million customers, served by around 15 thousand employees
- Successful IPO on Euronext Amsterdam in 2014
- Credit ratings<sup>1</sup>: A/positive (S&P), AA-/stable (Fitch)

## Our main brands



## NN Group operating capital generation<sup>2</sup>



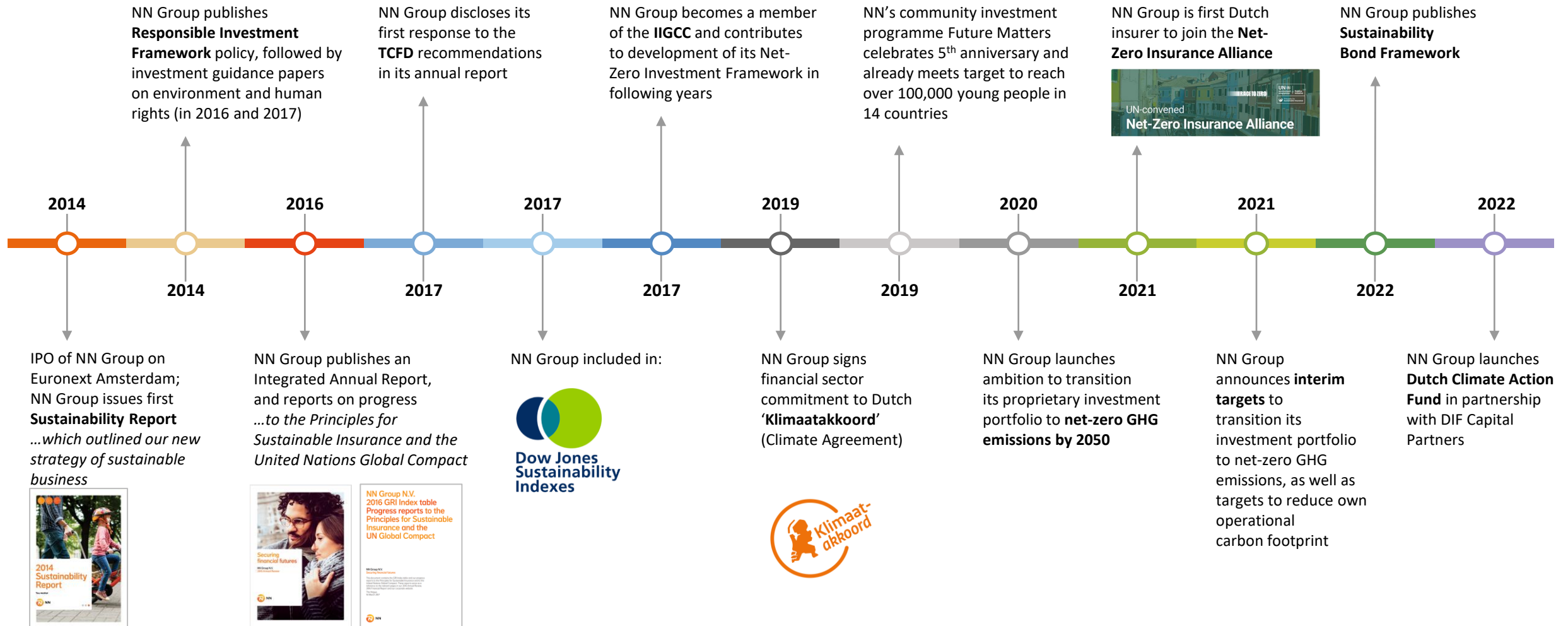
- Netherlands Life
- Netherlands Non-life
- Insurance Europe
- Japan Life
- Asset Management<sup>3</sup>
- Banking

All numbers in this presentation are as at 30 June 2022 or for 1H22, unless stated otherwise

1. Financial Strength Ratings
2. Percentages based on FY21 operating capital generation excluding the segment Other (EUR 1,856m)
3. The asset manager, NN IP, was sold to Goldman Sachs in April 2022



# Our sustainability journey





# Creating long-term value for our stakeholders

Our purpose

**We help people care for what matters most to them**

Our ambition

**We want to be an industry leader, known for our customer engagement, talented people, and contribution to society**

Our values



Care



Clear



Commit

Our brand promise

**You matter**



Our strategic commitments



**Customers and distribution**

We see our customers as the starting point of everything we do.



**Products and services**

We develop and provide attractive products and services.



**People and organisation**

We empower our colleagues to be their best.



**Financial strength**

We are financially strong and seek solid long-term returns for shareholders.



**Society**

We contribute to the well-being of people and the planet.

# An industry leader, known for customer engagement, talented people and contribution to society

NN Group can make a real difference by supporting our 18 million **customers** and contributing to the transition to a **sustainable economy**

It is also our ambition to be known for our talented **people** and contribution to **society**

We believe that this approach allows us to deliver solid long-term returns for **shareholders**

Embedding ESG throughout the organisation and **governance** structure is key to achieving our objectives

Providing relevant **products and services** to support **customers** through the challenges of today and tomorrow

Contributing to the transition to a sustainable economy by **investing our assets responsibly**

Inclusive and open working environment for 15,000 **employees**

Contributing to the **communities** in which we live and operate

Maintaining a strong balance sheet

Embedding ESG in the organisation

## Contributing to the SDGs

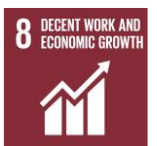
### Healthy and safe living



### Sustainable planet



### Inclusive economy



# Transparent tracking of progress on clear targets

KPIs and targets		30 June 22	31 Dec 21	30 June 21
Excellent customer experience	<b>Customer engagement</b> All insurance business units scoring above market average NPS <sup>1</sup> by 2023	<b>4 units</b>	5 units	3 units
	<b>Brand consideration<sup>2</sup></b> 28% by 2023	<b>21%</b>	23%	21%
Engaged employees	<b>Employee engagement<sup>3</sup></b> ≥ 7.8 by 2023	<b>7.7</b>	7.7	7.8
	<b>Women in senior management positions<sup>4</sup></b> ≥ 40% by 2023	<b>39%</b>	34%	34%
Positive contribution to society	<b>Acceleration of the transition to a low-carbon economy</b> Net-zero carbon proprietary investment portfolio by 2050	<i>See slides 7 &amp; 15</i>		
	<b>Contribution to our communities<sup>5</sup></b> 1% of operating result <sup>6</sup> by 2023	<b>EUR 3.8m</b>	EUR 8.0m	EUR 2.4m



1. Net Promoter Score (NPS-r) measured for 11 of NN's business units
2. Measured by GBHM (Global Brand Health Monitor)
3. The metric indicates on a scale from 0 to 10 how likely it is that someone will recommend NN as an employer
4. As of 2022, the scope of the target was extended to include all managerial positions reporting directly to the CEOs of our business units in addition to the Management Board and managerial positions reporting directly to a Management Board member
5. Contributions to our communities in 1H22, FY21 and 1H21 respectively, including cash donations and hours of volunteering and in-kind giving (both monetised), in line with B4SI standards
6. 3-year average

# Ambition to achieve net-zero emissions across the business

	Ambition	Actions	Interim targets <sup>2</sup>	
			2025	2030
<b>Proprietary investment portfolio</b>	Transition proprietary investment portfolio to net-zero GHG <sup>1</sup> emissions by 2050, by decarbonisation of the investment portfolio and increasing investment in climate solutions	<ul style="list-style-type: none"> <li>• Develop and implement asset class specific Paris Alignment strategies</li> <li>• Reduce GHG emissions of corporate investment portfolio</li> <li>• Achieve real-economy change by investing in frontrunners and engaging with investee companies</li> <li>• Phase out of thermal coal-exposed companies</li> <li>• More than double investments in climate solutions such as renewable infrastructure, green bonds and energy efficient real estate</li> </ul>	by 25%	by 45%
<b>Products &amp; services</b>	Transition the underwriting portfolio to net-zero GHG emissions by 2050	<ul style="list-style-type: none"> <li>• Develop and offer products and services to customers, such as sustainable pensions, Woonnu (sustainable mortgages) and Powerly</li> <li>• Member of Net Zero Insurance Alliance, developing metrics and targets for insurance underwriting</li> </ul>		close to zero <sup>3</sup>
<b>Own operational footprint</b>	Reduce GHG emissions of own business operations <sup>4</sup> to net-zero by 2040	<ul style="list-style-type: none"> <li>• Encourage hybrid way of working; achieve 100% electric Dutch car fleet by 2025; adjusting air travel policy; improve energy efficiency in buildings and increase the use of renewable electricity</li> <li>• Compensate remainder of emissions by purchasing voluntary carbon credits</li> </ul>	by 35%	by 70%

1. GHG = Greenhouse Gas  
 2. Baseline date: 2021 (based on underlying emissions from 2019)  
 3. 'Close to zero' defined as between 0-5%  
 4. Buildings, lease cars and business air travel

# ESG embedded throughout the organisation

<b>Board</b>	<b>Supervisory Board</b>	<ul style="list-style-type: none"> <li>• Supervises the management of NN Group by the Executive Board</li> <li>• Regularly discusses and receives updates on sustainability topics</li> </ul>
	<b>Executive Board and Management Board</b>	<ul style="list-style-type: none"> <li>• Responsible for NN Group’s strategy, taking account of the interests of all stakeholders</li> <li>• Non-financial targets embedded in remuneration policy</li> </ul>
	<b>Purpose Council</b>	<ul style="list-style-type: none"> <li>• Advisory, consultative and preparatory role in a broad area of purpose-related issues, including non-financial KPIs and ESG/sustainability</li> <li>• Sponsored by Group CEO, chaired by COCR<sup>1</sup>, includes MB<sup>2</sup>, function and business unit managers</li> </ul>
<b>Group functions</b>	<b>Responsible Investment Committee</b>	<ul style="list-style-type: none"> <li>• Advises Management Board on Responsible Investment strategy, policy framework and standards, KPIs and target setting, including net-zero investment targets</li> <li>• Maintains internal restricted list and public exclusion list</li> <li>• Chaired by CIO<sup>3</sup> and members include CRO<sup>4</sup> and COCR<sup>1</sup></li> </ul>
	<b>Sustainability in Business Task Force</b>	<ul style="list-style-type: none"> <li>• Manages the implementation of sustainable finance regulation and coordinates the transition to sustainable products and services at business units</li> <li>• Sponsored by Management Board, representation from business units and group functions</li> </ul>
<b>Business units</b>	<b>Sustainability committees at individual business units</b>	<ul style="list-style-type: none"> <li>• Aligns the business unit strategy with Group strategy</li> <li>• Responsible for integrating sustainability in products and processes</li> <li>• Develops products and services that help customers address societal challenges</li> </ul>

1. COCR = Chief Organisation & Corporate Relations
2. MB = Management Board members
3. CIO = Chief Investment Officer
4. CRO = Chief Risk Officer



# Our performance recognised in sustainability indices and ratings

## Dow Jones Sustainability Index

- Score: 80 (out of 100)



## FTSE4Good Index

- Score: 4.1 (out of 5)



FTSE4Good

## MSCI

- Score: AA  
(range AAA to CCC)



## Sustainalytics

- ESG Risk Rating: 14.8  
(low risk)



## CDP

- Score: B  
(range A to D-)



## Customers

Providing relevant products and services to support customers through the challenges of today and tomorrow

# Providing an excellent customer experience

## Empowering customers to make sound financial decisions

- Providing products and services that address societal issues, such as housing, pensions and income protection
- Meeting real needs through each phase of customers' lives
- Offering guidance and financial planning tools to increase knowledge of financial matters

## Innovating our business while adding value to our customers

- Using digital capabilities to continually enhance customer experience
- Being there where our customers want us to be, offering the choice of digital channels, brokers and/or tied agent network in Europe
- Strengthening existing and entering new partnerships and platforms

## Ensuring data privacy & protection

- Complying with GDPR<sup>3</sup>, designated Data Protection Officers at HQ and BUs
- Adequate procedures to handle customer requests in relation to their rights under the GDPR
- Artificial intelligence (AI) framework in place for the development and use of trustworthy AI
- Monitoring and anticipating the development of European AI regulation
- Providing customers with cyber security services

**18m**

Customers

**4 (out of 11)**

Insurance business units scoring above market average (NPS-r)<sup>1</sup>

**+5%**

Growth of digital retail customers<sup>2</sup>

1. Net Promoter Score (NPS-r) measured for 11 insurance business units

2. Growth in the number of retail customers in the Netherlands with a digital account in 1H22; target is to grow by 10% per annum (2021-2023)

3. GDPR = General Data Protection Regulation

# Developing products and services that help customers address societal challenges

## Sustainable living

- Mortgages that incentivise the purchase or upgrade of sustainable homes
- Platforms to help customers make their homes more energy-efficient, e.g., by installing solar panels or a heat pump



## Mobility

- Supporting fleet owners to improve the driving style of chauffeurs, thereby reducing damages, fuel consumption & maintenance and increasing road safety
- Promoting sustainable car repair service



## Health and well-being

- Platforms – such as WYZ, Klup, Zorggenoot and Kwiek – around carefree retirement
- Additional cover (Fit Module) and skin cancer detection app for health policies in the Netherlands
- Premium health benefits for customers in Slovakia



## Sustainable pensions

- Dashboard showing sustainability performance of pension investments (Human Capital Planner)
- NN's life cycle funds comprise ESG-integrated investments
- BeFrank (PPI) offers the option to compensate CO<sub>2</sub> footprint of pension investments



## **Responsible investing**

**Contributing to the transition to a sustainable economy by investing our assets responsibly**



# Using our influence to achieve positive change

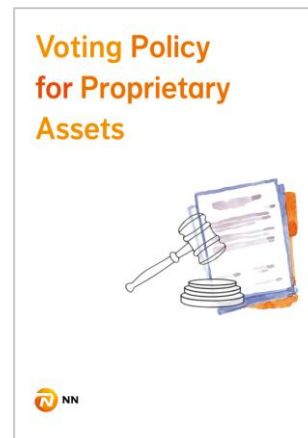
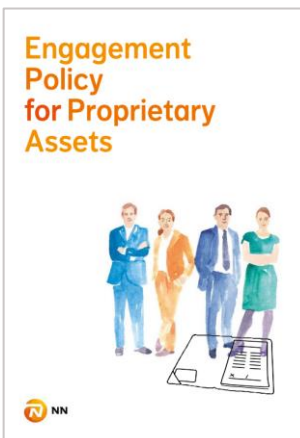
## Responsible Investment Framework Policy

- Policy sets out approach to integrating ESG factors in the investment process and active ownership practices
- Preference for inclusion backed by engagement to exclusion
- NN works with GSAM / NN IP and other external asset managers to ensure adherence to the RI policy and strategies, and to track progress through regular reporting
- NN Group is a signatory to the United Nations Principles for Responsible Investment



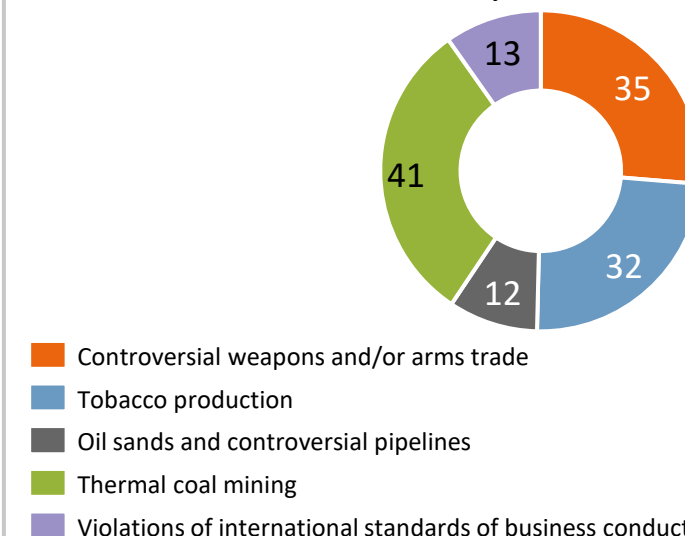
## Voting and engagement

- Engagement by NN Group or by external asset managers and service providers
- Focus themes for engagement: Climate action, Biodiversity, Deforestation, Human rights, Corporate governance



## Restriction: a measure of last resort

- NN Group's norms-based RI criteria: a reflection of relevant laws, internationally recognised standards and our organisation's values
- Number of restrictions by theme<sup>1</sup>



1. Based on NN's Exclusion list published on our website (update April 2022). NN Group's Internal Restricted List is broader (for example, it includes private companies, and broader restrictions for Proprietary Assets)

# Aiming for a net-zero carbon investment portfolio

## Our long-term ambition

- Transitioning our proprietary investment portfolio to net-zero GHG<sup>1</sup> emissions by 2050, to align with the 1.5°C target of the Paris Agreement
- Playing our part in helping the real economy to decarbonise serves as a guiding principle in our approach
- Our approach has two dimensions: 1) decarbonisation of the investment portfolio, and 2) increasing investment in climate solutions
- Responsible Investment Committee develops and monitors key actions and intermediate targets to achieve our net-zero carbon ambition
- Initial target disclosures on Paris Alignment strategies submitted to PAII Net-zero asset owner commitment

## Decarbonisation of investment portfolio

- Paris Alignment strategies in place for sovereign bonds, corporate investments (listed equity and corporate fixed income) and real estate; strategy for residential real estate (mortgages) in progress
- Interim targets to reduce GHG emissions of corporate investment portfolio by 25% by 2025 and 45% by 2030
- Phase out of thermal coal exposed investments by 2030; no new investments in corporates with >5% thermal coal involvement<sup>2</sup>

## Increasing investments in climate solutions

- Additional EUR 6bn of investments in climate solutions by 2030
- Launch of Positive Impact Programmatic Venture in collaboration with CBRE to invest in sustainable and affordable Dutch residential real estate; initial equity commitment of EUR 500m
- Newly launched Dutch Climate Action Fund that invests in projects and companies active in climate change solutions that support the Dutch energy transition; initial commitment of EUR 125m

## Underlining our (inter)national commitments and endorsements



1. GHG = Greenhouse Gas
2. Exemption on a case-by-case basis if credible coal phase out by 2030

## People

Providing an inclusive and open working environment that allows employees to thrive

# Attracting and retaining engaged employees

## Employee value proposition

- Providing a workplace that supports cooperation and allows people to thrive
- Encouraging professional and personal development of staff
- Developing and attracting talent with relevant skills to transform our business
- NN International Insurance named Top Employer for the fourth time

## Ensuring a diverse workforce

- An international company with a diverse and inclusive business culture
- Promoting diversity in all its forms (visible and invisible), as set out in the NN Statement on Diversity & Inclusion
- Further increasing female leadership
- Publication of first D&I Report

**Target:** ≥ 40% women in senior management positions by 2023<sup>1</sup>

## Optimising employee engagement

- Engagement essential for long-term business performance
- Measurement through annual engagement survey
- Follow up results to continually improve our efforts

**Target:** ≥ 7.8 by 2023



**39%**

Senior management positions held by women<sup>1</sup>

**7.7**

Engagement score<sup>2</sup>

1. As of 2022, the scope of the target was extended to include all managerial positions reporting directly to the CEOs of our business units in addition to the Management Board and managerial positions reporting directly to a Management Board member  
2. 81% participation rate

## **Society**

**Being a good corporate citizen and contributing to the communities in which we live and operate**



# Using our resources, expertise and networks for the advancement of our communities

## Empowering people to improve their well-being

- NN Future Matters, our global community investment programme, focuses on two themes:
  - Promoting financial empowerment
  - Creating economic opportunities
- Since 2021, extended focus on physical and mental well-being

**Target:** contribute 1% of our operating result<sup>1</sup> to our communities by 2023



- Supporting victims of the conflict in Ukraine

**>EUR 1.5m**

Cash donations<sup>3</sup>

## 1H22 achievements

- Publication of NN Group's first community investment report
- 2<sup>nd</sup> edition of Your Community Matters week
  - 2,613 colleagues participated in 45 activities, reaching 7,498 people and raising EUR 37,350 for local charities
- Launch of Community Investment Fund to invest in start-up/early-stage social entrepreneurs

**EUR 3.8m**

Contributed to our communities<sup>2</sup>

**>16,000**

Volunteer hours<sup>3</sup>

**>196,000**

People reached<sup>3</sup>

1. Based on a 3-year average of operating result before tax

2. Contribution to our communities in 1H22, including cash donations, hours of volunteering and in-kind giving (both monetised), management costs, etc., in line with B4SI standards

3. In 1H22

## **Governance**

**ESG is embedded throughout the organisation and governance structure**

# Strong corporate governance framework

## NN Group has a two-tier board structure

### Supervisory Board

Responsible for supervising the management performed by the Executive Board and the general course of affairs of NN Group and its businesses, and assists the Executive Board with advice

### Executive Board

Entrusted with the management, strategy and operations of NN Group under the supervision of the Supervisory Board

### Management Board

Entrusted with the day-to-day management of NN Group and the overall strategic direction of the company

- The overall composition of the Supervisory Board and of the Executive Board and Management Board, taken as a whole, is balanced considering the members' nationality, gender, age, education, experience and work background

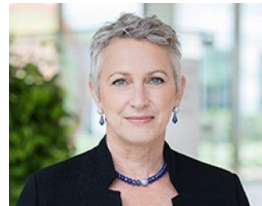
## Supervisory Board<sup>1</sup>



**David Cole (NL/US)**  
Chair



**Hélène Vletter-van Dort<sup>2</sup> (NL)**  
Vice-chair



**Inga Beale (UK)**



**Robert Jenkins (US)**



**Rob Lelieveld<sup>2</sup> (NL)**



**Cecilia Reyes (PH/CH)**



**Hans Schoen<sup>2</sup> (NL)**

1. At the annual general meeting on 19 May 2022, Pauline van der Meer Mohr was appointed as member of the Supervisory Board with effect from 1 January 2023

2. Works Council nominee

# Experienced and diverse Management Board

## Management Board



**David Knibbe (NL)**  
Chief Executive Officer<sup>1</sup>



**Annemiek van Melick (NL)**  
Chief Financial Officer<sup>1</sup>



**Bernhard Kaufmann (D)**  
Chief Risk Officer



**Tjeerd Bosklopper (NL)**  
CEO Netherlands Non-life,  
Banking & Technology



**Dailah Nihot (NL)**  
Chief Organisation &  
Corporate Relations



**Leon van Riet (NL)**  
CEO Netherlands Life & Pensions



**Fabian Rupprecht (CH/D)**  
CEO International Insurance



**Janet Stuijt (NL)**  
General Counsel

- Strong Management Board with the required skills and experience
- Average experience in the financial sector of over 20 years
- Diversity (age, gender, culture and ethnicity) promoted throughout the organisation
  - Supervisory Board: 43% female, 57% male
  - Management Board: 38% female, 62% male
  - 40% of Supervisory and Management Board members with non-Dutch nationality
- Executive variable remuneration linked to NN Group's medium-term strategic priorities and based on both financial and non-financial performance

1. Also member of the Executive Board

**More information**



# For more information

## General

[NN Group - Sustainability \(nn-group.com\)](https://nn-group.com/sustainability)

[NN Group - Responsible investment \(nn-group.com\)](https://nn-group.com/responsible-investment)

## Download the annual report

[NN Group - Financial reports \(nn-group.com\)](https://nn-group.com/financial-reports)



# Important legal information

NN Group's Consolidated Annual Accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") and with Part 9 of Book 2 of the Dutch Civil Code. In preparing the financial information in this document, the same accounting principles are applied as in the NN Group N.V. Condensed consolidated interim financial information for the period ended 30 June 2022.

All figures in this document are unaudited. Small differences are possible in the tables due to rounding. Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation: (1) changes in general economic conditions, in particular economic conditions in NN Group's core markets, (2) the effects of the Covid-19 pandemic and related response measures, including lockdowns and travel restrictions, on economic conditions in countries in which NN Group operates, on NN Group's business and operations and on NN Group's employees, customers and counterparties (3) changes in performance of financial markets, including developing markets, (4) consequences of a potential (partial) break-up of the euro or European Union countries leaving the European Union, (5) changes in the availability of, and costs associated with, sources of liquidity as well as conditions in the credit markets generally, (6) the frequency and severity of insured loss events, (7) changes affecting mortality and morbidity levels and trends, (8) changes affecting persistency levels, (9) changes affecting interest rate levels, (10) changes affecting currency exchange rates, (11) changes in investor, customer and policyholder behaviour, (12) changes in general competitive factors, (13) changes in laws and regulations and the interpretation and application thereof, (14) changes in the policies and actions of governments and/or regulatory authorities, (15) conclusions with regard to accounting assumptions and methodologies, (16) changes in ownership that could affect the future availability to NN Group of net operating loss, net capital and built-in loss carry forwards, (17) changes in credit and financial strength ratings, (18) NN Group's ability to achieve projected operational synergies, (19) catastrophes and terrorist-related events, (20) adverse developments in legal and other proceedings and (21) the other risks and uncertainties contained in recent public disclosures made by NN Group.

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**NN**