

Draft minutes annual general meeting NN Group N.V.

2 June 2023



Agenda

1. Opening	4
2. 2022 Annual Report	5
3. Proposal to give a positive advice on the 2022 Remuneration Report	16
4. 2022 annual accounts	18
A. Proposal to adopt the annual accounts for the financial year 2022	18
B. Explanation of the dividend policy	20
C. Proposal to pay out dividend	20
5. Release from liability	21
A. Proposal to release the members of the Executive Board from liability for their respective duties performed during the financial year 2022	21
B. Proposal to release the members of the Supervisory Board from liability for their respective duties performed during the financial year 2022	21
6. Notice of the intent reappointment of David Knibbe as member of the Executive Board	22
7. Proposal to amend the level of the fixed annual fee for the members of the Supervisory Board	23
8. Authority to issue shares and to grant rights to subscribe for shares	24
A. (i) Proposal to designate the Executive Board as the competent body to resolve to issue ordinary shares and to grant rights to subscribe for ordinary shares	24
(ii) Proposal to designate the Executive Board as the competent body to resolve to limit or exclude pre-emptive rights of existing shareholders when issuing ordinary shares and granting rights to subscribe for ordinary shares pursuant to agenda item 8.A.(i)	
B. Proposal to designate the Executive Board as the competent body to resolve to issue ordinary shares and to grant rights to subscribe for ordinary shares by way of a rights issue	24
9. Proposal to authorise the Executive Board to acquire ordinary shares in the Company's share capital	24
10. Proposal to reduce the issued share capital by cancellation of ordinary shares held by the Company	25
11. Any other business and closing	26

Agenda item 1

Opening

Mr David Cole, Chair of the Supervisory Board of NN Group N.V. (also referred to as the 'Company'), acts as Chair of the meeting.

The **Chair** welcomes the shareholders to the annual general meeting (AGM) of NN Group, which is a hybrid event being broadcast from NN's office in The Hague.

The Chair introduces the members of the Management Board and Supervisory Board who are present on the podium: Ms H  l  ne Vletter-van Dort, Vice-Chair of the Supervisory Board and Chair of the Supervisory Board's Remuneration Committee; Mr David Knibbe, CEO of NN Group; and Ms Annemiek van Melick, CFO of NN Group. The Chair also introduces Ms Janet Stuijt, Company Secretary and member of the Management Board as General Counsel.

The Chair introduces two other guests: Mr Dick Korf, external auditor representing KPMG; and Ms Manon Cremers, civil-law notary at Stibbe, whose role is to cast all votes on the basis of the electronic proxies with voting instructions granted to her.

The Chair also extends a special welcome to the representatives of NN Group's Central Works Council: Mr Henk Boonstra, Chair of the Central Works Council, along with Mr Derrick Stomp and Ms Anne Hesselman.

The Chair states that the meeting will be conducted in English. Dutch headsets are available, and the webcast will be available in both English and Dutch, so participants can listen to the meeting in their preferred language.

The Chair confirms that the shareholders have been convened in accordance with the applicable law and the Company's articles of association. The General Meeting is thus able to validly adopt resolutions. No shareholders have submitted proposals to be included on the agenda.

At the record date, 5 May 2023, the issued share capital consisted of 295 million ordinary shares. At that date, 18,477,761 ordinary shares were held by the Company itself, so no votes can be cast on these shares. Altogether, 276,522,239 votes are eligible for casting. The present and represented share capital will be announced prior to the first voting item.

The entire meeting will be recorded, in order to be able to draw up the minutes to the meeting.

The Chair elaborates on the procedure and order of the meeting: shareholders were given the opportunity to submit questions on agenda items in advance of the meeting, but no such questions were received. All shareholders present may also ask questions during the meeting by making their way to one of the microphones. Shareholders with questions are asked to first state their name and the organisation they represent – if any – so these can be included in the meeting minutes.

Some of the voting items will be briefly summarised; an extensive explanation of these items is included in the convocation letter. The proposals that will be put to a vote regard the full proposals, as included in the convocation letter. Votes may be cast at any time during the meeting, until the end of the last voting item on the agenda – item 10. Voting results will only be shown at the end of the meeting.

For reasons of efficiency, some agenda items have been combined. After an initial explanation of each of the agenda items, shareholders can ask questions on any of those agenda items.

For shareholders who have registered to attend virtually and vote during this meeting, a 'Hybrid General Meetings Manual and Frequently Asked Questions' document is published on NN's website. Shareholders who are present in person and who have received a mobile voting device are requested to keep this device with them at all times and only hand it in upon departure. Instructions for the use of the mobile voting device or voting on a personal device are included in the presentation.

Shareholders are asked not to take photos, video recordings and audio recordings during this meeting, and to put their phone on silent mode.

The Chair closes agenda item 1 and moves to agenda item 2.

Agenda item 2

2022 Annual Report

The **Chair** refers to the 2022 annual report and hands the floor to Mr David Knibbe, CEO of NN Group, to look back on the 2022 financial year, including the financial and non-financial results, the progress made on the Company's strategy, and its plans to address climate change. The adoption of the annual accounts for the 2022 financial year will be addressed specifically as a voting item in item 4.A.

This speech is a transcript from the meeting, with the original audio version prevailing.

Mr **Knibbe**: 'Good morning everyone and welcome and thank you for being here, either in person or virtually. It is good to see you all here and I am pleased to share with you the achievements of NN in 2022, as well as to say some words on our future plans.

'Last year, we were able again to demonstrate strong results and we made significant progress on the execution of our strategy, despite the volatile economic and geopolitical environment. After the Covid-19 pandemic came to an end, the world was confronted with a series of developments, such as the war in the Ukraine, supply chain disruptions and high inflation. And earlier this year, the devastating earthquakes in Turkey and Syria. This has all impacted many people's lives. It also had an effect on the economic outlook for the coming years and the prosperity of our customers, our employees and societies at large. This creates a dynamic and complex environment which requires adaptation.

'Recent years have shown that NN is able to deal with high levels of uncertainty. Our business model is relatively resistant to volatility, and inflation risk is limited and hedged to a large extent. We have developed a diversified risk profile for our investments in insurance activities. Furthermore, our strategy remains well aligned with long-term market trends, creating opportunities for growth. And this enables us to stay fully committed to supporting our customers and other stakeholders in navigating the change and uncertainty that they might face.

'Now, let's look at our performance in 2022. Our purpose is to help people care for what matters most to them. And it is our ambition to become an industry leader known for customer engagement, talented people and our role in society. Over the past years, we have continued to make progress towards this long-term ambition.

'On customers, we maintained our solid Net Promoter Score (NPS). In 8 out of 11 Dutch and international businesses, we scored on or above market average. We are constantly looking for ways to better serve our customers during the most important moments in life – for example, when planning for retirement or when buying a home.

'On our people, especially in today's very competitive labour market, we are pleased with the high level of engagement of our colleagues, as reflected by an increased score of 7.9. And for the first time, the number of women in senior management positions has reached 40%.

'When it comes to our society and environmental targets, we also took important steps. For example, we committed to the net-zero targets in our first climate action plan, on which I will elaborate later. In addition, we started the NN Social Innovation Fund. With an initial EUR 5 million of investment, the fund is aimed at supporting early-stage social enterprises focused on increasing financial, physical and mental well-being.

'On our commercial and financial performance, we continued to deliver solid results in 2022 based on our strong market position, our diverse business footprint and the robust balance sheet. Operating capital generation (OCG), which is our main financial performance metric, increased by 8% in 2022 compared with 2021, to more than EUR 1.7 billion – also exceeding our 2023 target of EUR 1.5 billion. This was driven by a strong business performance and supported by higher interest rates.

'We have seen that uncertainties such as the pandemic or inflation have heightened customers' awareness of risk and vulnerability, leading to a greater demand for long-term health and protection products, particularly in markets with low insurance rates. The high level of inflation is affecting people's disposable income, resulting in short-term pressure on sales. Nevertheless, we are confident that the structural demand for the protection products in Europe will continue to result in sales growth over time.

'Our balance sheet remains strong with a Solvency II ratio of 197% at year-end 2022. This gives us ample financial flexibility and also allows us to continue delivering attractive capital returns to shareholders. We have proposed a final dividend of EUR 1.79 per ordinary share, bringing the total 2022 dividend to EUR 2.79.

'This is an increase of 12% on 2021. We also announced a new share buyback programme for the amount of EUR 250 million.

'In November last year, we shared new ambitious targets with the market, underscoring our commitment towards long-term value creation for all stakeholders. We increased our OCG target to EUR 1.8 billion in 2025, and we expect a mid-single digit growth of free cashflow. To achieve this, we focus on growing the underlying business based on our strategic targets around customers, people and society. Our first strategic target is about customer satisfaction, which we measure based on the NPS. The goal is to significantly outperform the competition. We aim to do this by providing customers with a flawless digital and hassle-free experience. To achieve this, we have offered an omni-channel environment that combines digital channels with proactive personal advice when needed. And we believe that this approach will help us to meet our customer needs more effectively.

'Furthermore, we have two strategic targets around people. The first is on employee engagement: we intend to outperform the sector in engagement. And the second is on diversity in senior management positions: although we have met our target of 40% women in senior positions, this remains an important focus point for us. We want to retain and attract the talent that we need for the future. This means investing in technical reskilling as well as upskilling. We also put additional emphasis on efforts in the area of diversity and inclusion, so our employee base reflects our customer base. Thirdly, our targets reflect our community activities as well as our efforts in the area of climate change. With our work in the communities, we aim to support one million people with their financial, physical and mental well-being by 2025.

'When it comes to our impact on the environment, we take the role we can play in combating climate change very seriously. We aim for net-zero emissions across the entire business, so in our investment portfolio, underwriting portfolio and in our operations.

'So, let's look at the specific climate actions we are taking. On slide 11, you see our road map towards net-zero greenhouse gas emissions. As an insurer, we are mostly exposed to the risk of climate change through both our investments and underwriting activities. From the perspective of society in general, there is progress, but this is not going fast enough and it will be a challenge to reach the targets of the Paris Agreement

despite all the efforts in emission reduction and new technology. There is a lot of potential for business to contribute more, which goes for NN as well. Our efforts are focused on our net-zero strategy. Our climate action plan outlines a clear roadmap to reduce greenhouse gas emissions to net-zero in our own operations by 2040, and in our investments and insurance underwriting by 2050. We are more than doubling investments in climate solutions, aiming to invest an additional EUR 6 billion by 2030. Our progress so far is that we have invested EUR 3 billion as part of the EUR 6 billion and this comes on top of the existing EUR 5 billion that we already invested in climate solutions.

'In August 2022, NN raised EUR 500 million of green bonds in the first issue under our sustainable bond framework to finance green and social projects. And another EUR 1 billion of green bonds was raised in April this year.

'We are also taking steps to address biodiversity, as the loss of biodiversity heavily impacts ecosystems and human life. In October 2022, we signed the Finance for Biodiversity Pledge, and we will set targets and take further actions in the coming years.

'In addition to our net-zero strategy, we are taking steps to help our customers reduce their carbon footprint and adopt more sustainable practices – for example, by not automatically replacing with new materials when we receive damage claims, but instead using recycled materials, or by helping our mortgages to make homes more sustainable via our label Woonnu.

'Looking ahead, we have a strong foundation for long-term sustainable growth. As a company with a history that stretches back more than 175 years, we have weathered many storms and we will continue to do so with the same sense of perspective, long-term view and with the responsibility that has guided us so far. We believe the insurance industry is a vital part of society and it is our goal to help ensure that NN, our people and the customers we serve and the communities in which we operate remain financially healthy and prosperous for years to come.

'In closing, I would like to extend my gratitude to all of you, our shareholders, for your continued support and confidence in NN. Again, thank you for joining us today and we look forward to a good dialogue with you during this meeting as well as in the year ahead.'

The **Chair** thanks Mr Knibbe and opens the floor to questions from shareholders in attendance. In order to facilitate a healthy exchange and a structured process, all questions are taken first, responses are given, and the floor is opened for follow-up questions. The Chair reminds speakers to state their name, the organisation they represent (if any) and their questions, and then allows the question to be posed.

The first two questions come from Mr **Gailliaert**, representing PGGM and some Eumedion members. His first question relates to NN's Climate Action Plan, which will be updated in July 2023. He asks what part of the insurance portfolio is in scope and whether NN is also considering the SBTi's Net-Zero Standard for Financial Institutions when setting targets, and if NN is considering submitting those targets to SBTi as well. His second question is about the impact assessment of biodiversity. He congratulates NN for signing the Finance for Biodiversity Pledge, and asks for an update on setting targets and assessing impact.

Mr **Bruning**, a retail shareholder, asks the next question regarding Artificial Intelligence (AI). He asks how AI could impact NN's long-term strategy, because it is very revolutionary and needs to be taken seriously.

Mr **Bloem**, representing Friends of the Earth, says he is here on behalf of 40,000 other Dutch nationals to encourage NN to establish an ambitious climate policy. He expresses his concern about the impact of climate change, and notes the urgency for action. He says NN has an important role to play – not only due to its moral obligation, but also because the Company runs various climate-related risks and contributes to emissions. He notes that NN is among the companies Friends of the Earth is encouraging to establish an ambitious climate policy. A legal preliminary investigation is part of this campaign. Mr Bloem then poses his question: whether NN will reduce its carbon emissions in absolute terms by 45% in 2030 compared with 2019.

Mr **Scholten**, representing VBDO, has three questions. The first relates to biodiversity. Mr Scholten thanks NN for committing to establish climate and biodiversity goals as part of its climate roadmap. While doing well in terms of biodiversity and engagement, he claims that biodiversity only appears twice in NN's Sustainable Investment Report. He asks whether there is a possibility to increase NN's role in terms of biodiversity in investments, and which specific steps NN Group is planning to take in the field of biodiversity.

Mr Scholten's second question relates to working conditions in the supply chain. He recognises that NN is taking strides to make sure that working conditions in the supply chain are being guaranteed. He then refers to the Corporate Sustainability Due Diligence Directive (CSDDD), which was recently approved by the European Parliament. He asks what steps NN Group is taking to ensure that the due diligence process of the Company is aligned with the CSDDD.

Mr Scholten's third question relates to the lobbying work of NN Group. Here, VBDO sees that NN is reporting clearly about membership of industrial organisations and overall costs. He asks for a vision from NN Group on the costs of lobbying and how NN views membership of certain industrial organisations. The influence map shows that 89% of European industrial organisations are not acting in line with the Paris Agreement. Indirectly through membership of the Verbond van Verzekeraars (Association of Insurers) and VNO-NCW, the Company might lobby against the climate goals. Mr Scholten asks for more information about lobbying in next year's annual report as well as the costs involved, and how NN Group views certain industrial organisations.

Mr **Keyner**, representing VEB, has several questions, also to the Supervisory Board. He starts with a question about the Company's performance on customer satisfaction. He notes that in the letter from the CEO, he was neutral about the performance relating to customer satisfaction, whereas the tone of voice of the Supervisory Board was more critical. He notes that, compared with 2021, customer satisfaction scores improved in three business units in 2022, but dropped in eight business units. He asks about the reason for the difference in tone of voice.

Mr Keyner also compliments the Company on its progress regarding employee satisfaction and engagement, recognising how important this is in a time when it is more difficult to attract the right people in every company. He notes that if employees are happy and engaged, this also helps customers and delivers benefits for shareholders.

Mr Keyner then asks a strategic question about NN Group's portfolio: consisting of life insurance in the Netherlands, non-life in the Netherlands, insurance in other European countries and Japan, and a bank. He asks whether this makes sense in terms of delivering benefits or efficiencies. He suggests a couple of alternative scenarios, such as fully focusing on one country for all insurance activities, similar to Dutch

competitor a.s.r., or focusing only on life insurance and dropping the rest. He asks whether NN accepts the current portfolio, since this is how it has always been historically, or whether NN is considering streamlining the portfolio to achieve more benefits between the different parts. He notes that life insurance and non-life insurance in the Netherlands together account for around 70% of operating profits, and asks whether it is worthwhile for the remaining 30% to require so much management attention and capital. He asks whether there is much growth in Japan, and what the reasons are to keep the portfolio as it is.

Mr Keyner's next question relates to the sale of the investment management business, NN Investment Partners (NN IP), to Goldman Sachs in 2022. He asks whether NN is satisfied with this decision, what the benefits are so far, and whether NN is still doing as much business with NN IP or whether it has moved to different asset managers instead.

Mr Keyner's final question is related to the Supervisory Board. He compliments the Supervisory Board on the Audit Committee report, saying it is the best he has seen and that he is showing it to other companies as an example of best practice. He then makes a comment about the skills matrix on page 93. He claims it is impossible for anyone to make an informed decision on all those different topics. He urges the Supervisory Board to admit they only understand half the story, but that they trust their colleagues who are specialists in each area and, based on this trust, they make a decision. In the skills matrix, it looks like every single member of the Supervisory Board is able to make an informed decision on any kind of topic, which seems remarkable.

Mr Spreeuw, a retail shareholder since 1978, asks the final question regarding climate change. Now retired, he was a senior project manager for a large construction company. He notes that NN Group is the largest risk analyser in insurance and a risk manager. A couple of years ago, his company carried out a huge infrastructure project in the Netherlands. He recognises the climate change-related issues in the Netherlands, including storms and flooding. He says that projections and assumptions were made to build major constructions in a way that would prevent floods from happening. In relation to climate change in the future, he asks whether NN Group will reduce its carbon emissions by 45% in 2030 compared with 2019, noting that this is only one step in the huge issues that are facing society.

The Chair thanks the speakers for their questions and hands the floor to Mr Knibbe to answer them in the order in which they were asked.

Mr Knibbe recaps the targets that have already been set. NN will align with the net-zero targets of the Paris Agreement for its own operations (Scope 1 and 2), as well as for its insurance portfolio and investment portfolio, by 2050. NN also set interim targets for 2025 and 2030 for its own operations: a 35% reduction by 2025, a 70% reduction by 2030, and carbon-neutral by 2040. As NN is not a production company, this mainly covers buildings and travel, which are important but not the biggest drivers. NN has set a target for a 25% reduction in emissions for its corporate investment portfolio by 2025 – i.e. corporate bonds, corporate equity and similar types of investments (Scope 3) – and a 45% reduction by 2030.

Mr Knibbe reiterates that this is not the full scope. There is also the insurance portfolio and the mortgage portfolio. For example, to what extent can NN influence emissions of houses that have a mortgage from NN? The roadmap to net-zero greenhouse gas (GHG) emissions shows that NN is currently working on targets for the mortgage portfolio – a complex process because of the difficulty of measuring the output of a house. Half the houses in the Netherlands have an energy label but half do not, and even those energy labels do not tell the full story. If somebody has a jacuzzi in their backyard, there are significant emissions but they do not impact the energy label. The measurement is complex, but the Company is making progress and a target for the mortgage investment portfolio will be announced in the upcoming period. The government bond portfolio remains, which is a large investment – whether French, German or Dutch government bonds – and the output needs to be measured. Setting targets here is a work in progress. The corporate portfolio and NN's own operations are clear in terms of targets and execution. The insurance underwriting portfolio is in scope and targets will be set in the future.

Mr Knibbe confirms that the Company is still working on an update to its Climate Action Plan for publication in July 2023, but it is too early to disclose this yet.

Mr Knibbe then moves to the next question on biodiversity – a growing and important topic. The concern is that the more that biodiversity and ecosystems are disturbed, the more disruptive this is for the world, for food and for many other impacts. The thinking in terms of biodiversity is not as advanced yet

as it has been around greenhouse gases and the targets set there. This is the reason why NN signed a pledge on biodiversity. The Company is currently working on how to measure which activities are hurting biodiversity and which activities support better biodiversity. And the outcomes of that will lead to setting targets – more insight into this is expected to be provided next year. There are already initiatives relating to clean water and other topics that NN supports, but more insight on the full scope of biodiversity will be provided in 2024.

Mr Gailliaert asks a follow-up question about whether NN would consider submitting the updated Climate Action Plan and targets set to SBTi.

Mr Knibbe says this will be disclosed in July. He notes the usefulness of the measurements and the need to see how they can be applied to NN. He wants to avoid committing to something too soon, and later needing to change the interpretation. He assures Mr Gailliaert that this is something the Company is looking at, but it will not be decided and disclosed until July.

Mr Knibbe then comes to Mr Bruning's question about AI, noting that the impact of AI and data is very substantial. He says that a few years ago, NN launched its internal policy on AI, which asks the following questions before AI is applied: do you have the right data, is it technically possible and, more importantly, do you want to? That is the public debate, he notes, because some of the things that AI can do are questionable from a societal point of view. There is a separate debate on the technical side, but also internally: does the Company want to apply certain AI tooling or not? He says that NN is already quite advanced in this, using the existing ChatGPT hosted in NN's own environment. Around 2,000 colleagues at NN are already using this in a secure environment.

Another example is 'speech to text', Mr Knibbe continues. When customers call and the conversation is over, AI tooling can help draft notes from the call, so that an employee can check them instead of having to write everything from scratch. The advantages of coding via AI also look very substantial. The impact is significant, and upskilling of employees is therefore necessary but very feasible among NN's own talent base. Mr Knibbe says that he is taking training himself in this area.

The Chair reiterates the next question posed by Mr Bloem from the Friends of the Earth, regarding climate change and NN's reduction commitments. He says it is important to note that NN shares Mr Bloem's concerns, and thanks him for expressing them.

Mr Knibbe says he also shares these concerns and sees what is happening. He recollects the bad floods in Limburg and Germany last year, showing what an urgent topic this is. He says that NN plays an important role here, hence the seriousness of the commitments and targets that have been set. The question on the full value chain is a complex one. He reiterates the targets on Scope 1 and 2 – a 35% reduction by 2025 and a 70% reduction by 2030. For Scope 3, the target is a 45% reduction on the corporate investment portfolio by 2030. But this does not fully cover Scope 3 – there is more work to do on insurance and the mortgage portfolio. In the coming period, NN will continue to strengthen its commitment.

The Chair moves to the questions posed by Mr Scholten from VBDO: on biodiversity and what concrete steps NN will take in the future; and on the Company's influence on working conditions in the value chain. He recaps Mr Scholten's question about how NN will respond to the recently issued CSDDD in Europe. And he reiterates the question about our lobbying activities and what is expected regarding NN's vision on lobbying in next year's annual report.

Mr Knibbe reiterates that biodiversity is an important topic and that NN has signed a pledge and committed to making more progress on the plan in 2024. Working conditions is also an important topic. Engagement with companies rightly focuses on greenhouse gases and emissions, but living wage is also an important topic for engagement with companies, whether individually or collectively. There is real progress: a good example is active engagement with the cocoa and chocolate industry on three topics – child labour, access to education and paying living wages. At the start, around 43% of the companies were actually meeting these three criteria; since last year, that has moved up to over 70%. This is evidence that NN's engagement scope is clearly broader than just greenhouse gases and climate change.

Mr Knibbe expresses NN's intention to incorporate the due diligence as described in the CSDDD further into engagements with investee companies, for instance.

Mr Knibbe moves to the question on lobbying. He says NN does not hire individual firms to lobby for the Company. Instead, they work through associations like the Verbond van Verzekeraars (Association of Insurers) in the Netherlands, VNO-NCW and other European groups like Insurance Europe. NN plays a very active role: for example, the Verbond van Verzekeraars is currently chaired by Tjeerd Bosklopper, member of the NN Group Management Board. Mr Knibbe himself is personally involved in VNO-NCW. He adds that while there is not agreement on everything, there is always alignment and involvement on the important topics. NN will continue to report on this and will aim for further information next year, but there is not much more to include than these organisations.

The Chair thanks Mr Knibbe and moves on to the questions and comments posed by Mr Keyner from VEB. He recaps the question about NN's customer satisfaction, the compliment on employee engagement, the strategic question about whether NN's portfolio still makes sense, and the question about NN's reflection on the decision to sell NN IP a year ago.

Mr Knibbe starts with customer satisfaction – reiterating the target to significantly outperform the market on customer satisfaction by 2025. There are many things that influence customer satisfaction, some of which NN does not have control over. Mr Knibbe says he is pleased with the progress seen so far, and that the positive trend has continued in Q1 2023.

However, significant outperformance is still a long way off – especially given that 2025 is not far away. It is an important target but it will require a lot of work to achieve. NN will continue to steer on it and to report on progress going forward. The underlying trend is positive, but it needs improvement to reach significant outperformance. In some markets, NN is a little better than the competition, but this does not count as significant outperformance.

Mr Knibbe thanks Mr Keyner for his compliment on employee engagement. He reflects on the tight labour markets and how important it is to keep talent engaged.

Mr Knibbe then moves on to active portfolio management. In the past, NN divested Bulgaria and a closed book in Belgium. More recently, the Company divested NN IP to Goldman Sachs. NN also invested a lot, acquiring VIVAT, Aegon in the Czech Republic and Slovakia and, more recently, MetLife in Greece and Poland. He says that he continues to ask whether NN is the right owner of a business, based on two criteria. Firstly, the unit itself needs to make a good return and deliver results. Secondly, it needs to add strategically to the group. NN Bank is a substantial bank in the Netherlands, and is important in the origination of mortgages. It also brings in a lot of savings customers who are very digitally minded and are frequently online on the app and portal. This creates a lot of digital traffic, which in turn creates opportunities for other business units. The bank is an integral part of the propositions on offer. Nor do customers care whether NN is a bank or an insurance company; they simply want a savings account, a mortgage or a pension product.

Mr Knibbe then moves on to the Japanese business unit, which has been part of NN Group for more than 30 years. There, NN has a very strong position in the protection space, in the SME space and in the corporate life space (where NN is a top-three player). He expresses his pride in the Japanese unit.

Mr Knibbe then moves on to the question about the overall portfolio, stating that NN wants to remain an international company: a strong Dutch business combined with international markets creates a good platform for growth, diversification and scale. NN focuses on life protection in those markets, which creates synergies. The aim is to maintain an international footprint. In the 2025 targets, there is a significant step-up in growth of capital generation for Europe, where Europe's contribution is becoming more and more substantial compared with the Netherlands' contribution.

Mr Knibbe then moves on to the question about Goldman Sachs Asset Management (GSAM). He says that in hindsight, the deal was well-timed. But more importantly, given the global consolidation of asset managers, NN IP struggled to successfully grow by itself. So this created the opportunity to work with multiple asset managers based on different mandates as well as the ability to select different products and different asset managers. NN now works with more than ten asset managers, with GSAM and NN IP being the largest partners, but also other asset managers. These mandates are typically for three years, requiring

ongoing evaluation of the best asset manager – both for customers and for the Company’s own general accounts. Overall, he expresses satisfaction with the progress and benefits this is bringing.

The **Chair** follows up on the question – reiterating the good timing of the deal in hindsight and the positive economics of the transaction. However, he says the primary reason for the decision was a strategic one: how best to position NN to provide the most attractive products and services to customers. Both the relationship with GSAM and the possibility to use other providers put NN in a position to offer the best products and services to customers.

Before moving on to the skill set of the Supervisory Board, the Chair compliments Mr Keyner for his constructive style – for asking critical questions, but also for showing his appreciation. He compliments Mr Keyner on 20 years of persistence and effectiveness through constructive dialogue in 250 meetings, and thanks him for his efforts.

The Chair then discusses the difference in view between the Executive Board and the Supervisory Board regarding customer satisfaction. The Supervisory Board sees a lot of progress but knows there is still much work to do. NN wants to be leading in the market, and wants customers to see and know that. NN needs to implement new policies and due diligence procedures – a part of doing business that may not be what customers are looking for. This means there are dips from time to time, but aspirations are high and there is still work to do.

The Chair moves on to the skills matrix on page 93 of NN’s 2022 annual report, and whether or not all Supervisory Board members are in a position to be able to take informed decisions. The Chair says the Supervisory Board tries to recognise the skills, but also the gaps, of its members. The purpose of the skills matrix is to express what is necessary collectively to be able to fulfil the role of the Supervisory Board. In order to be an effective Supervisory Board member, it takes commitment, engagement, an open and independent mind, and a willingness to learn. The process that the Supervisory Board goes through to prepare for decision-making, getting informed by management as well as other parties and exchanging ideas, puts all members in a position to be able to make informed decisions. That does not mean all members are experts on everything, because this is not the case. The key to any team is

diversity. While the Supervisory Board has not found the proverbial five-legged sheep, it is made up of colleagues who are willing to add their experience, personalities, characters and critical views, which complement one another. Collectively, that puts all members in a position to make informed decisions.

Mr **Keyner** makes some critical remarks on the answers given. He agrees that the skills matrix of the Supervisory Board as a collective enables them to make informed decisions. However, he questions their ability to understand every single topic individually, noting that NN’s business is highly complex from a financial and an IT point of view in particular. He is confident of their high IQ scores, but wonders whether they are being too lenient on themselves.

Mr Keyner then expresses criticism of Mr Knibbe’s answer on customer satisfaction, namely that a lot of progress had been made. He quotes Mr Knibbe saying that the trend is positive. But he then quotes from NN’s annual report: in only three markets was the Company above average (i.e. better than the competition) down from five business units last year. NN’s NPS scores improved in three business units, but dropped in eight business units compared with last year. So the trend from 2021 to 2022 is not positive – at best, it is a mixed bag.

Finally, Mr Keyner says that on page 15 of the annual report, NN claims that customer satisfaction reporting and statistics are difficult to get a grip on, especially when comparing different years, business units and countries. He says he understands the challenge but is not sure that an aggregate reporting solution is the right one, as it means bundling several business units or countries together. This causes less volatility in the results, but he wants to see that volatility in order to pinpoint the specific business unit/country having the issue. While this may happen internally, he is looking for that transparency to shareholders. He expresses his concern about reporting at a more aggregate level, which may hide major issues underneath. The issue is that NN is not outperforming the competition at a speed that matches its 2025 targets.

The **Chair** commends and thanks Mr Keyner for his constructive criticism. He starts with the Supervisory Board skills matrix and says he will take another look. He says the Supervisory Board is always in the process of benchmarking themselves, looking for new members

and looking at succession planning. He is very willing to take a good look again at the scoring on the various skill sets, and will come back to this in the next annual report, so that Mr Keyner can see the matrix and perhaps continue the discussion.

Mr **Keyner** says he has seen the skills matrices of many other companies and that they leave blanks. At a certain point, it's necessary to trust one's colleagues in the business. There is no shame in leaving some blanks in the skills matrix on an individual basis, so long as all bases are covered for the Supervisory Board as a collective. Mr Keyner suggests learning from the example of other companies in this regard.

The **Chair** thanks Mr Keyner and hands the floor to Mr Knibbe.

Mr **Knibbe** says he understands Mr Keyner's concerns about the customer satisfaction targets. The disadvantage is that these measurements are only a snapshot in time. NN also looks at the transactional NPS – in other words, how the customer experiences each transaction. Over time, these transactions will influence the relationship NPS. But this takes time because of limited opportunities for customer contact. He cites a couple of underlying trends that make him more positive than whether the score is 3% above or below. Firstly, the transactional NPS continues to develop well. Secondly, for the first time in over a decade, NN has become the number-one insurance company according to brokers in the Netherlands. There are nine categories, and NN was in the top three in all categories. Thirdly, NN was voted as best insurance company. And finally, he knows some of the Q1 measurements. These all show underlying positive trends, even though this might not always be reflected in the relationship NPS. There are many things that influence that, such as an election that causes customers to give different scores. He notes that while it is subjective, there is a positive trend. However, he agrees that there is a long way to go to reach the 2025 target. The positive trend is based on more than just a one-time NPS measurement, so his answer may be equally critical next year.

Mr Knibbe addresses the issue of aggregate reporting. He says he has no wish to diminish any of the business units, but by reporting on 11 business units Turkey is judged in the same way as the Netherlands – while there is a considerable difference in size. Perspective is needed: the larger business units with more customers should carry a heavier weight in performance reporting. But there is no intention to hide individual scores. Mr **Keyner** thanks Mr Knibbe for his answer.

The **Chair** recognises and thanks Mr Keyner for his compliment on the Audit Committee report. He also thanks Mr Hans Schoen, Chair of the Audit Committee, for his role in the report.

The Chair then moves on to the questions from Mr **Spreeuw**. The first question is whether NN will be able to keep its head above water given climate change. The second question is about a 45% target for Scope 1, 2 and 3.

Mr **Knibbe** notes that he has already answered the second question about what is in scope for the 45% target and what is meant by the full value chain.

He moves to the first question, and says he shares Mr Spreeuw's serious concern about flooding – noting the serious floods in Limburg, Belgium and Germany. NN's risk assessment calculates that these events are likely to happen at a higher frequency and with a bigger impact. Two things are important: firstly, dealing with these events when they happen. The lesson learned from the Limburg experience was that NN is dependent on other reinsurance companies and on the government. The outcome is that NN is now in cooperation with the Dutch and Belgian governments to ascertain who is responsible for what, because insurance companies cannot fully cover flood risk, but customers should not get stuck between the government and insurance companies. Paying out more, like in Limburg, is not a long-term sustainable solution. In terms of financial impact, modelling needs to be taken into account. After reinsurance, the financial impact of the Limburg flooding was EUR 40 million, which is still financially manageable despite the impact on people's lives being huge. He also asks what can be done to prevent floods, especially for people living in at-risk areas. And finally, the bigger picture relates to climate change: what NN can do to influence its carbon footprint through its investments and own operations, which relate to the targets.

The **Chair** thanks Mr Knibbe for his answer.

The next question is asked by Mr **Bruning**, a retail shareholder. He asks the CFO to explain more about the financial results of the Company, whether it made a profit or a loss, and how the financials of an insurance company should be interpreted.

The **Chair** summarises the question and hands the floor to CFO of NN Group, Ms Annemiek van Melick.

Ms **Van Melick** thanks Mr Bruning for the question, agreeing that the financials of an insurance company are not the easiest to explain. She says that NN's financial reporting primarily focuses on several metrics.

The first is operating capital generation (OCG), for which NN has a target. In terms of this metric, NN performed well last year, as OCG went up by 8% if NN IP (which was sold in 2022) is included, and by 16% if NN IP is excluded. OCG is an important metric because it shows the actual contribution to the Company on a sustainable basis, using a long-term investment perspective and leaving out model and assumption changes. It therefore provides a better underlying view. The increase in OCG was driven partly by the increased interest rates and partly by the good underlying business performance.

The second metric is the solvency ratio, which moved from 213% at the end of 2021 to 197% at the end of 2022. While NN did generate sufficient operating capital to cover all the capital returns to shareholders – i.e. the dividends and share buyback – there was also an impact on the solvency ratio from financial markets, primarily due to spread movements and equity investments.

NN's overall financial stability is very comfortable, with a 197% solvency ratio, as well as a large cash capital buffer across the group of more than EUR 2 billion at year-end, plus a low leverage ratio in line with NN's credit rating. So, given the capital generated and the total balance sheet strength, NN is very comfortable.

Ms Van Melick explains that there are two different trends when looking at the operating result and net result. The operating result for 2022 was around EUR 1.7 billion, which represents a slight deterioration of EUR 300 million compared with the year before. Half of the EUR 300 million decrease in the operating result was related to the sale of NN IP because those results were no longer included. The remaining EUR 150 million was partly due to business performance and partly due to the fact that there were some extraordinary dividends

in the life business in 2021 related to private equity investments. In summary, the operating result was relatively stable despite all the turmoil in the markets.

Ms Van Melick continues by noting the different trend in the net result, which decreased by over EUR 2 billion. The main reason was the impact of the markets, which are not taken into account in the operating result. For example, if interest rates rise, this has various impacts on the assets, leading to revaluations, such as on the real estate portfolio. The equity markets also moved a lot, which led to impairments on equity investments.

Ms Van Melick moves on to the balance sheet, reiterating the comfortable solvency ratio and leverage position. She notes that NN's equity position has come down significantly, but this is not a cause for concern because it is largely due to market movements. The introduction of the new IFRS 17 accounting rules will actually make NN's equity more stable. In the past, if interest rates went up, the value of NN's fixed income assets would come down and there would be a negative impact on equity. On the liability side of the balance sheet, under IFRS 17, there will be more alignment and stability and less fluctuation in equity. In the 2023 annual report, which will be prepared under the new IFRS rules, she expects the development of NN's equity position to be more in line with Solvency II and more stable.

Ms Van Melick concludes that from an OCG perspective it was a very good year, and that NN has a stable level of solvency, a good cash capital position and a solid credit rating.

The **Chair** hands the floor to a shareholder who indicates they have a question.

Ms **Bemelmans**, a retail shareholder and representative of Friends of the Earth, comments on the Paris Agreement. She refers to the presentation with various goals, and notes that she only saw Scope 3 with the overall portfolio at the very end. She says that the judge has issued a binding ruling that in 2030, NN must reduce its carbon emissions by 45% compared with 2019. She would like to know why this was not on the slide. She asks whether NN will commit to reduce its emissions by 45% under Scope 3 because it is a binding judgment issued by the court. She asks, if this applies to Shell, why it would not apply to NN. She repeatedly requests a yes or no answer.

Ms Bemelmans references the difficulties of reducing emissions in the mortgage portfolio, and says this is what the Company is paid to do. She also refers to the agreement that NN has with the government, and how much money this makes for the Company. She demands to know whether NN will comply with the climate agreement, and if not, why not.

The **Chair** thanks Ms Bemelmans and hands the floor to Mr Knibbe.

Mr **Knibbe** reiterates the targets on Scope 1 and 2, which are more than the 45%. He says that Scope 3 is very complex and not always easy to measure and report on. NN is also dependent on disclosures by investee companies for its own progress reporting. He wants to avoid setting targets that sound good but that he does not know how to achieve and influence. It is a work in progress and NN is at the forefront: a lot is already being done, but more time is needed for mortgages and some of the other items. In the coming period, NN will announce plans for those parts of the portfolio.

Mr Knibbe then elaborates on the flooding in Limburg, and whether damage caused by ‘horizontal water’ or ‘vertical water’ is covered by the government versus the insurance companies. In the end, NN paid out extensively instead of trying to figure out the exact situation per house. This is not a sustainable solution because it means significantly increasing insurance premiums when the government also has a facility for this. He notes that there are things that can be improved, that NN has a social responsibility, and that a more structural solution is being sought going forward.

NN focuses primarily on retail and SME customers, so large projects are not in scope, but Mr Knibbe says the Company is still looking for ways to improve its insurance underwriting footprint.

Ms **Bemelmans** poses a clarifying question. She says that NN invests in oil and the bio industry, and is therefore also responsible for causing these floods and has done nothing to stop them. If NN were to stop investing in oil and in the bio industry, then the people in Limburg would feel supported. She suggests that by no longer investing in the climate crisis, in the long run NN would not have to pay out as much insurance coverage. She asks whether in 2030, NN is or is not going to achieve a 45% emission reduction in Scope 3.

Mr **Knibbe** reiterates that NN has Scope 1 and 2 targets, and that today the Company has defined what 45% on Scope 3 means. While the Scope 3 target still needs to be expanded, it currently covers the corporate investment portfolio.

Ms **Bemelmans** claims that NN has no vision for 2030.

Mr **Knibbe** says that the Company is working towards the mortgage portfolio, looking at government bonds, increasing its scope for the investment part, and actively investigating how to influence the insurance footprint. This is also a work in progress, and he says that steps will be made next year.

Ms **Bemelmans** expresses that there is no time for this.

Mr **Knibbe** explains NN recently updated its oil and gas policy, and says that NN is actively engaging with oil and gas companies. He explains the criteria: for example, NN does not make any new investments in companies that are not aligned with the Paris Agreement. However, NN does support frontrunners: companies that are serious about the Paris Agreement and that are committing to earlier targets on net-zero but need time to get there. These companies could be in cement, steel or oil, so long as they are serious about this transition. NN is a long-term shareholder that can support such companies that need time to get there.

Ms **Bemelmans** reiterates the lack of time and says that someone needs to act first. If NN imposes requirements, those companies can act on them.

Mr **Knibbe** says he believes that with the right engagement, NN can achieve more with these specific companies as a long-term investor by supporting them in a very difficult transition. He cites the example of Fugro: eight years ago, three-quarters of their earnings were in oil and gas. Following Ms Bemelmans’ reasoning, it would have been a good idea to sell the stock. But Fugro had very ambitious plans to change its footprint, but needed time. Today, two-thirds of Fugro’s footprint is sustainable – for example, coastal protection and setting up wind farms in the ocean. Mr Knibbe says he is pleased that NN remained a shareholder, engaged with them and gave them time to transition from an oil and gas-oriented company to a much more sustainable company. He says that these types of engagements can be very effective, but only if NN remains a shareholder. Engagement is difficult; it takes time, but it is more effective than exiting a company. NN’s judgement call

is to ascertain whether they are genuine or not. In the past, it was about whether companies could make a good financial return. But now it is also about whether they are genuine in their climate commitments and working conditions.

Ms **Bemelmans** emphasises that prosperity costs too much, and that the climate crisis requires urgent action and engagement. She says she understands the reasons for becoming shareholders in those companies, and that it is the same thing she is doing. She is in favour of that, but thinks NN could be stricter by making requirements and setting conditions. She claims that the targets for Scope 1 and 2 are greenwashing, because Scope 3 is a big chunk.

The **Chair** says that NN also takes this very seriously. NN would like to be a frontrunner: he believes engagement is the right approach, but that it is important to know that the investee companies are genuine and want to work together towards a shared goal. He says that Ms Bemelmans and NN share the same concern.

Ms **Bemelmans** reiterates the goal: 45% reduction in carbon emissions by 2030. She says that this goal is binding because it is part of the Paris Agreement, which all companies must comply with and should be held accountable for. She asks why NN says it 'might' make it and requests a simple yes or no.

The **Chair** says he appreciates the question, supports it and has answered it. He suggests moving on to the next agenda item.

The Chair continues by stating the present and represented share capital, which amounts to 70.72%. The Chair closes agenda item 2 and moves to agenda item 3.

Agenda item 3

Proposal to give a positive advice on the 2022 Remuneration Report

The **Chair** refers to the 2022 Remuneration Report on pages 122-138 of NN's 2022 annual report and hands the floor to Ms H  l  ne Vletter-van Dort, Chair of the Remuneration Committee.

Ms **Vletter-van Dort** first provides some context and background in relation to the Remuneration Report for the 2022 reporting year. She starts by summarising the key topics that the Remuneration Committee discussed in 2022, before talking about the decisions that were taken regarding the remuneration of the members of the Executive Board. She mentions that the Remuneration Committee addressed a wide range of relevant topics, one of which was saying goodbye to Mr Delfin Rueda, former CFO of NN Group, and subsequently welcoming Ms Annemiek van Melick to NN Group. Ms Van Melick was appointed as member of the Management Board as of 1 June 2022, and as member of the Executive Board and CFO of NN Group for a term of four years as of 1 July 2022. As of the same date, she has also been serving as Vice-Chair of the Executive Board and the Management Board. The Remuneration Committee was closely involved in setting Ms Van Melick's overall remuneration package, which has been published on the NN Group website. She is remunerated in accordance with the Executive Board remuneration policy, which was approved in 2020 by the General Meeting.

On behalf of the Remuneration Committee, Ms Vletter-van Dort has engaged in extensive stakeholder consultation with investors, proxy advisers, a shareholder representative body, the Central Works Council and representatives of Dutch trade unions. As suggested during the 2022 annual general meeting, she also spoke with NN Group trainees and young professionals within the Company. An important topic that was addressed in these dialogues related to how the Remuneration Committee aligns the objectives and remuneration of Executive Board members with the overall long-term strategy and strategic commitments of NN Group. Strategic targets around customers, employees and society have been a part of the objectives of the Executive Board and linked to their variable remuneration for many years. Another important topic that was raised during the stakeholder consultation sessions was the wish for more transparency around the logic, target levels and performance measurement of the individual objectives in the Remuneration Report. The Remuneration Committee made further steps to provide clear, concise and useful information in relation to the performance of the members of the Executive Board

against the 2022 financial and strategic objectives. Ms Vletter-van Dort thanks all stakeholders for sharing their views and recommendations with the Supervisory Board and mentions that the Remuneration Committee intends to continue these dialogues in the future.

She then moves on to the remuneration decisions that the Supervisory Board took for the members of the Executive Board. The primary objective of the remuneration policy for Executive Board members is to create sustainable long-term value for all stakeholders, while bearing in mind that NN Group needs to be able to attract and retain expert leaders, senior staff and other highly qualified employees. The remuneration of executives and senior staff is frequently benchmarked with relevant national and international peers, both within and outside the financial sector. The peer group consists of companies similar to NN Group in terms of number of employees, revenue, market capitalisation, total assets and international footprint. External experts are asked for advice in determining the peer group.

In line with the remuneration policy, the Supervisory Board aims to set the remuneration levels below median market level for the Executive Board members. When determining the remuneration of the Executive Board members, the Supervisory board takes into account the interests of different stakeholder groups, including customers, shareholders, employees of NN Group and various parties in broader society both within and outside the Netherlands.

The Supervisory Board has concluded that Mr Knibbe has consistently shown strong leadership and performance in his role as CEO of NN Group. The Board intends to reappoint Mr Knibbe as member of the Executive Board, and to designate him again as CEO and, as a result, as Chair of the Executive Board, for a term of four years, as will be formally notified to the General Meeting under agenda item 6.

During 2022, the Supervisory Board performed an assessment of the Executive Board's remuneration, taking into account the position compared with the market, internal pay relativities, and the interest and opinion of stakeholders, among other things. Input was obtained from various stakeholders, as mentioned by Ms Vletter-van Dort previously. Consideration was also given to related remuneration developments within and outside NN Group. In view of all this, and after a balanced and thorough assessment, the Supervisory Board has

decided to increase Mr Knibbe's base salary by 9% with effect from 1 September 2022. Mr Knibbe's remuneration package has not been increased since his appointment, which was on 1 October 2019. Even after the announced increase, Mr Knibbe's remuneration package continues to be positioned well below the market median and in line with the requirements of the Executive Board remuneration policy.

Ms Vletter-van Dort then moves on to the succession of Mr Delfin Rueda by Ms Annemiek van Melick. At the end of 2021, NN announced that after eight years of service, Mr Rueda would be succeeded by Ms Van Melick as CFO of NN Group on 1 July 2022. In this context, NN and Mr Rueda jointly agreed on the conditions for the termination of his contract. NN Group is grateful for his valuable contributions over a period of eight years. Given that Ms Van Melick was appointed as Executive Board member as of 1 July, the Supervisory Board decided that there was no reason to grant an increase in Ms Van Melick's base salary for 2022. At the time of her appointment, the Supervisory Board decided to award a sign-on bonus to Ms Van Melick, who needed to step down from her Management Board role at her previous employer with immediate effect in October 2021 to make the transition to NN. As a result of contractual restrictions, Ms Van Melick was only allowed to start at NN in June 2022. This resulted in a somewhat forced period in between roles without remuneration. Based on these exceptional circumstances, in combination with her specific role and market value, the Supervisory Board decided to grant Ms Van Melick a sign-on bonus. The sign-on bonus will first vest after a full year of employment.

Ms Vletter-van Dort then moves on to the variable remuneration decisions that the Supervisory Board took. The Executive Board's performance was assessed against the performance objectives set by the Supervisory Board in January 2022. Details of the performance assessments for both the financial and the strategic objectives have been provided in the Remuneration Report. The Supervisory Board concluded that the Executive Board showed strong leadership throughout 2022, a year challenged by several economic and geopolitical uncertainties. The Supervisory Board has assessed the overall performance of the Executive Board and concluded that this was well in line with expectations. Based on the assessment of achievements in relation to the financial and strategic performance objectives, the Supervisory Board decided to award

Mr Knibbe variable remuneration of 15.6% of his base salary, which corresponds to 97.2% of the target, and to award Ms Van Melick variable remuneration of 16.0% of her base salary, which corresponds to 100.1% of the target. In his capacity as Vice-Chair of the Executive Board and CFO until 30 June 2022, Mr Rueda was awarded variable remuneration of 15.4% of his base salary, which corresponds to 96.4% of the target. Further details about the rationale behind these percentages can be found in the 2022 Remuneration Report on pages 128-134 of NN's 2022 annual report.

Ms Vletter-van Dort thanks shareholders and hands the floor back to the Chair.

The **Chair** thanks Ms Vletter-van Dort and asks if there are any questions.

Mr **Keyner** says that he overlooked the sign-on bonus, and that the VEB really dislikes and discourages any company from providing any kind of sign-on bonus. However, he thinks this explanation seems reasonable. He asks how much the sign-on bonus was.

Ms **Vletter-van Dort** responds that the sign-on bonus was EUR 175,000.

Mr **Keyner** says that this covers more or less the couple of months that she was in between roles.

The **Chair** mentions that it was nine months.

Ms **Vletter-van Dort** clarifies that Ms Van Melick needed to step down in October 2021 and was able to start at NN Group on 1 June 2022.

Mr **Keyner** accepts that the explanation is fair, even though in principle the VEB is against any kind of sign-on bonus, and that they therefore do not mind in this exceptional case.

The **Chair** thanks Mr Keyner and reminds shareholders that voting on this item is open until the end of the meeting. He establishes that there are no other questions before closing agenda item 3 and moving to agenda item 4.

Agenda item 4

2022 annual accounts

4.A. Proposal to adopt the annual accounts for the financial year 2022

The **Chair** refers to the annual accounts for the financial year 2022 as included on pages 157-300 of the 2022 annual report, as well as the presentation by Mr Knibbe relating to agenda item 2.

The Chair notes that the annual accounts were drawn up by the Executive Board in English on 8 March 2023, and have been available on NN's website since 9 March 2023. The annual accounts are also available free of charge at NN Group's head office for inspection by shareholders. The annual accounts were audited by the external auditor, KPMG. KPMG has issued an unqualified auditor's report, which can be found on pages 301-316 of the 2022 annual report. The Supervisory Board advises shareholders to adopt the annual accounts.

Before introducing the external auditor, Mr Dick Korf from KPMG, the Chair notes that NN Group has released KPMG from its obligation to maintain confidentiality in order for Mr Korf to be free to comment on the audit performed, and on the auditor's report, for the purposes of this meeting. The external auditor has an obligation to rectify – *herstelplicht* – meaning that in the case of statements in relation to the annual accounts or auditor's report that might give a materially inaccurate view of the affairs of the Company, Mr Korf may request that corrections be made, either during this meeting or prior to the adoption of the minutes of this meeting.

The Chair then hands the floor to Mr **Korf**. This speech is a transcript from the meeting, with the original audio prevailing.

Mr **Korf**: 'Good morning. Thank you, David. My name is Dick Korf and I am, as mentioned, the external auditor to NN Group N.V. on behalf of KPMG. I am happy to give you a brief presentation about our audit and our audit opinion on the 2022 annual accounts.'

'Let me start with the scope of our work. Our auditor's report relates to the consolidated and company annual accounts of NN Group, which are up for adoption on the agenda of this meeting. We issued an unqualified audit opinion on those annual accounts. Next to our audits of the annual accounts, we also issued a so-called limited assurance report on non-financial information. That report is included in the annual report and relates to a number of ESG-related disclosures. We also issued unqualified auditor's reports on regulatory returns, as prepared by NN Group and its regulated entities in the Netherlands,

on behalf of the Dutch Central Bank, and issued a review opinion on the interim accounts for half-year 2022, as published by NN Group in August last year.

'We meet every quarter with the Management Board and the Audit Committee and Risk Committee of the Supervisory Board. In those meetings, we discuss our audit plan and the progress made on the execution of our audit during the year and year-to-date, as well as our reporting on the procedures that we perform for internal purposes on the quarterly accounts. I also have one-on-one sessions at least each quarter with the CEO, the CFO, the Chair of the Supervisory Board and the Chair of the Audit Committee to discuss current and evolving topics. In all those meetings, I experience active engagement and good responsiveness to the issues that we bring up, and our audit findings and observations.'

'For our audit of the annual accounts, we applied a materiality of EUR 140 million, which is the same amount as last year and represents 1% of core equity. Misstatements in excess of EUR 7 million were reported to the Management Board and to the Audit Committee. We have allocated our materiality to all components in scope across the group. Based on the scoping that we applied, we realised solid coverage of 92% of core equity and 90% of profit before tax. For more complex areas in our audit, we involved KPMG specialists in our team – for example, in the area of IT, cybersecurity, forensics, ESG reporting, actuarial and valuations.'

'In our auditor's report, you may have seen that we explained our response to topics such as the risks of fraud and non-compliance with laws and regulations, and going concern. These did not result in significant findings. We also provided insights into our audit response to the risks related to climate change in the annual accounts. Climate change represents a key risk for the group, which, according to management, is expected to increase over the mid- to long-term and which could affect the viability of the group's strategy. For our audit, we therefore performed a risk assessment of the potential impact of climate change on the annual accounts to determine whether the annual accounts are free from material misstatement. In this regard, one could think, for example, of the impact on the valuation of assets and liabilities, but also the need, if any, to recognise provisions due to enhanced commitments to climate change. We concluded that climate change risks have no material impact on the 2022 annual accounts. We also

read the disclosure of climate change-related matters in the annual report and considered material consistency with the annual accounts.

‘As part of our audit, we identified four key audit matters and discussed those with the Management Board and the Audit Committee. Key audit matters are those matters that, in our professional judgment, were of most significance to our audit and are therefore included in our auditor’s report. Next to key audit matters, we reported various other matters that we deemed relevant to management and to the Audit Committee, such as our management letter with control observations and our findings on the group’s preparation for the first-time adoption of IFRS 17 and 9 as from the 2023 financial year. I refer to the note disclosure that the group included in the annual accounts about the impact of IFRS 17 and 9 on the opening balance sheet as of 1 January 2022, which is the date of transition to these new accounting standards.

‘This brings me to the end of my presentation. Thank you for your attention and I am happy to take any questions you may have.’

The **Chair** thanks Mr Korf for his presentation and opens the floor for questions, following the same procedure.

Mr **Keyner** refers to the auditor’s comment about insurance liabilities and wonders whether NN has sufficient buffers to cope with these liabilities further into the future. According to Mr Keyner, the conclusion of the auditor was that ‘the buffer showed enough margin but it dropped significantly due to higher interest rates.’ Mr Keyner also refers to the explanation that Ms Van Melick gave about equity markets, real estate, turbulence in the markets and so on, saying the margin dropped significantly due to high interest rates. So while the solvency ratio is very high, Mr Keyner asks whether there would still be a very solid margin should there be another year like 2022, and whether this is any cause for concern.

The **Chair** hands the floor to Ms Van Melick.

Ms **Van Melick** confirms that there should not be cause for concern, because NN’s solvency ratio – at 197% – is sufficient to sustain that.

Mr **Keyner** asks what would happen if there were another three or four years like this.

Ms **Van Melick** reconfirms that the solvency ratio should still be sufficient in that scenario. She adds that the specific test mentioned will no longer be performed under IFRS 17 because there will be far more alignment of the assets and liabilities. Regarding interest rates, she says that NN hedges its interest rates on an economic basis through cash flow matching. Therefore, from a solvency perspective, which is the key metric, there is no cause for concern.

The **Chair** establishes that there are no further questions before closing agenda item 4.A. and moving to agenda items 4.B. and 4.C.

4.B. Explanation of the dividend policy

4.C. Proposal to pay out dividend

The **Chair** explains that agenda items 4.B. and 4.C. will be combined in the introduction: item 4.B. is a discussion item, which is the explanation of the dividend policy; item 4.C. is a proposal to pay out dividend, which is a voting item. The Chair refers to the Company's dividend policy, as published on NN Group's website, and adds further explanation.

According to NN Group's dividend policy, NN Group intends to pay a progressive ordinary dividend per share. Under normal circumstances, NN Group intends to declare an interim dividend, which will be calculated at approximately 40% of the prior year's full-year dividend with the disclosure of its first half-year results, and to propose a final dividend at the annual general meeting. NN Group intends to pay dividends either in cash after deduction of withholding tax, if applicable, or in ordinary shares, at the election of the shareholder. Dividend paid in the form of ordinary shares will be delivered from NN Group's treasury shares. If, and to the extent that treasury shares are not used for the payment of stock dividend, dividend paid in the form of ordinary shares will be issued at the expense of the share premium reserve. NN Group intends to neutralise the dilutive effect of the stock dividend through the repurchase of ordinary shares. NN Group also intends to execute a recurring annual share buyback of at least EUR 250 million. Additional excess capital is to be returned to shareholders unless it can be used for value-creating opportunities. When proposing a dividend or announcing a buyback, NN Group will take into account (among other things) its capital position, leverage and liquidity positions, regulatory requirements and strategic considerations, as well as the expected developments thereof.

The Chair then moves to the next agenda item before giving shareholders the opportunity for questions or comments about the dividend policy. The Chair refers to the proposal to pay out dividend, which is a voting item, as mentioned by Mr Knibbe in his presentation and as included in the convocation letter on page 4.

He summarises the proposal to pay a final dividend of EUR 1.79 per ordinary share. Together with the interim dividend of EUR 1.00 per ordinary share that was paid in September 2022, this will result in a total dividend over 2022 of EUR 2.79 per ordinary share.

The Chair opens to the floor to questions about either of the two agenda items, using the same procedure.

Mr **Bruning** expresses his frustration with the share buyback programmes, noting that he would much rather receive this excess capital in the form of dividend. He also suggests that, given the large number of questions during the meeting about climate change, it would be better to invest this money in projects to make the planet more sustainable.

Ms **Van Melick** explains that 2022 was an exceptional year in this regard. NN's dividend policy is a progressive dividend per share, plus a recurring buyback ambition of EUR 250 million. While in 2022, an additional share buyback was executed following the sale of NN IP, the proceeds of which amounted to roughly EUR 1.7 billion. Ms Van Melick notes that some of these proceeds were also spent on acquiring new businesses. For example, the acquisition of Heinenoord strengthened NN's distribution capabilities in non-life, and the acquisition of MetLife in Poland and Greece adds to the Company's business position and growth opportunities in these countries.

Ms Van Melick emphasises that to the extent that NN has excess capital, the Company always looks at how best to invest it, either organically or inorganically, to contribute to its strategic goals, both financial and non-financial. Excess capital above that is returned to shareholders. She notes that some shareholders have a strong focus on capital returns, while others focus more on the contribution to the strategic targets.

Mr **Knibbe** responds to the suggestion to invest more in sustainable projects. He says that, compared with the EUR 250 million share buyback, the Company aims to invest another EUR 6 billion in climate solutions, bringing the total to more than EUR 11 billion. The two are therefore not mutually exclusive: NN aims to create value for shareholders as well as for other stakeholders.

The **Chair** thanks Mr Bruning for his question, and reiterates that some shareholders prefer returns in the form of share buybacks while others prefer dividends. The Company aims to address the interests of the various shareholders.

The Chair closes agenda items 4.B. and 4.C. and moves to agenda item 5.

Agenda item 5

Release from liability

5.A. Proposal to release the members of the Executive Board from liability for their respective duties performed during the financial year 2022

5.B. Proposal to release the members of the Supervisory Board from liability for their respective duties performed during the financial year 2022

The **Chair** explains that agenda items 5.A. and 5.B. will also be combined.

Item 5.A. is a proposal to release the members of the Executive Board from liability for their respective duties performed during the financial year 2022.

Item 5.B. is a proposal to release the members of the Supervisory Board from liability for their respective duties performed during the financial year 2022.

The Chair reminds the shareholders that these are separate voting items, and refers to page 4 of the convocation letter for further explanation.

The Chair establishes that no questions have been raised by shareholders with regard to these agenda items. He therefore closes agenda items 5.A. and 5.B. and moves to agenda item 6.

Agenda item 6

Notice of the intended reappointment of David Knibbe as member of the Executive Board

The **Chair** raises the notice of the intended reappointment of Mr David Knibbe as member of the Executive Board, as included in the convocation letter on pages 4 and 5.

The Chair explains that the current term of appointment of Mr Knibbe as a member of the Executive Board ends as of the close of this annual general meeting. As announced on 16 February 2023, the Supervisory Board gives notice of its intention to reappoint Mr Knibbe as a member of the Executive Board from the close of this meeting for a term of four years, which will end at the close of the annual general meeting in 2027. The Supervisory Board also intends to redesignate Mr Knibbe as CEO of NN Group and, as a result, as Chair of the Executive Board for the same term. With the reappointment of Mr Knibbe, his membership and position as Chair of the Management Board of the Company also continues for the same term.

The Chair states that the Supervisory Board intends to reappoint Mr Knibbe because of his deep understanding of, and experience with, the Company's businesses, the sector, and the markets in which NN operates, as well as the professional manner in which he fulfils his membership and chairpersonship of the Executive Board. His intended reappointment also serves continuity. Mr Knibbe is a dynamic, customer-focused and values-driven business leader, with a strong commitment to the Company's role in society. Under his leadership, NN has made good progress on the execution of its strategy while reporting strong commercial and financial performance. This has created a solid foundation for long-term growth and sustainable value creation for all stakeholders.

The intended reappointment of Mr Knibbe is in accordance with the profile of the Executive Board and Management Board of the Company.

NN Group's Central Works Council has informed the Supervisory Board that it supports the intended reappointment of Mr Knibbe.

More information regarding this agenda item can be found in the convocation letter on page 5.

The Chair takes a question from Mr **Bruning**, asking the CEO to say something about his own motivation, and then hands the floor to Mr Knibbe.

Mr **Knibbe** reiterates that NN has set a strong ambition to be an industry leader on customer engagement, talented people and its role in society in the next five to ten years. Not yet four years in, the Company has made progress but is not there yet. Mr Knibbe says he is therefore very motivated to see how the Company can deliver value for all stakeholders by actively steering on customers, people and a positive role in society, and how this translates into financial results. For the coming period, he expects to continue that focus as well as making use of new technologies (such as AI) that will help speed up these developments and further strengthen the Company. Mr Knibbe says he still sees opportunities for progress and he is looking forward to the next four years.

The **Chair** establishes that there are no further questions from shareholders with regard to this agenda item, and expresses his appreciation for Mr Knibbe making himself available to serve for another term as CEO of NN Group. Mr Knibbe's leadership has been impressive: he places a strong focus on delivering value to all stakeholders while ensuring NN maintains its strong position. On behalf of the Supervisory Board and all stakeholders, the Chair thanks Mr Knibbe for his dedication, commitment and willingness to continue.

The Chair closes agenda item 6 and moves to agenda item 7.

Agenda item 7

Proposal to amend the level of the fixed annual fee for the members of the Supervisory Board

The **Chair** raises the proposal to amend the level of the fixed annual fee for the members of the Supervisory Board, and asks Ms Vletter-van Dort, Chair of the Remuneration Committee of the Supervisory Board, to give an explanation of this item as included in the convocation letter on page 5.

Ms **Vletter-van Dort** first provides some context and background in relation to the proposed amendment. She explains that the remuneration policy for the members of the Supervisory Board, including the remuneration of the individual Supervisory Board members, was last adopted by the General Meeting with effect from 1 January 2020. The policy determines that the level of the fixed annual fee for the Chair, Vice-Chair and members of the Supervisory Board and its committees aims to be below the median market level for comparable positions in relevant markets. After reviewing the current remuneration of the members of the Supervisory Board, and taking into account the results of the benchmark analysis that was performed by Willis Towers Watson (an independent external provider), the Supervisory Board proposes to amend the fixed annual fees to bring them closer to the market level while still remaining below the market median. When considering the proposed amendment to the fixed annual fee level, the Supervisory Board consulted various stakeholders, including shareholders, a shareholder representative body, a proxy adviser, employees and regulators. She thanks all these stakeholders for their time and willingness to provide their views and perspectives.

Taking into account the results of the benchmarks as well as the views and perspectives of these stakeholders, Ms Vletter-van Dort proposes the following amendments to the fixed annual fees:

- For the Supervisory Board Chair, Vice-Chair and members, an increase of the fees by EUR 6,000 per year;
- For the Chair of a committee, an increase of the fees by EUR 3,000;
- For a member of a committee, an increase of the fees by EUR 1,500.

In line with statutory requirements, the Central Works Council of NN Group was requested to give advice in relation to the proposed amendment. Ms Vletter-van Dort expresses her appreciation for the involvement of the members of the Central Works Council, and thanks them for taking the time to engage in a conversation aimed at a solid understanding of the proposal. The Central Works Council has issued positive advice regarding the proposed amendment of the fixed annual fee levels.

A full review of the content of the remuneration policy for Supervisory Board members will be conducted in 2023, after which the policy will be submitted to the General Meeting for adoption at the AGM in 2024.

Ms Vletter-van Dort thanks the shareholders for the opportunity to explain the proposed amendment, and hands the floor back to the Chair.

The **Chair** establishes that no questions have been raised by shareholders with regard to this agenda item. He therefore closes agenda item 7 and moves to agenda item 8.

Agenda item 8

Authority to issue shares and to grant rights to subscribe for shares

8.A. (i) Proposal to designate the Executive Board as the competent body to resolve to issue ordinary shares and to grant rights to subscribe for ordinary shares

(ii) Proposal to designate the Executive Board as the competent body to resolve to limit or exclude pre-emptive rights of existing shareholders when issuing ordinary shares and granting rights to subscribe for ordinary shares pursuant to agenda item 8.A.(i)

8.B. Proposal to designate the Executive Board as the competent body to resolve to issue ordinary shares and to grant rights to subscribe for ordinary shares by way of a rights issue

Agenda item 9

Proposal to authorise the Executive Board to acquire ordinary shares in the Company's share capital

Agenda item 10

Proposal to reduce the issued share capital by cancellation of ordinary shares held by the Company

The **Chair** explains that agenda items 8.A.(i), 8.A.(ii), 8.B., 9 and 10 will also be combined for the purposes of explanation, but remain separate items for voting. He reminds shareholders that they will have the opportunity to ask questions after his explanation.

Item 8.A.(i) is the proposal to designate the Executive Board as the competent body to resolve to issue ordinary shares and to grant rights to subscribe for ordinary shares.

Item 8.A.(ii) is the proposal to designate the Executive Board as the competent body to resolve to limit or exclude pre-emptive rights of existing shareholders when issuing ordinary shares and granting rights to subscribe for ordinary shares pursuant to agenda item 8.A.(i).

Item 8.B. is the proposal to designate the Executive Board as the competent body to resolve to issue ordinary shares and to grant rights to subscribe for ordinary shares by way of a rights issue.

Item 9 is the proposal to authorise the Executive Board to acquire ordinary shares in the Company's share capital.

Item 10 is the proposal to reduce the issued share capital by cancellation of ordinary shares held by the Company.

The Chair reminds shareholders that each of these agenda items is a voting item and refers to pages 6 and 7 of the convocation letter. These items have also been submitted to shareholders in previous years.

The Chair establishes that no questions have been raised by shareholders with regard to agenda items 8-10.

The Chair notes that item 10 was the last voting item on the agenda, and that the voting will therefore be closed in a few moments.

A final question is posed by Mr **Luca Gordijn** from Friends of the Earth, who claims that NN is on the list of the 30 most polluting companies in the Netherlands. He asks whether NN will comply with the Paris Agreement, and whether the Company will reduce its carbon emissions by 45% in Scopes 1, 2 and 3 by 2030. He says he hopes to hear clear yes, otherwise his colleagues at Friends of the Earth will simply attend next year's AGM.

The **Chair** notes that this question was asked earlier, and asks Mr Knibbe to briefly respond.

Mr **Knibbe** says he has nothing to add to his previous answer, which was already clear about the targets for 45%, 25% and the scope that these targets pertain to. He repeats that NN plans to extend that scope in the coming period, whether this covers the full value chain or not. He says he has been very clear on what is in scope, what is not in scope and what shareholders can expect in the coming period.

The **Chair** states that he would be happy to continue the discussion next year.

After having closed the voting, the Chair announces that the voting results will be shared at the end of the meeting, after agenda item 11. The Chair thanks all shareholders for their voting and moves to agenda item 11.

Agenda item 11

Any other business and closing

Before the close of the meeting, the Chair asks the shareholders if there are any further questions or comments. Having established that there are none, he moves on to the voting results.

The Chair establishes that all proposals have been adopted, and expresses the appreciation of the Supervisory Board and Management Board for the votes and support of the shareholders.

He then acknowledges that this is the last meeting Ms Vletter-van Dort will be attending as Vice-Chair and member of the Supervisory Board of NN Group. Since her appointment to the board in 2015, she has been an invaluable asset to the team, bringing her dedication, expertise and insight to the table. He expresses his gratitude for all the hard work and effort she has put in. As Chair of the Remuneration Committee and a member of the Nomination and Corporate Governance Committee, she has been a driving force behind the Company's efforts to maintain the highest standards of governance and transparency. On behalf of the Supervisory Board and the entire NN group, the Chair expresses his deepest appreciation for her outstanding service, and wishes her all the best in her future endeavours.

The Chair then makes a few final announcements. Ms Pauline van der Meer Mohr, member of the Supervisory Board, will succeed Ms Vletter-van Dort as Vice-Chair of the Supervisory Board. As of the close of this meeting, the Supervisory Board will consist of seven members. The Supervisory Board has decided to reduce the number of its members to seven, which means that there are no vacancies to be filled at present. The Supervisory Board has also decided to combine the Remuneration Committee with the Nomination and Corporate Governance Committee into a Nomination, Remuneration and Governance Committee, as of the close of this meeting. This Committee will be chaired by Ms Van der Meer Mohr.

As of the close of this meeting, Mr Hans Schoen, currently Chair of the Audit Committee, will be succeeded in this role by Mr Rob Lelieveld, while Mr Schoen will continue to be a member of the Audit Committee.

The Chair announces that the draft minutes of this meeting will be published on the Company's website within three months, and that the final voting results will be posted on the website within a few days. He thanks shareholders for their participation and engagement, noting that their input and feedback are invaluable in working together to build a stronger and more sustainable NN Group and a stronger and more sustainable society.

On behalf of the Supervisory Board and the Management Board, the Chair again thanks shareholders for attending NN's hybrid annual general meeting and closes the meeting.

Contact us

Head office NN Group N.V.
Schenkkade 65
2595 AS The Hague
The Netherlands

Postal address
NN Group N.V.
P.O. Box 90504
2509 LM The Hague
The Netherlands

NN Group N.V. has its official seat in Amsterdam, the Netherlands

Commercial register no. 52387534

For further information on NN Group, please visit our corporate website
or contact us via external.communications@nn-group.com

