



NN Group
Company profile
August 2020

Leading Dutch insurer with strong businesses in European insurance, asset management and Japan

Some facts and figures

- History dating back to 1845
- Strong business positions
- Active in 18 countries
- Unified international culture with shared best practices
- Approximately 18 million customers
- Shareholders' equity of EUR 35.1bn at 30 June 2020
- Credit ratings¹: A/stable (S&P), A+/stable (Fitch)

Our main brands



1. Financial Strength Ratings

Leading positions in the Netherlands, diversified businesses in Europe and Japan

Banking

- #5 bank in the Netherlands
- Complementary product range, offering mortgages and savings in the Netherlands

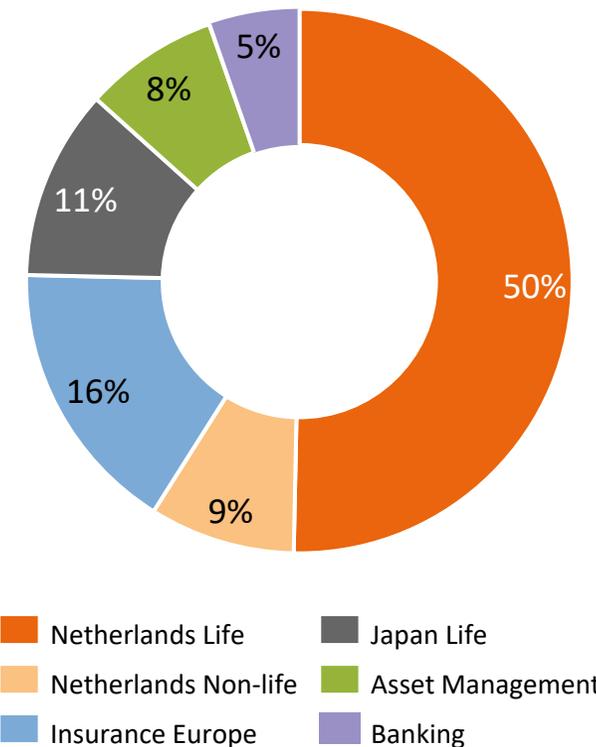
Asset Management

- International asset manager
- EUR 285bn AuM at 1H20
- Offers a wide variety of actively managed investment products and advisory services; also manages the assets of NN's insurance businesses

Japan Life

- Market leader in corporate-owned life insurance (COLI) products in Japan with ~12% market share²
- Accounting for 30% of Japanese Life sales³

NN Group
Operating capital generation¹



Netherlands Life

- #1 position: 40% market share^{4,5} in group pensions and 23% market share⁴ in individual life
- Offers a range of pension and individual life insurance products in the Netherlands

Netherlands Non-life

- 32% market share⁵ in D&A (#1) and 26% market share⁵ in P&C (#2)
- Offers a broad range of non-life insurance products in the Netherlands, including income protection, fire and motor

Insurance Europe

- Top 3 player in CEE focused on life and voluntary pensions
- Serving 12m customers in 11 countries
- High market share and strong growth in protection markets

Experienced and diverse Management Board



David Knibbe (NL)
Chief Executive Officer¹



Dailah Nihot (NL)
Chief Organisation &
Corporate Relations



Delfin Rueda (ESP)
Chief Financial Officer¹



Leon van Riet (NL)
CEO Netherlands Life &
Pensions



Bernhard Kaufmann (D)
Chief Risk Officer



Fabian Rupprecht (CH/D)
CEO International Insurance



Satish Bapat (NL/IND)
CEO NN Investment
Partners



Janet Stuijt (NL)
General Counsel

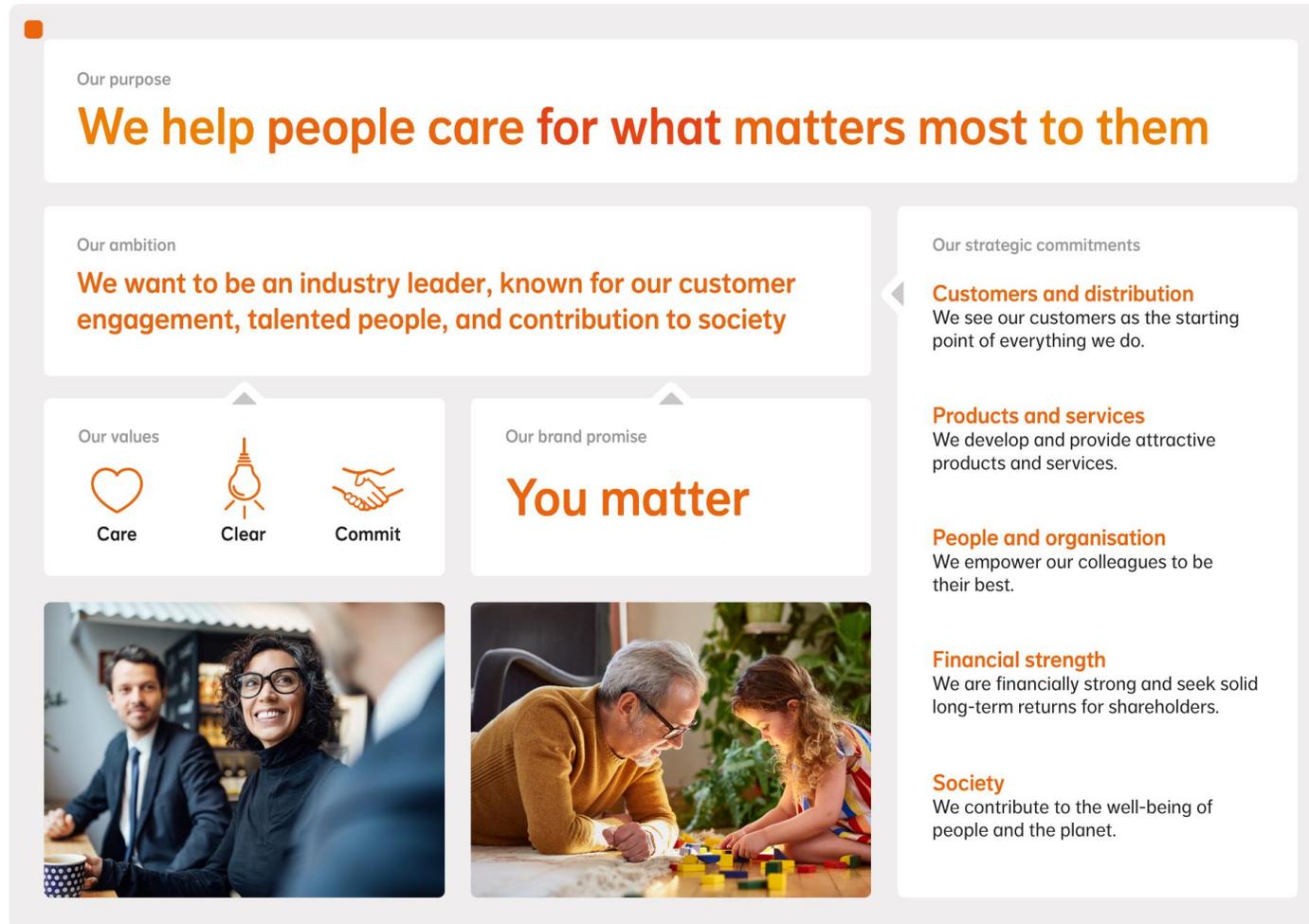


Tjeerd Bosklopper (NL)
CEO Netherlands Non-life,
Banking & Technology

- Strong Management Board with the required skills and experience in the current fast-paced and dynamic environment
- Average experience in the financial sector of over 20 years
- Diversity (age, gender, culture and ethnicity) promoted throughout the organisation
 - Supervisory Board: 33% female, 67% male
 - Management Board: 22% female, 78% male
 - 53% 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

Creating value for our stakeholders



Becoming a customer-centric, data-driven company

Evolving current skills while developing new capabilities and an entrepreneurial mindset to meet changing customer demands and to stay competitive and relevant in the future

End of value chain manufacturing

Low customer engagement

Product focus

Only sell what we manufacture

One product for all, technical pricing

Back-office / operations-centric

Legacy technology, limited digitalisation



Front of value chain (customer engagement, distribution)

Increased customer engagement, active in platform economy

Solutions rather than products

Manufacturing, but also selling third-party offering

Personalised solutions, customer-driven pricing

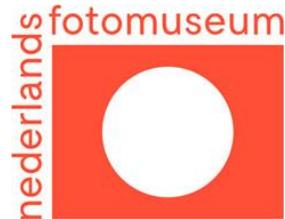
Data / customer-centric

Customer experiences where digital and tied-agent channels reinforce each other

Sponsorship: engaging customers in the NN brand

Art and Culture

- Our goal is to help make art and culture more accessible for people of all ages and backgrounds, because we believe art and music inspire and connect
- We invest in cultural partnerships with several Dutch museums and are title sponsor of the NN North Sea Jazz Festival



KUNSTMUSEUM
DEN HAAG



Sports

- Our partnerships in running reflect our aim to contribute to people's general health and well-being
- Running attracts a diverse field of participants and spectators in terms of gender, age and nationality, which matches the diverse character of our customer base
- With Nike, we established the NN Running Team (in April 2017), the first commercial running team with professional runners and talents from 15 nations



Our broader responsibility to stakeholders

Excellent customer experience	Customer engagement All insurance business units scoring above market average NPS ¹ by 2023	Brand consideration² 28% by 2023	
Engaged employees	Employee engagement ≥ 7.8 by 2023	Women in senior management positions 40% by 2023	
Positive contribution to society	ESG-integrated AuM 80% by 2023	Acceleration of the transition to a low-carbon economy Net-zero carbon proprietary investment portfolio by 2050	Contribution to society in charitable donations and volunteering hours 1% of operating result ³ by 2023

1. Net Promoter Score
2. Measured by GBHM (Global Brand Health Monitor)
3. 3-year average



Our proposition to investors

Resilient balance sheet



- Priority is a strong capital position and balance sheet
- Disciplined capital allocation

Strong cash flow in the Netherlands



- Accelerating management actions
 - Shift to higher-yielding assets
 - Balance sheet optimisation
 - Optimise Non-life business
 - Focus on efficiency

Profitable growth in attractive markets



- Leading market positions in Japan COLI¹ and CEE
- Shift to protection and leveraging on strong distribution network

Our commitment Resilient and growing long-term capital generation for shareholders

Financial targets OCG²: EUR 1.5bn in 2023

FCF: over time, in a range around OCG

Dividend policy

Progressive dividend per share, annual share buyback of at least EUR 250m and additional excess capital to be returned to shareholders unless used for value-creating opportunities

Accelerating management actions to increase cash flow generation



Actively manage in-force portfolio in the Netherlands

- Increase allocations to mortgages, loans and real estate, while reducing exposure to government bonds
- Manage longevity risk, while considering cost versus return
- Reduce expenses in line with portfolio run-off

Optimise the Non-life business

- Build data capabilities to improve profitability
- Leverage on additional scale and reduce expenses of VIVAT Non-life

Drive sales through enhanced customer engagement

- Build and expand business and retail engagement platforms on relevant themes, such as Carefree retirement and Workforce solutions
- Grow NN Bank and leverage bank partnerships

Build on strong investment offering with responsible investing at the core

- Leverage on in-house expertise and partnerships

Driving profitable growth in attractive markets



Offer excellent products in Europe and Japan

- Leverage on leading market positions
- Focus on protection products in Europe for higher customer relevancy and better margins
- Reactivate sales of COLI products in Japan

Leverage on strong distribution network

- Use digital capabilities to increase productivity and retention of tied agent and broker network
- Increase select third-party product offering
- Drive bancassurance through close partnerships

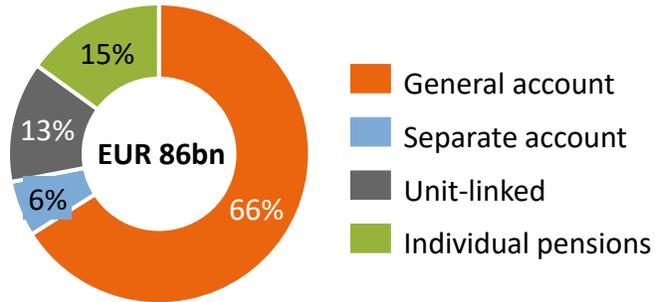
Enhance in-force book

- Enhance in-force book through capital optimisation, margin improvement and efficiencies

Netherlands Life

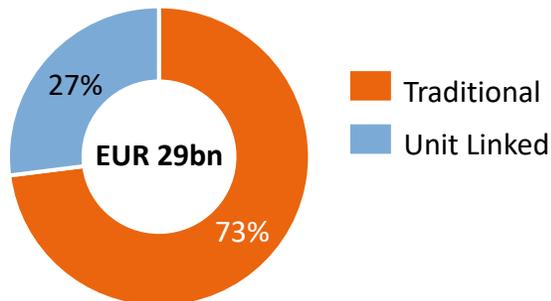
Pensions

(Technical reserves, FY19)



Individual Life Closed Blocks

(Technical reserves, FY19)



Actively manage in-force portfolio in the Netherlands

- Optimising risk return of investment portfolio by increasing allocations to mortgages, loans and real estate, while reducing government bonds
- Actively manage longevity risk, while considering cost versus return
- Reduce expenses in line with portfolio run-off

Delivering significant and reliable cash flows over time

- Remittances from operating capital generation and surplus capital
- Capturing opportunities in changing pension market
- Managing run-off of closed books
 - Expected SCR release of EUR ~1.7bn by 2029
 - Transition from capital intense DB¹ to capital light DC¹ pensions over the long term

Target: OCG of EUR 0.9bn in 2023

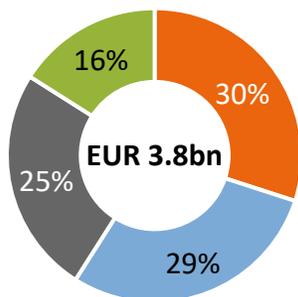
Guidance: Expenses to develop in line with the portfolio, by EUR 50m in 2023

1. Defined Benefit (DB); Defined Contribution (DC)

Netherlands Non-life

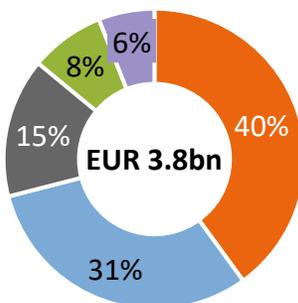
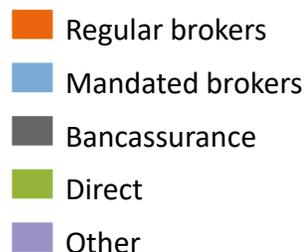
Product mix

(GWP¹, FY19)



Distribution channel

(GWP¹, FY19)



Breakdown of combined ratio

	1H20	FY19	FY18 ²	FY17 ³
D&A ⁴	103.1%	92.3%	94.0%	97.2%
P&C ⁴	90.8%	97.0%	102.3%	104.6%
Combined ratio	94.9%	95.4%	99.4%	102.0%

Optimise the Non-life business

- Profitability driven by underwriting improvement and expense reduction
- Build data capabilities; benefit from largest data pool in Dutch Non-life market
- Leverage on additional scale and reduce expenses of Vivat Non-life
- Drive customer engagement and cross-sell through platforms and innovative services
- Optimising risk return of asset portfolio

Target: Combined ratio of 94–96%

Guidance: OCG⁵ of EUR 225m in 2023; Administrative expense ratio <10% in 2023

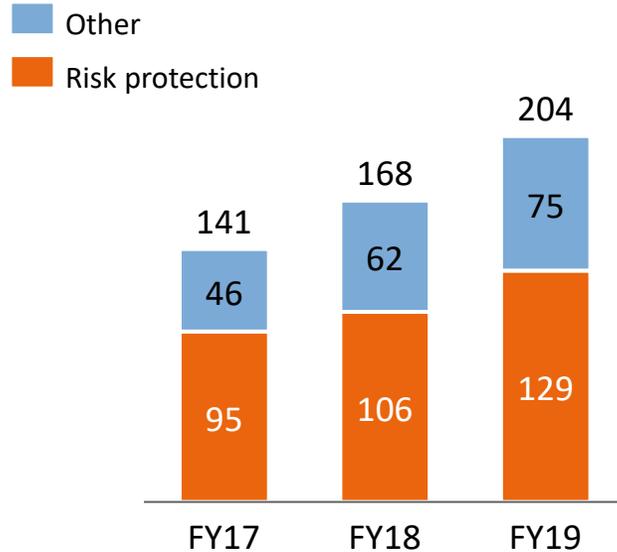


1. Based on EUR 3.1bn GWP of NN Non-life and EUR 0.7bn of Vivat Non-life
2. Excluding the impact of the January storm, 2018 combined ratio is 97.5%
3. Combined ratio includes Delta Lloyd as from 1 April 2017
4. Disability & Accident (D&A); Property & Casualty (P&C)
5. OCG expected to move in line with net operating result

Insurance Europe

Focus on profitable new business

(VNB¹ by product line, EURm)



- 1H20 VNB of EUR 84m, of which EUR 52m risk protection and EUR 33m Other

Target: OCG of EUR 325m in 2023

Driving profitable growth

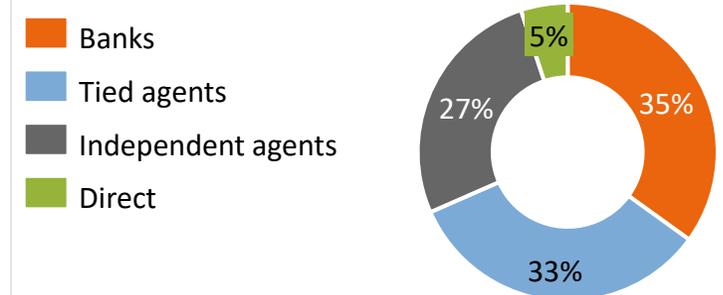
- Leverage on leading market positions
- IRR of ~13%, payback period of ~6 years
- Focus on protection products for higher customer relevancy and better margins
- Leverage on strong distribution network
 - Use digital capabilities to increase productivity of tied agent and brokers
 - Increase select third-party product offerings
- Enhance in-force book through capital optimisation, margin improvement and efficiencies

Leading protection player

- >20% market share in Romania, Hungary and Belgium
- Top 3 life and pension player in CEE, #5 life player in Belgium, #2 life insurer in Greece

Leverage on strong distribution network

(New sales (APE) by distrib. channel, FY19)



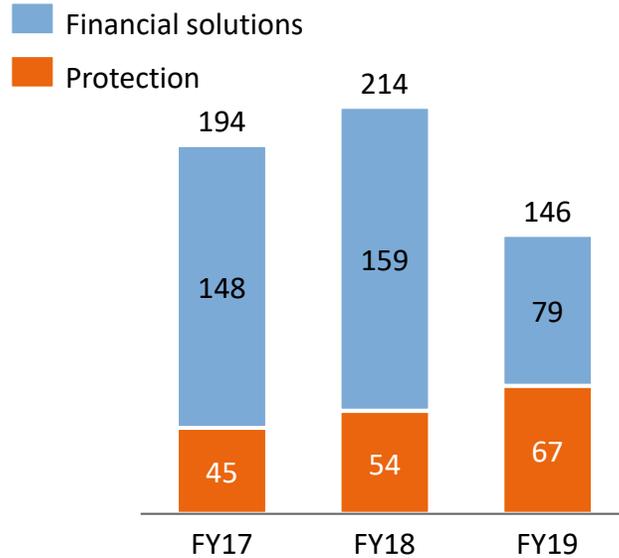
- Strong relationships with bancassurance partners to drive mutual growth

1. Value of New Business (VNB)

Japan Life

Focus on profitable new business

(VNB¹ by product line, EURm)

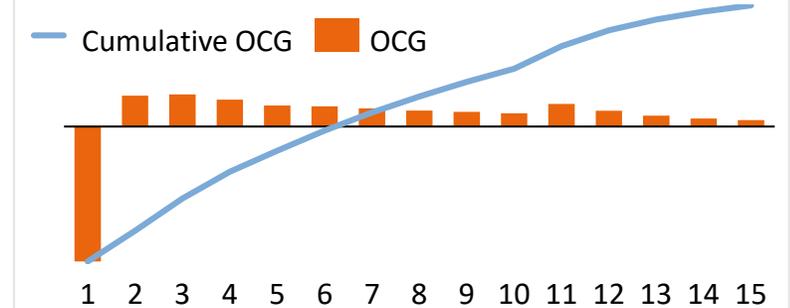


- 1H20 VNB of EUR 29m, of which EUR 21m protection

Active in COLI² market

- IRR of 14%, payback period of ~6 years
- Market leader in COLI segment³, which accounts for 30% of Japanese Life sales⁴
- Japan COLI market ~2.5x Belgium Life market⁵
- Business started by NN in 1986 and organically built
- Short-term focus on reactivating sales following revised tax regulation
- Broad range of products with track record of innovation

VNB contribution to OCG in the longer term (VNB of EUR 29m at 1H20)



- New sales⁶ result in a high new business strain on JGAAP basis, therefore higher sales lead to
 - Lower OCG in the short term (NB strain)
 - Higher OCG in the medium term (increasing in-force profits)

Target: VNB ≥ EUR 150m in 2023

Guidance: OCG of EUR 100m in 2023

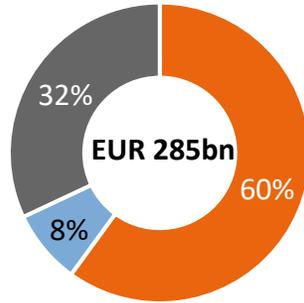


1. Value of New Business (VNB); 2. Corporate Owned Life Insurance (COLI); 3. Market share of ~12%, during the period 2016-2018; 4. Source: Life Insurance Association Japan, Toyokeizai Online, company information, internal analysis, average of 2016-2018; 5. Based on APE; Japan COLI market average 2007-2016; Belgian market size for 2019; internal analysis; 6. New sales (APE) of EUR 311m at 1H20 by distribution channel: independent agents (87%), Bank (10%) and Sumitomo (4%)

Asset Management

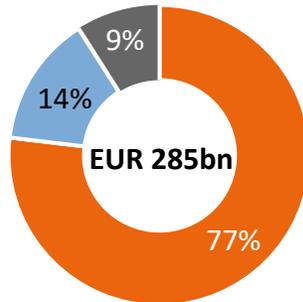
AuM by client type (1H20)

- Proprietary
- Other affiliates
- Third party



AuM by asset class (1H20)

- Fixed Income
- Multi-assets
- Equity



Key figures

	1H20	FY19	FY18	FY17 ^{1,2}
AuM (EURbn)	285	276	246	246
Net operating RoE	32.2%	34.1%	27.6%	27.7%
Cost/income ratio	65.3%	63.8%	65.9%	66.2%

Strong investment offering with responsible investment at the core

- Third party franchise generates over 60% of revenues
- Adding value to NN's insurance and pension business
- Leverage on in-house expertise and partnerships
- Leverage on insurance heritage to grow private debt and multi-asset solutions
- Responsible investing at the core of NNIP

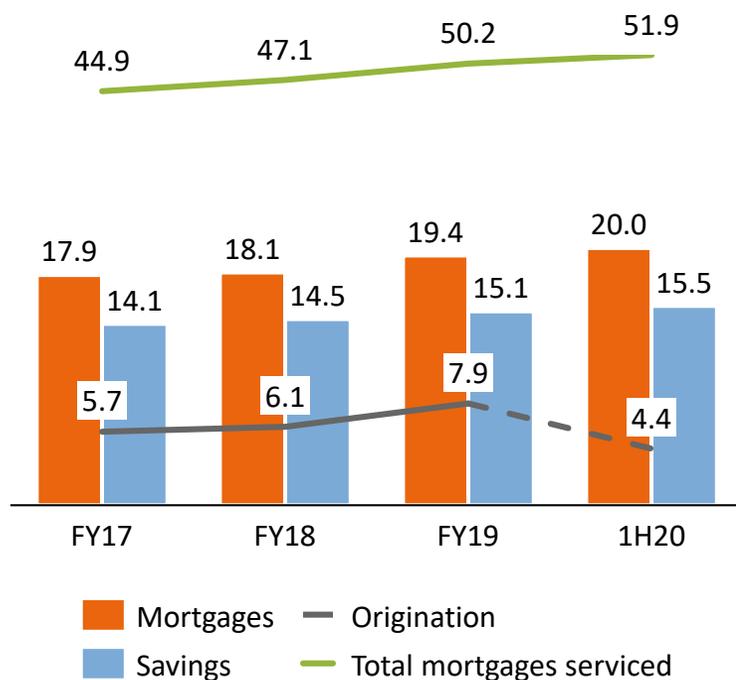
Target: OCG of EUR 125m in 2023

Guidance: Cost/income ratio mid-sixties in 2023; 80% ESG integrated AuM in 2023

1. Comparative figures restated to reflect transfer of proprietary insurance accounting to NN Group and netting of the fixed service fees
 2. Includes DLAM since 1 April 2017

Banking

Steady growth in mortgages and savings¹ (EURbn)



Key figures

	1H20	FY19	FY18	FY17 ¹
Operating result	80	152 ³	130	124
Net operating RoE	15.0%	15.0% ³	12.9%	15.0%
CET1 ratio	16.7%	15.7% ⁴	16.3%	15.1%

- #5 retail bank in the Netherlands
- Serving 1 million retail customers with mortgages and saving products
- Distribution through intermediaries and direct channel; no branch network
- Majority of mortgages are allocated to Group and NNIP mortgage fund
- Self-funded growth

Drive sales through enhanced customer engagement

- Complementary products to NN's insurance offering
- High rate of digital interaction with customers;
- Growth of number of savings customers offers frequent point of contact and cross-selling opportunities
- Strong growth in mortgage origination at attractive spreads

Target: Net Operating RoE $\geq 12\%$ in 2023

Guidance: OCG of EUR 70m in 2023; Cost/income ratio $< 55\%$ in 2023



1. Includes Delta Lloyd Bank since 1 April 2017
 2. Includes one-off fair value result on mortgage transfers (EUR 25m)
 3. CET1 ratio as filed with the regulator. Including the addition of the net result the CET1 ratio is 16.8%

Group and segment targets focusing on value creation

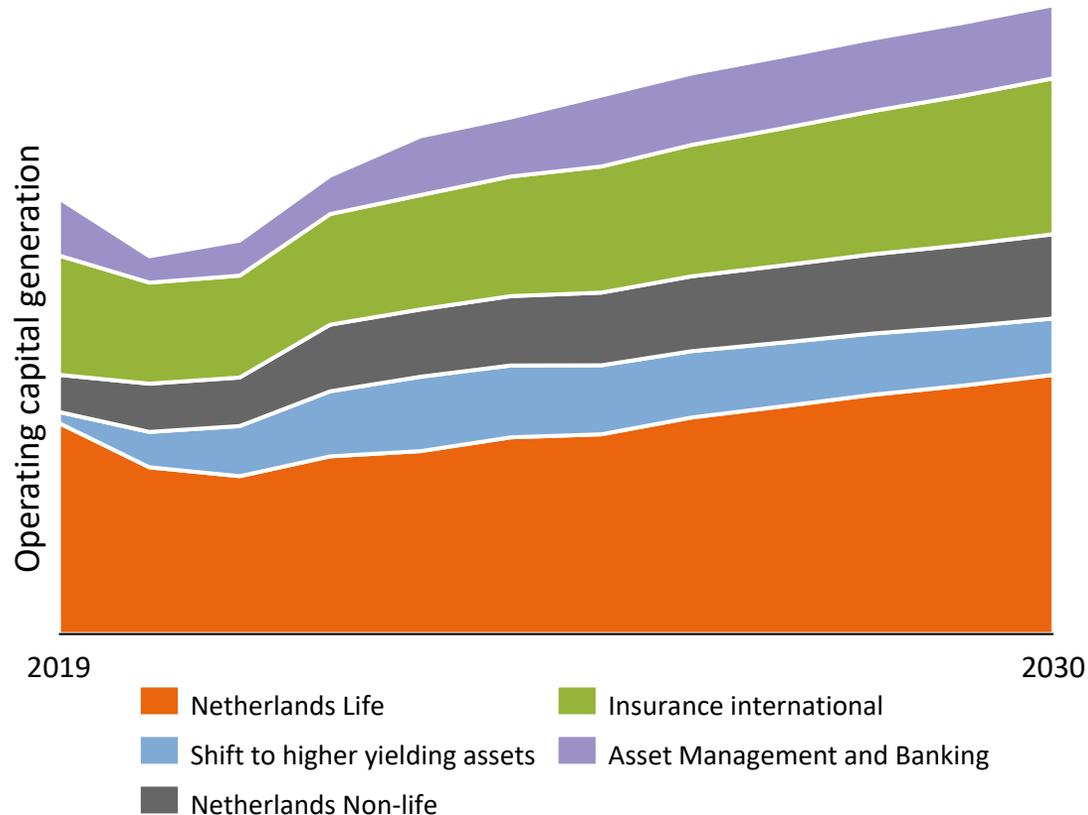
Group medium-term financial targets and dividend policy	Operating capital generation EUR 1.5bn in 2023	Free cash flow In a range around OCG over time	Dividend policy Progressive DPS (2019: EUR 2.16 ¹) Annual share buyback of at least EUR 250m
Segment medium-term financial targets²	Netherlands Life OCG of EUR 0.9bn in 2023	Netherlands Non-life COR 94-96%	Insurance Europe OCG of EUR 325m in 2023
	Japan Life VNB of at least EUR 150m in 2023	Asset Management OCG of EUR 125m in 2023	Banking Net operating RoE of ≥ 12%

1. Pro-forma 2019 full-year dividend per share of EUR 2.16, comprising the interim dividend of EUR 0.76 plus the suspended final dividend of EUR 1.40

2. Holding expenses, debt costs and the contribution from NN Re reduce OCG by EUR ~250m in 2023

Strategy will lead to growing long-term capital generation and cash flows

Illustrative development of Operating Capital Generation¹



Mid-single digit annual growth of OCG over time

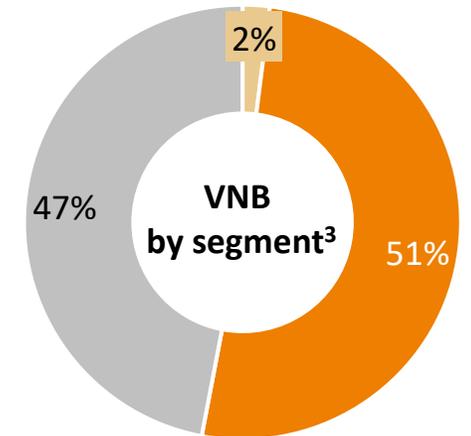
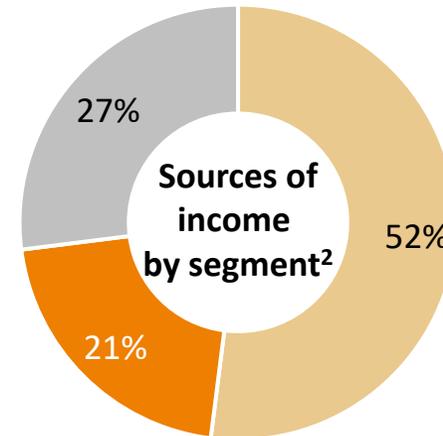
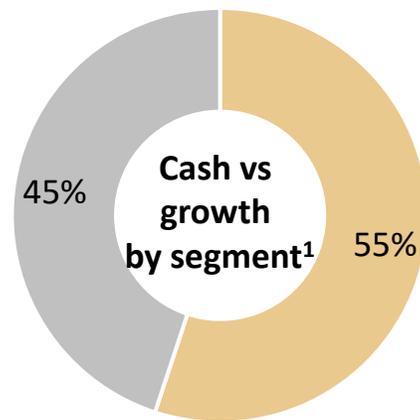
- Run-off Dutch Life in-force book offset by UFR unwind
- Growth driven by new business at Dutch and International units, Non-life improvements, Asset Management and Banking, and management actions
- Free Cash Flow expected to grow in a range around OCG over time

1. Defined as Own Funds generation (before eligibility) and SCR release (at 100%). Illustrative development based on current regulatory framework and excluding M&A; Segment Other is not included

International footprint provides diversification



Diversified sources of cash, income and growth



■ Netherlands Life cash generation
 ■ Growth and long-term cash sustainability

■ Predominately spread risk (NL Life)
 ■ Predominately technical margin focus
 ■ Predominately fee income

■ Netherlands Life
 ■ Japan Life
 ■ Insurance Europe

- 18 million customers
- Diversified portfolio, including international operations, offsetting run-off profile of Dutch life in-force and driving long-term cash sustainability

1. Based on remittances 2017 – 2019
 2. Based on operating result 2017 – 2019
 3. Based on VNB 2017 – 2019

* Outside Europe and Japan, NN Investment Partners has offices in Montevideo, New York and Singapore

Thorough assessment of individual businesses

- Regular and thorough assessment of individual businesses at both the business unit and market level, including strategic coherence and right-owner concept

Business unit performance

- Return on Own Funds
- New business profitability
- Net remittances
- Market position

Market attractiveness

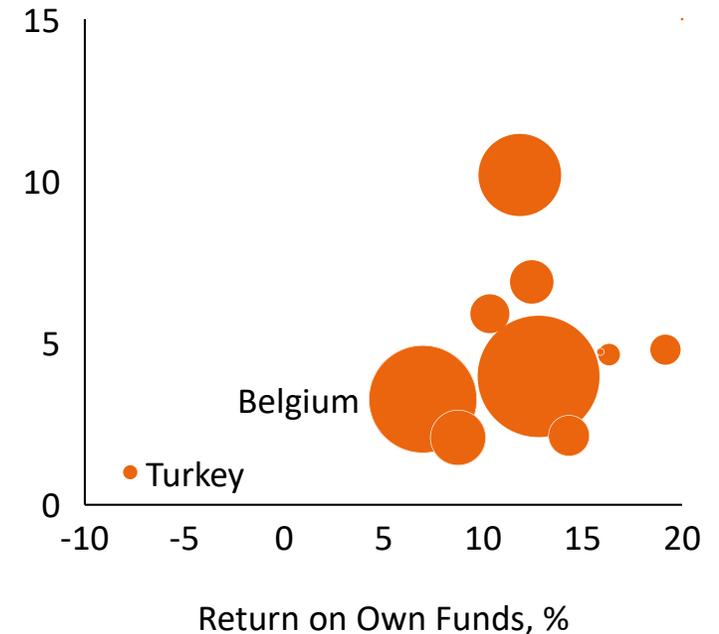
- Market growth
- Market size
- Market wealth
- Country risk

Considerations

- Contribution to Group results
- Scale to compete
- Market dynamics
- Distribution strength, bancassurance agreements
- Ability to act
- Conviction to succeed

International business units Return on Own Funds to VNB profit margin¹

VNB profit margin, %



1. Return on Own Funds reflects the 2019 i) Own Funds operating capital generation divided by average Basic Own Funds excluding transitional measures for Solvency II entities, ii) divided by SCR at 150% for Greece, iii) net local GAAP result divided by local GAAP equity for Turkey Life and pension funds; iv) Japan included on an equivalence basis; VNB profit margin defined as 2019 Value of new business as a percentage of the Present value of new business premiums; bubble size reflects the denominator in the return calculations

We actively manage the portfolio

- We commit to optimising all of our business units to achieve attractive returns
- If the local cost of capital is not exceeded over time, we will take structural action
- Required return is country specific
- We will engage in M&A only if there is a clear strategic rationale and if financial hurdles are met

Operate to maximise value creation

NL Life, NL Non-life, Asset Management and Banking

- Business units with a strong capital generation to Own Funds and/or stable and predictable cash flows
- Optimise balance sheet and drive cost efficiencies

Invest for growth

Japan, CEE, Spain and Greece

- Business units with healthy new business profitability and growth potential
- Profitable growth through innovative protection offering and strong, diversified distribution

Reshape to improve results

Belgium and Turkey

- Actions being taken to increase profitability and cash flow contribution

Disciplined capital framework

Capitalisation

- Manage operating units to commercial capital levels
- Surplus capital to be distributed to holding subject to regulatory restrictions

Cash capital at holding

- To cover stress events and to fund holding costs
- Target range of EUR 0.5 – 1.5bn

Financial leverage

- Maintain financial leverage and fixed-cost cover ratio (FCCR) consistent with a Single 'A' financial strength rating

NN Life Solvency II ratio

226% (FY19: 213%)

Cash capital at holding

EUR 1.3bn¹ (FY19: EUR 2.0bn)

FCCR 11.1x (FY19: 12.0x)

Leverage ratio 24.7% (FY19: 25.9%)

Financial leverage EUR 5.8bn (FY19: EUR 6.1bn)

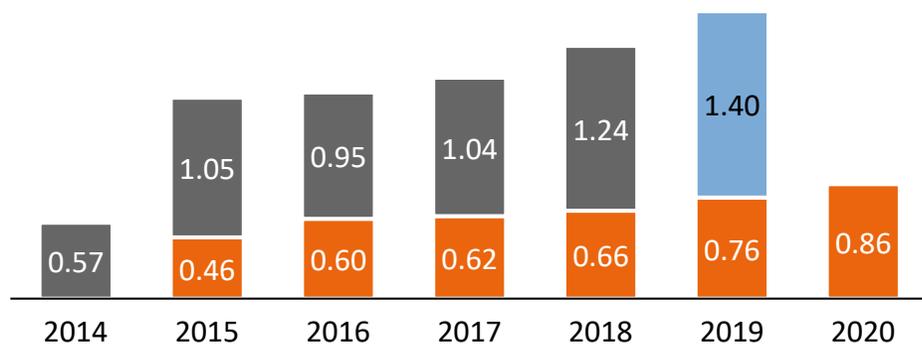
NN Group Solvency II ratio 221% (FY19¹: 224%)

All figures based on 1H20

1. The NN Group Solvency II ratio has been adjusted to reverse the deduction of the proposed 2019 final dividend of EUR 1.40 per ordinary share, following the decision to suspend dividend payments in light of the recommendations of EIOPA and DNB regarding dividend distributions

Capital returns to shareholders fully resumed

Dividends (EUR)



DPS¹ (EUR)

2014	2015	2016	2017	2018	2019	2020
0.57	1.51	1.55	1.66	1.90	2.16 ²	0.86

- Interim dividend per share
- Final dividend per share
- Suspended dividend per share to be paid in 2H20

Interim dividend of EUR 2.26 per share

- Total interim dividend of EUR 2.26 per share consisting of:
 - EUR 1.40 per share, equal to the amount of the suspended 2019 final dividend, plus
 - EUR 0.86 per share, equal to the amount of the 2020 interim dividend, calculated as 40% of prior year pro-forma full-year dividend per share²
- Payable on 2 September 2020

Share buyback resumed

- Remaining EUR 67m of suspended EUR 250m share buyback programme to be resumed and completed before 2 March 2021

1. Dividend per share

2. Pro-forma 2019 full-year dividend per share of EUR 2.16, comprising the interim dividend of EUR 0.76 plus the suspended final dividend of EUR 1.40

APPENDICES

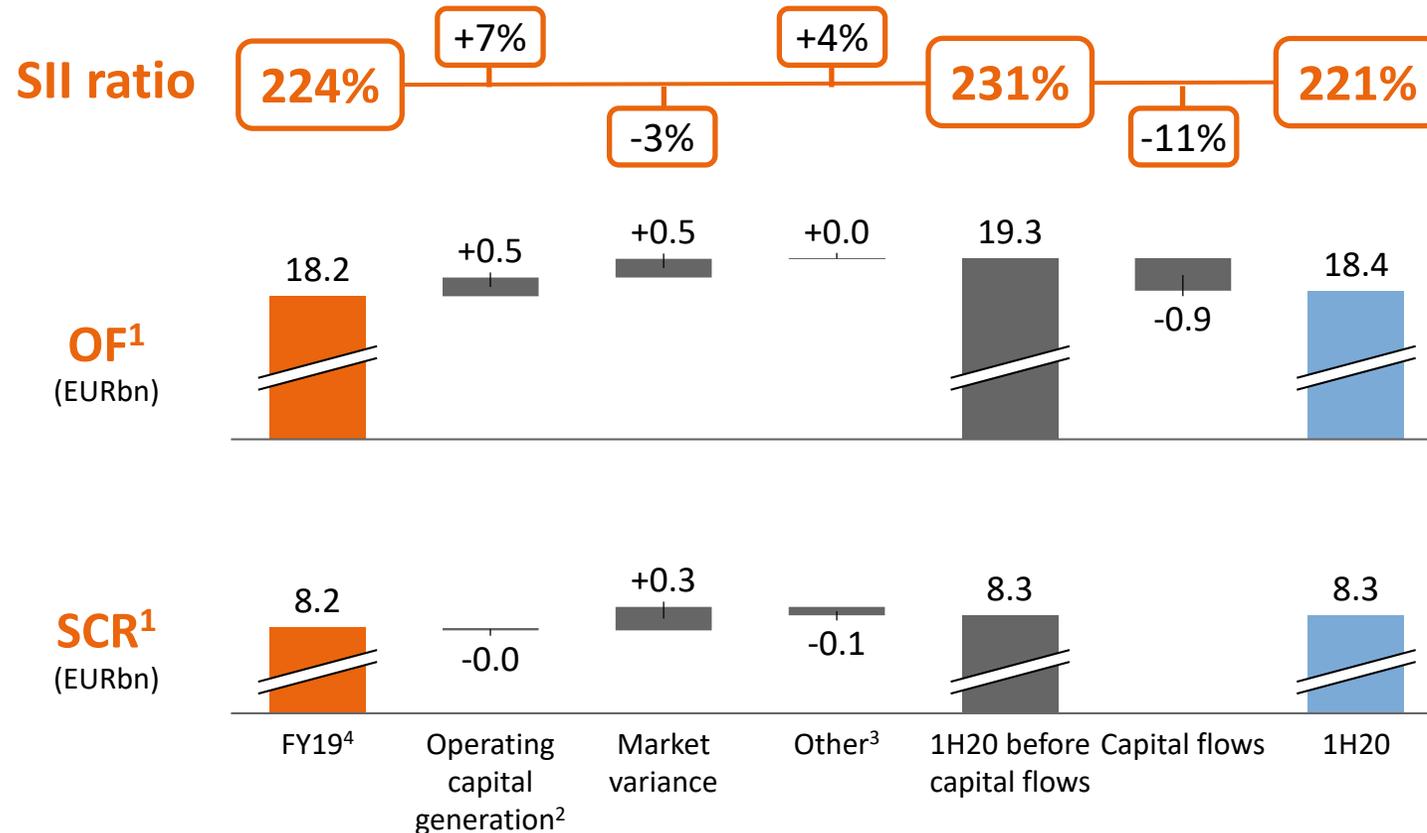
Remittances from subsidiaries

Remittances from subsidiaries (EURm)	1H20	1H19	2019	2018	2017
Netherlands Life ¹	450	410	814	837	1,035
Netherlands Non-life ¹	43	34	85	108	100
Insurance Europe ^{1,2}	63	128	148	299	230
NN Japan Life	119	79	79	-	57
Asset Management	42	88	195	177	96
Banking ¹	1	76	107	10	2
NN Re Netherlands	-	10	10	150	200
Other	-	2	21	12	98
Total	718	827	1,459	1,593	1,818

1. Includes interest on subordinated loans provided to subsidiaries by the holding company

2. Refers to Insurance Europe entities' consolidated totals excluding Czech Life insurance business (branch of NN Life)

Robust Solvency II ratio in volatile markets



- Solvency II ratio of 221% mainly reflects operating capital generation, offset by capital flows to shareholders
- Market variance mainly reflects unfavourable movements in credit spreads
- Other includes the positive impact from the longevity reinsurance transactions, partly offset by UFR reduction and acquisition of VIVAT Non-life
- Capital flows reflect the 2020 interim dividend of EUR 705m to be paid in September and EUR 183m of own shares repurchased under the share buyback programme
- Estimated impact of new methodology for including NN Bank in Solvency II ratio is -10%-points

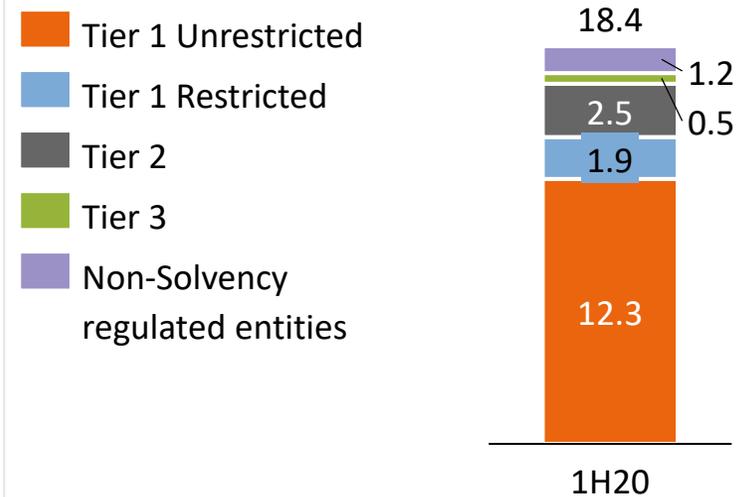
Solvency II Own Funds

Basic Own Funds vs Eligible Own Funds (1H20, EURbn)



- Non-available Own Funds is our view of capital that cannot be distributed within 9 months
- Non-eligible Own Funds is DTA above the Tier 3 cap of 15% of SCR

Tiering Solvency II Eligible Own Funds (EURbn)



- NN Group Own Funds excludes EUR 1.1bn of regulatory capital held in NN Bank¹
- Remaining capacity in Tier 1 of EUR 1.2bn, Tier 2 of EUR 2.5bn and Tier 3 of EUR 0.7bn

1. Following the announcement from DNB on 11 July, NN Group is required to include NN Bank in its Solvency II calculations as from 31 December 2020

1H20 OCG impacted by lower rates and lower sales

OCG ¹ by segment (EURm)	1H20	1H19	Developments
Netherlands Life	376	441	• Reflects impact of lower interest rates and longevity reinsurance transactions, partly offset by shift to higher-yielding assets
Netherlands Non-life	61	49	• Driven by higher underwriting results in P&C and the acquisition of VIVAT Non-life, partly offset by lower results in D&A
Insurance Europe	119	130	• Reflects a lower contribution from new business as a result of lower sales due to COVID-19
Japan Life	70	70	• OCG broadly stable
Asset Management	50	62	• Mainly reflecting the net result, while 1H19 included non-recurring items
Banking	0	56	• Suspension of dividend payments in 2020 in accordance with recommendation of the Dutch regulator
Other	-133	-111	• Reflects higher claims in NN Re related to Non-life's disability portfolio, while 1H19 benefited from a reinsurance transaction with Japan Life
Operating capital generation	543	697	

1. Operating Capital Generation (OCG) is the movement in the Solvency II surplus (Own Funds before eligibility over SCR at 100%) in the period due to operating items, including the impact of new business, expected investment returns in excess of the unwind of liabilities, release of the risk margin, operating variances, non-life underwriting result, contribution of non-Solvency II entities and holding expenses and debt costs and the change in the SCR. It excludes economic variances, economic assumption changes and non-operating expenses.

Solvency II sensitivities

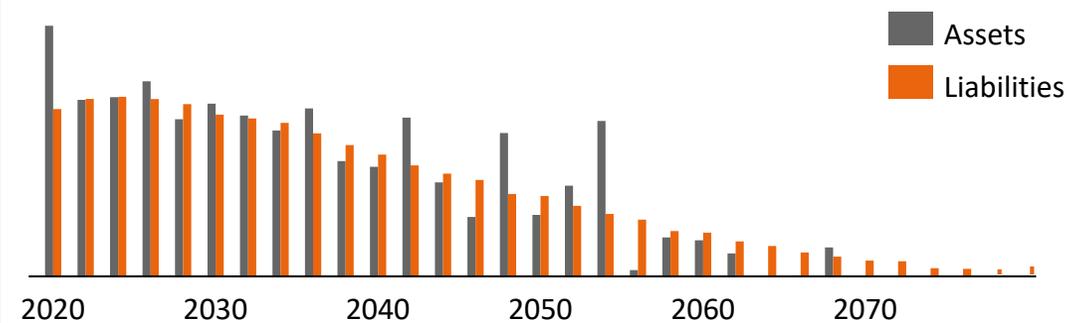
Sensitivities to shocks at 1H20¹

	Δ OF (EURbn)	Δ SCR (EURbn)	Δ SII ratio (%-points)
Interest rate: Parallel shock +50bps	-1.0	-0.6	+2%
Interest rate: Parallel shock -50bps	+1.4	+0.8	-3%
Interest rate: 10bps steepening between 20y–30y	-0.8	-0.0	-9%
Credit spread: Parallel shock for AAA-rated government bonds +50bps	-0.8	-0.0	-9%
Credit spread: Parallel shock for AA and lower-rated government bonds +50bps	-0.9	-0.1	-7%
Credit spread: Parallel shock corporate bonds +50bps	+1.0	-0.1	+15%
Credit spread: Parallel shock mortgages +50bps	-0.9	-0.0	-10%
Equity: Downward shock -25%	-1.6	-0.2	-14%
Real estate: Downward shock -10%	-0.7	-0.0	-8%
UFR: Downward adjustment by 15bps	-0.3	+0.0	-5%

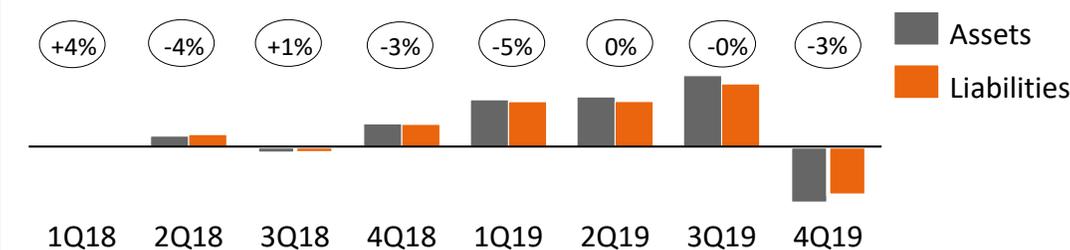
1. Sensitivities are performed for Solvency II entities and NN Life Japan

To manage our interest rate risk we focus on cash flow matching

NN Life asset and liability cash flows¹ (FY19)



Interest rate impact on NN Group Solvency II ratio has been low



- NN Life liability cash flows are predictable and stable; very limited exposure to policyholder behavior and profit-sharing mechanisms and therefore to changes in capital markets
- Until year 30 best estimate liability cash flows (excluding risk margin) are closely matched with government bonds, corporate bonds, loans, mortgages and loans
- Cash flows after 30 years are partially hedged on a duration basis mainly with interest rate swaps, due to price and illiquidity of markets
- Because of this hedging strategy, the impact of interest rate changes on Solvency II ratio of NN Group is low
- Limited movement in Solvency II ratio historically despite material changes in interest rates

1. Each bar represents a two-year period; undiscounted cash flows; cash flows after year 50 represent less than 3% of the total

Remaining interest rate position is controlled and supporting stable remittance capacity

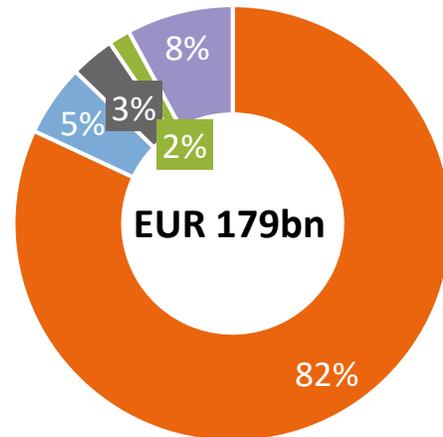
Remittance capacity in first 30 years broadly immune from interest rate changes

(FY19, EURbn)	Δ OF ('stock')	Δ OF Generation ('flow')	
Parallel shock -50bps	+1.1	-0.25	
o/w Year 1-30	+0.2	-	Open interest rate position
o/w Year 30+	-0.9	-	
o/w UFR & risk margin	1.8	-0.25	'Stock' and 'flow' only

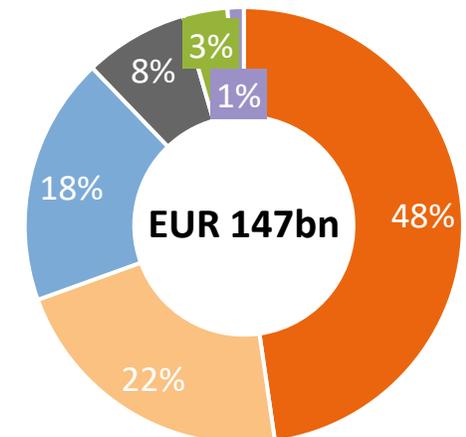
- Close cash flow match in first 30 years and duration based partial hedging of cash flow buckets beyond 30 years lead to very low open economic interest rate position
- Currently ~95% of liability cash flows are interest rate hedged and a **duration short** position results (negative impact if interest rates fall)
- Switching to the Solvency II metric and including risk margin and UFR effects turns this into a **duration long** position (positive impact if interest rates fall)
- These Own Funds 'stock' and 'flow' items result have no impact on real cash flows

Breakdown of investment portfolio [1/3]

Investment portfolio (NN Group excl. banking)¹ (1H20)



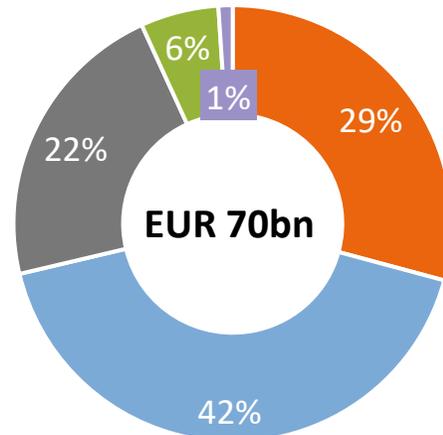
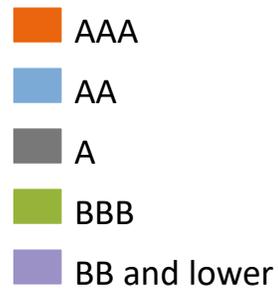
Fixed income portfolio (82% of investment portfolio¹, 1H20)



Breakdown of investment portfolio [2/3]

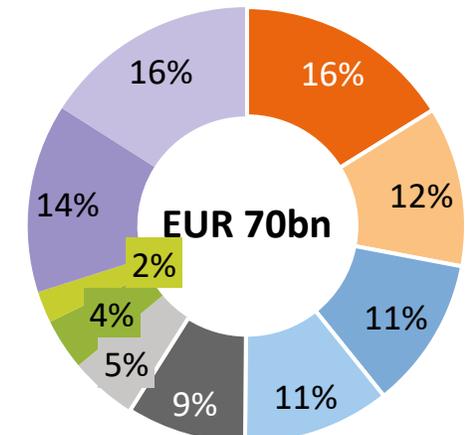
Government bonds and loans by rating

(39% of investment portfolio¹, 1H20)



Government bonds and loans by country

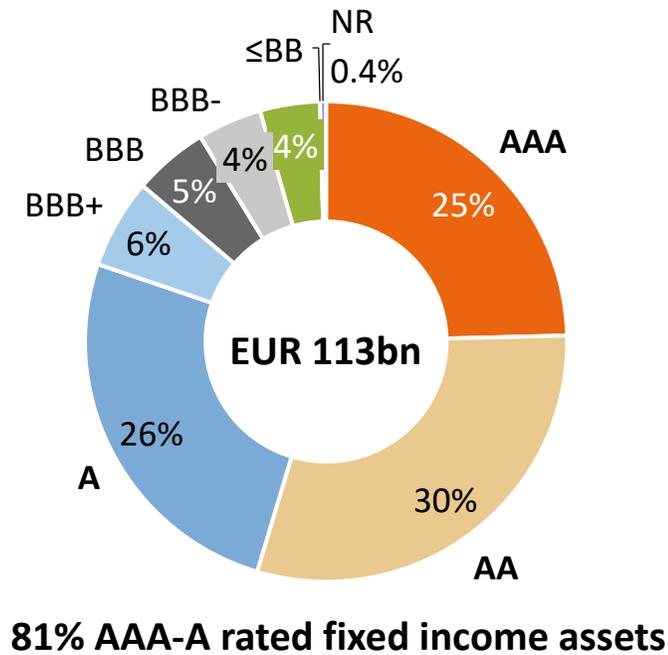
(39% of investment portfolio¹, 1H20)



Breakdown of investment portfolio [3/3]

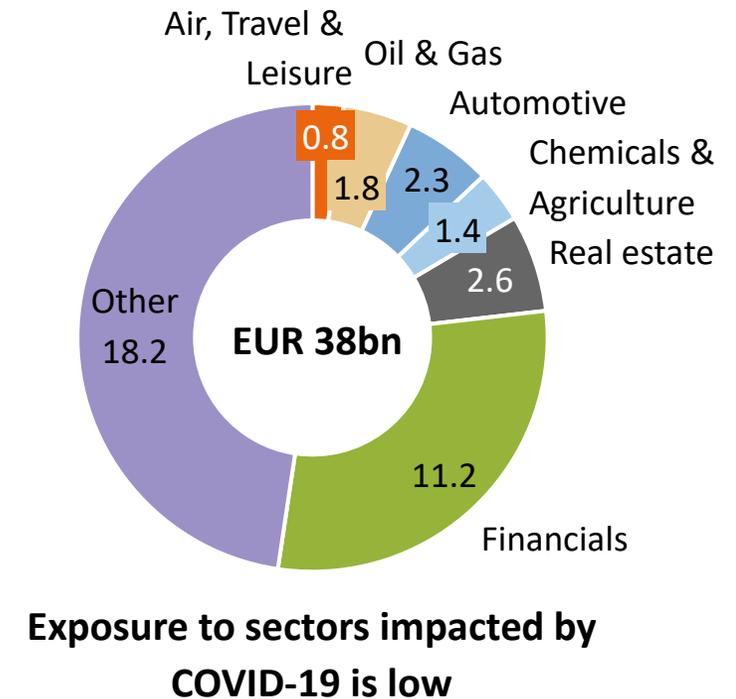
Fixed income assets¹ by rating

(63% of investment portfolio, 1H20)



Financials and corporates for selected sectors

(21% of investment portfolio, 1H20, EURbn)



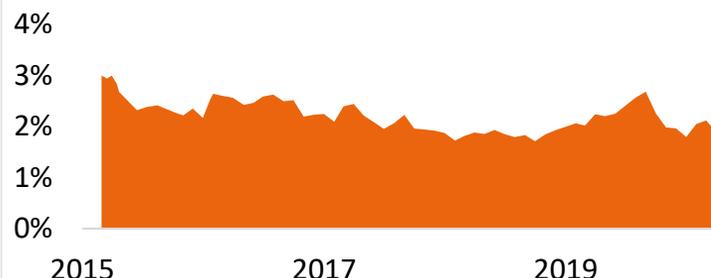
1. Does not include mortgages (EUR 32bn) and retail loans (EUR 2bn); NN Group excluding NN Bank

Well-collateralised Dutch mortgage portfolio with attractive risk-return characteristics

Attractive return

- Attractive spreads compared to other asset classes with similar risk profile
- Consistent returns across the cycle
- Long duration of assets, matching duration of our liabilities

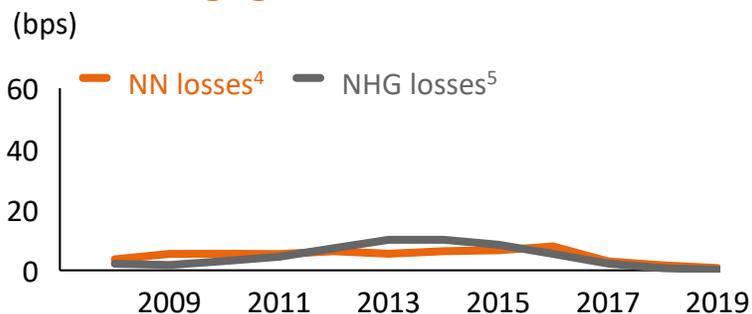
Mortgage spreads¹



Low risk profile and sound risk management

- Disciplined underwriting criteria
- Well collateralised loan book with a low risk profile
- ~34% backed by Dutch state (NHG²) and ~59% LTV³ below 90% at 1H20

Low mortgage losses in Dutch market



Strong sourcing capabilities

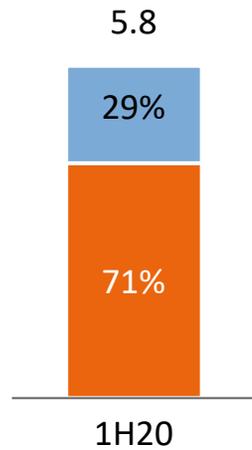
- Mortgage exposure of EUR 29bn in the insurance entities and EUR 20bn in the banking business at 1H20
- Mortgages valued at market rates, taking into account pre-payment behaviour
- Majority of mortgage assets originated by NN Bank
- Total origination of EUR 4.4bn in 1H20, of which ~40% transferred to NN Life

1. 20-year NN Bank rate versus the 9-year swap rate (average duration); 2. The National Mortgage Guarantee is referred to in Dutch as 'NHG' or 'Nationale Hypotheek Garantie'; 3. Loan-to-Value (LTV) for residential mortgages; based on the net loan to property indexed value; including insurance entities and banking business; average loan to value of 68% at 1H20 ; 4. Losses remaining after recovery measures; mortgages on the NN Group balance sheet; 5. Mortgage losses are taken from the NHG annual reports for relevant years

Financial leverage position and maturity profile

Financial leverage¹

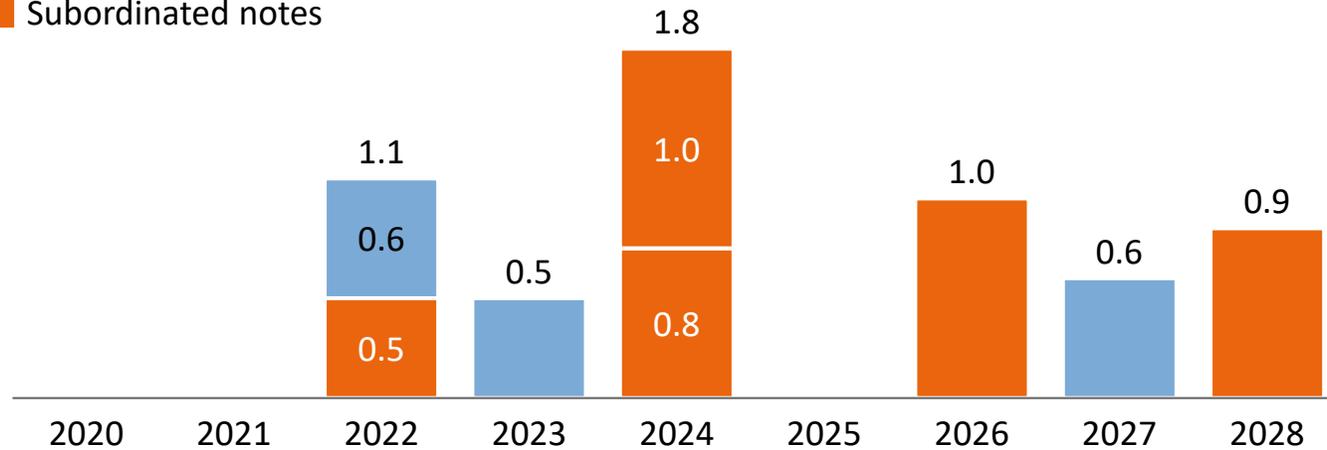
(EURbn)



Well balanced maturity profile

(EURbn)

■ Senior notes
■ Subordinated notes



Financial leverage ratio²: **24.7%**

Fixed cost coverage ratio²: **11.1x**

Remarks

- EUR 300m senior redeemed in June 2020

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 2020.

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.

Any forward-looking statements made by or on behalf of NN Group speak only as of the date they are made, and, NN Group assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason.

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