

NN Group N.V. 2020 Solvency and Financial Condition Report



Solvency and Financial Condition Report

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Summary

NN Group's approach to the Solvency and Financial Condition Report

This Solvency and Financial Condition Report ('SFCR') provides public quantitative and qualitative disclosures for NN Group N.V. ('NN Group') on Solvency II as required by the Solvency II legislation. NN Group already discloses most of the information that is required to be included in the SFCR in its 2020 Annual Report ('Annual Report'). In order to ensure the most transparent and user-friendly approach, the information that is already included in the Annual Report (including the Consolidated annual accounts, the Annual review and the Financial Report) is not duplicated in this SFCR. Therefore, this SFCR is prepared as a supplement to NN Group's Annual Report. It includes all information required to be disclosed in the SFCR, either through a specific reference to the Annual Report or as supplemental information.

As required by the Delegated Regulation (EU) 2015/35/Annex XX 'Structure of the Solvency and Financial Condition Report and Regular Supervisory Report', this SFCR follows the required standard chapter layout. The subjects addressed are based on Directive 2009/138/EC/ and (amended) Directive 2014/51/EU section 3 – Public Disclosures (articles 51-56), Delegated Regulation (EU) 2015/35 and (amended) Delegated Regulation (EU) 2016/467 and 2019/981 chapter XII Public Disclosures (articles 292-298).

NN Group is required to submit the so-called Quantitative Reporting Templates ('QRTs') to its supervisor Dutch Central Bank ('DNB'). A subset of these QRTs, which are required to be publicly disclosed and which provide quantitative information in accordance with Solvency II as at 31 December 2020, are included in the appendix to this SFCR.

The amounts disclosed in this SFCR are, consistent with the amounts in the Annual Report, in millions of euros unless stated otherwise. To comply with the Solvency II legislation, the amounts in the QRTs are in thousands of euros.

The Solvency ratio, as well as the amounts disclosed in this SFCR are not final until filed with the regulators.

Chapter A 'Business and performance' describes the overall business profile and structure of NN Group. It also provides insight into the underwriting and investment performance of NN Group. Chapter B 'System of governance' explains the organisational governance structure and looks into the role and execution of key Solvency II functions. Chapter C 'Risk profile' analyses NN Group's exposure to financial and non-financial risks and explains the risk mitigation techniques in place. Chapter D 'Valuation for group Solvency purposes' elaborates on the differences in presentation and measurement of balance sheet elements between Solvency II and International Financial Reporting Standards ('IFRS'). Chapter E 'Capital management' discusses the composition of Available and Eligible Own Funds and the calculation of the Solvency Capital Requirement ('SCR').

Covid-19 pandemic

Since early 2020, the spread of the Covid-19 pandemic is causing significant disruption to society and the world-wide economy, impacting NN Group, its employees, its customers and its suppliers. Financial markets have been severely impacted by significant volatility in interest rates, equity prices and spreads and the world-wide economy has been significantly impacted as well. Governments and central banks worldwide are responding to this crisis with aid packages and further supporting measures. At the date of this report, the depth and length of this crisis is unknown. NN Group is constantly monitoring the developments and the (potential) impact of the Covid-19 pandemic on NN Group. The most significant risks that NN Group is facing in this context are related to the financial markets (including interest rates, equity prices and spreads), insurance risk (including mortality and policyholder behaviour) and operational risk (continuity of business processes). Note 51 'Risk management' of the 2020 Financial Report of NN Group includes extensive disclosure on the exposure to such risks and the risk management thereof.

The Covid-19 pandemic, and the related impact on the financial markets, impacted the results of NN Group in 2020 mainly in the following areas:

- Negative revaluations on real estate and private equity investments in certain market sectors, reflected in Investment income - Change in fair value of real estate investments and share of result from associates and joint ventures.
- In Non-life, higher claims in Disability & Accident were partly compensated by lower claims in Property & Casualty. There was no significant net impact from the Covid-19 pandemic on the technical provisions for insurance contracts of NN Group.
- Additional uncertainties in the determination of the fair value of illiquid assets, including real estate investments and private equity investments. NN Group uses quarterly appraisals by external valuers as main input for the determination of fair value of its real estate investments. Uncertainties in the current environment have led to the inclusion of 'material valuation uncertainty' clauses in certain external valuation reports. Such clauses do not imply that the valuation cannot be relied upon, but are used to indicate that – in the current extraordinary circumstances – less certainty can be attached to valuations than would otherwise be the case.

Postponements of interest and/or principal payments have been offered on an individual basis to retail borrowers who face temporary payment difficulties on their mortgage loans or consumer loans. The number of cases is limited and the financial impact for NN Group was not significant.

At the date of this report, it is too early to determine the structural impact of the Covid-19 pandemic on results, capitalisation and longer term assumptions, if any. Also the amount and profitability of new sales may be impacted but, at the date of this report, it is too early to assess any (potential) structural impact.

NN Group has established a business continuity plan to help ensure the continuity of its businesses, the well-being of its staff and its capability to support its customers, whilst maintaining financial and operational resilience.

Summary continued

Other material changes and events in 2020

On 1 January 2020, the legal merger of NN Životná poisťovňa a.s. (Aegon Slovakia Life) into NN Slovakia Life became effective. As a result, Aegon Slovakia Life ceased to exist as a separate legal entity and NN Slovakia Life assumed all assets and liabilities of NN Životná poisťovňa a.s. (Aegon Slovakia Life) under universal title of succession.

On 13 February 2020, NN Group announced an open market share buyback programme for an amount of EUR 250 million over a period of 12 months, commencing on 2 March 2020. This programme was temporarily suspended on 6 April 2020 following the recommendation from DNB to suspend dividend distributions and share buybacks as a consequence of the Covid-19 pandemic. NN Group announced on 6 August 2020 the resumption of the share buyback programme. This share buyback was executed by financial intermediaries under an open market share buyback programme, which was completed on 26 February 2021.

On 1 April 2020, the legal merger of Nationale-Nederlanden Schadeverzekering Maatschappij N.V. (NN Schade) and Movir N.V. (Movir) became effective. As a result, Movir ceased to exist as a separate legal entity and NN Schade assumed all assets and liabilities of Movir under universal title of succession.

On 2 April 2020, NN Group announced the completion of its acquisition of VIVAT Schadeverzekeringen N.V. (VIVAT Non-life) as per 1 April 2020. As a result, NN Group acquired 100% of the shares in VIVAT Non-life from Athora for a consideration of EUR 416 million, as well as the EUR 150 million Tier 2 qualifying loans provided by VIVAT N.V. to VIVAT Non-life. On 31 December 2020, Nationale-Nederlanden Schadeverzekering Maatschappij N.V. (NN Schade) entered into a legal merger with VIVAT Non-life. As a result, VIVAT Non-life ceased to exist as a separate legal entity and NN Schade assumed all assets and liabilities of VIVAT Non-life under universal title of succession.

On 19 May 2020, NN Group entered into three reinsurance agreements to reinsure the full longevity risk associated with in total approximately EUR 13.5 billion of pension liabilities in NN Life in the Netherlands. This reinsurance reduces NN Group's exposure to longevity risk and, consequently, the required capital under Solvency II. The risk transfer is effective as of 1 January 2020 and will continue until the relevant portfolio has run off. The best estimate of all premiums and benefits due under the reinsurance are directly reflected in Solvency II Own Funds. The reduction of the longevity risk is reflected in a lower Solvency Capital Requirement. In combination, the lower risk profile resulted in an increase in the Solvency II ratio of NN Group of approximately 17%-points at the announcement of the reinsurance.

On 1 June 2020, NN Group redeemed its senior debt of EUR 300 million issued on 1 June 2017.

On 11 July 2020, the Dutch Central Bank (DNB) published a change in the requirements under Solvency II. DNB revised the required approach to calculating the Solvency II ratio for an insurance-led Financial Conglomerate (FICO) such as NN Group. Under the new approach, NN Group is required to include NN Bank in the calculation of its Solvency II ratio as from 31 December 2020. In 2016, DNB designated NN Group as a Financial Conglomerate and, as such, requested NN Group to exclude NN Bank from the NN Group Solvency II ratio. Accordingly, NN Group excluded NN Bank from both Group Own Funds and the Group Solvency Capital Requirement until 31 December 2020. The negative impact on the NN Group Solvency II ratio at 31 December 2020 is approximately 9% points and is in line with the earlier announced estimated impact.

On 2 September 2020, NN Group paid a 2020 interim dividend of EUR 2.26 per ordinary share, equivalent to EUR 705 million in total. This amount comprises (i) EUR 1.40 per ordinary share, equal to the amount of the 2019 final dividend that was suspended in April 2020 plus ii) EUR 0.86 per ordinary share, equal to the regular 2020 interim dividend. To neutralise the dilutive effect of the stock dividend, NN Group repurchased ordinary shares for a total amount of EUR 310 million. This share buyback was executed by financial intermediaries under an open market share buyback programme which was completed on 30 October 2020.

On 18 February 2021, NN Group announced the 2020 final dividend proposal of EUR 1.47 per ordinary share, or approximately EUR 456 million based on current number of outstanding shares (net of treasury shares). This is subject to adoption by the General Meeting at the annual general meeting to be held on 20 May 2021.

Eligible Own Funds

Solvency II requires to hold Eligible Own Funds for covering the Solvency Capital Requirement. The Eligible Own Funds are classified in three tiers depending on whether the own funds items are available to absorb losses on a going concern basis and/or in the case of winding-up as prescribed in the Solvency II Legislation. Tier 1 Own Funds items are the highest grade capital and Tier 3 Own Funds are the lowest grade capital.

Eligible Own Funds

In EUR million	2020	2019 ¹
Tier 1 (restricted and unrestricted)	16,726	15,063
Tier 2	2,569	2,474
Tier 3	733	703
Total Eligible Own Funds	20,028	18,240

1. The 2019 figures have been adjusted to reverse the deduction of the proposed 2019 final dividend of EUR 1.40 per ordinary share following recommendations of EIOPA and DNB regarding dividend distributions.

Summary continued

Eligible Own Funds increased from EUR 18,240 million at 31 December 2019 to EUR 20,028 million at 31 December 2020 mainly due to market variance, the inclusion of NN Bank into NN Group Own Funds and operating capital generation, partly offset by capital flows to shareholders and the impact of the UFR reduction. Market variance reflects the decrease of interest rates and positive equity revaluations, partly offset by the impact of movements in credit spreads.

Solvency Capital Requirement

As at 31 December 2020, the SCR related to the Solvency II entities is based on NN Group's Partial Internal Model for the Dutch insurance entities (NN Life, NN Non-life and NN Re) and the Standard Formula for ABN AMRO Life, ABN AMRO Non-life, Vivat Non-life and international insurance entities of NN Group. NN Non-life is in the process of expanding the PIM to include the former Vivat Non-life business.

Solvency Capital Requirement

In EUR million	2020	2019
Market Risk	5,493	4,558
Counterparty Default Risk	315	259
Non-Market Risk	6,933	6,745
Total BSCR (before diversification)	12,741	11,562
Diversification	-3,102	-2,910
Total BSCR (after diversification)	9,639	8,652
Operational Risk	758	704
LACDT	-2,225	-1,732
Other	-6	-12
Solvency II entities SCR	8,166	7,612
Non Solvency II entities	1,368	542
Total SCR	9,534	8,154

The Solvency Capital Requirement of NN Group increased from EUR 8,154 million at 31 December 2019 to EUR 9,534 million at 31 December 2020. The increase is mainly driven by the inclusion of NN Bank into NN Group SCR, market variances and the acquisition of VIVAT Non-life, partly offset by the impact of the longevity reinsurance transactions completed in May 2020. Market variance reflects the decrease of interest rates and positive equity revaluations, partly offset by the impact of movements in credit spreads. The loss-absorbing capacity of deferred taxes (LACDT) increased mainly due to a higher BSCR and reversal of a proposed Dutch corporate tax rate change.

NN Group's Solvency II ratio

The Solvency II ratio of NN Group decreased to 210% at the end of 2020 from 224% at the end of 2019. The decrease mainly reflects capital flows to shareholders, the inclusion of NN Bank into NN Group Solvency II ratio as of the end of 2020, the acquisition of VIVAT Non-life and market variance. This was partly offset by operating capital generation and other movements.

The inclusion of NN Bank reduced the Solvency II ratio of NN Group by 9%-points. Market variance reflects the negative impact of movements in credit spreads partly offset by positive equity revaluations. Capital flows to shareholders consist of EUR 1,161 million of dividends in 2020 and the EUR 250 million share buyback programme announced in February 2020. Other movements mainly reflect the longevity reinsurance transactions completed in May 2020 and the reduction of UFR from 3.90% to 3.75% and in total led to a positive impact on the Solvency II ratio of NN Group.

The following table presents the solvency ratio of NN Group at year-end 2020 (and reported at year-end 2019):

Solvency ratio

In EUR million	2020	2019 ¹
Eligible Own Funds (EOF)	20,028	18,240
Minimum Capital Requirement (MCR)	4,096	3,810
Solvency Capital Requirement (SCR)	9,534	8,154
Surplus	10,494	10,086
Ratio (%) (EOF/SCR)	210%	224%

1. The 2019 figures have been adjusted to reverse the deduction of the proposed 2019 final dividend of EUR 1.40 per ordinary share following recommendations of EIOPA and DNB regarding dividend distributions.

Impact of long term guarantees and transitional measures

The quantification of the impact of changing the volatility adjustment to zero, the transitional measures on technical provisions and the transitional measures on interest rates on NN Group's Solvency capital ratio - represented by an adjustment on the amount of technical provisions, the SCR, the Basic Own Funds and the Eligible Own Funds, is included in the paragraph 'Matching and volatility adjustment, transitional measures and transitional risk-free interest rate term structure' on page 26 in Section D.2 and QRT S.22.01.22 'Impact of long term guarantees and transitional measures' in the Appendix.

Summary continued

Subsequent events

Disposal Bulgarian operations

On 11 February 2021, NN Group announced that it has reached an agreement to sell its Bulgarian operations. Reference is made to Note 45 'Companies and businesses acquired and divested' in the 2020 Consolidated annual accounts of NN Group.

Share buyback programme

On 18 February 2021, NN Group announced that it will execute an open market share buyback programme for an amount of EUR 250 million. The programme will be executed within 12 months and commenced on 1 March 2021. The share buyback will be deducted in full from Solvency II Own Funds in the first half of 2021 and is estimated to reduce NN Group's Solvency II ratio by approximately 3%-points. It will be deducted from IFRS shareholders' equity when the actual buyback transactions occur.

Business and performance

A. Business and performance

Introduction

This chapter of the SFCR contains general information on NN Group, a simplified organisational structure, the scope of entities in Solvency II reporting and NN Group's financial performance over 2020.

A.1 Business

General

Reference is made to the section 'Corporate governance- General' of the 2020 Financial Report for the legal form of NN Group and its legal structure.

The supervisory authority responsible for financial supervision of NN Group:

Dutch Central Bank
Spaklerweg 4
1096 BA Amsterdam
The Netherlands

The contact details of NN Group's external auditor are:

Mr. P.A.M. (Peti) de Wit RA
KPMG Accountants N.V.
Laan van Langerhuize 1
1186 DS Amstelveen
The Netherlands

Information on the appointment of the external auditor is included in the section 'Corporate governance- External auditor' in the 2020 Financial Report of NN Group.

Qualifying holdings

A 'qualifying' holding is a direct or indirect holding in NN Group which represents 10% or more of the capital or of the voting rights or which makes it possible to exercise a significant influence over the management of that undertaking. As at 31 December 2020, there were no holders of qualifying holdings in NN Group.

Material lines of business and related undertakings

Reference is made to Note 32 'Segments' and Note 33 'Principal subsidiaries and geographical information' in the 2020 Consolidated annual accounts and the Annual Review for more information on the material lines of business and geographical areas of NN Group.

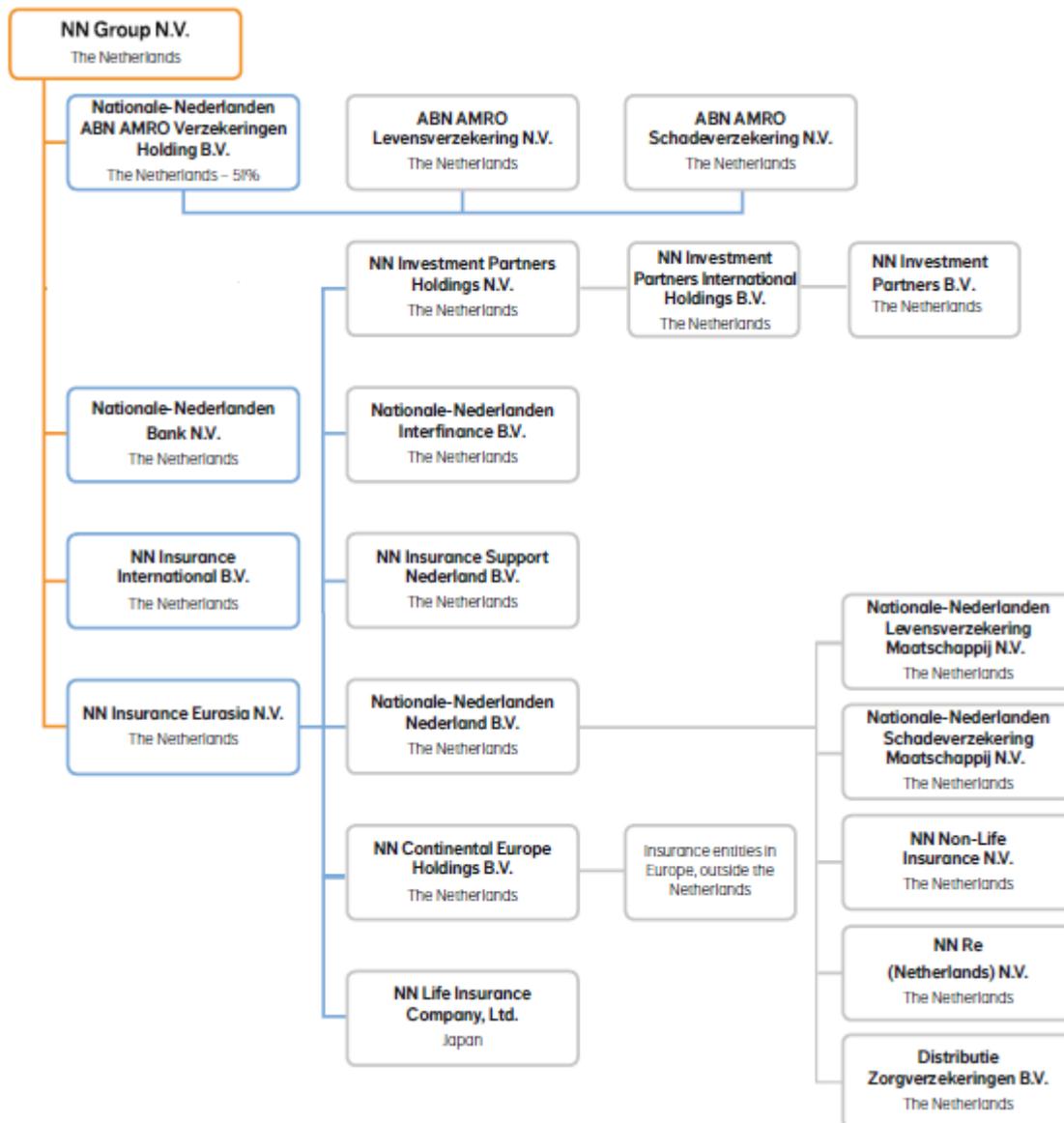
For information on any significant business events or other events that have occurred over the reporting period reference is made to the Financial developments section in the 2020 Financial Report.

Reference is made to Note '33 Principal subsidiaries and geographical information' in the 2020 Consolidated annual accounts for a list of material related undertakings and a description of the legal structure of NN Group. Reference is made to the section 'Corporate governance' of the 2020 Financial Report for information on the governance and organisational structure of NN Group.

Business and performance continued

Simplified group structure

The simplified group structure as at 31 December 2020 is as follows:



Reference is made to QRT S.32.01.22 'Undertakings in the scope of the group' in the Appendix for more details on the undertakings in the scope of the group.

Material differences between the scope of the group used for the consolidated financial statements and the scope for the consolidated data in Solvency II

Basis of consolidation for financial (IFRS) reporting

NN Group comprises NN Group N.V. and all its subsidiaries. The Consolidated annual accounts of NN Group comprise the accounts of NN Group N.V. and all entities over which NN Group has control. NN Group has control over an entity when NN Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The assessment of control is based on the substance of the relationship between NN Group and the entity and considers existing and potential voting rights that are substantive. For a right to be substantive, the holder must have the practical ability to exercise that right.

For interests in investment entities, the existence of control is determined taking into account both NN Group's financial interests for own risk and its role as asset manager. Financial interests for risk of policyholders are not taken into account when the policyholders decide on the investment allocations of their insurance policies (i.e. the policyholder has the 'power') and assume all risks and benefits of these investments (i.e. the policyholder assumes the variable returns).

Business and performance continued

The results of the operations and the net assets of subsidiaries are included in the profit and loss account and the balance sheet from the date control is obtained until the date control is lost. Minority interests are initially measured at their proportionate share of the subsidiaries' identifiable net assets at the date of acquisition. On disposal, the difference between the sales proceeds, net of directly attributable transaction costs, and the net assets is included in net result.

A subsidiary which NN Group has agreed to sell but is still legally owned by NN Group may still be controlled by NN Group at the balance sheet date and, therefore, still be included in the consolidation. Such a subsidiary may be presented as held for sale if certain conditions are met.

All intercompany transactions, balances and unrealised gains and losses on transactions between group companies are eliminated. Where necessary, the accounting policies used by subsidiaries are changed to ensure consistency with NN Group policies. In general, the reporting dates of subsidiaries are the same as the reporting date of NN Group N.V.

A list of principal subsidiaries is included in Note 33 'Principal subsidiaries and geographical information'.

NN Group owns 51% of the shares of Nationale-Nederlanden ABN AMRO Verzekeringen Holding B.V. (ABN AMRO Verzekeringen). ABN AMRO Verzekeringen is fully consolidated by NN Group, with a minority interest recognised of 49%. At 31 December 2020, the minority interest relating to ABN AMRO Verzekeringen recognised in equity was EUR 259 million (2019: EUR 241 million). Further reference is made to chapter E of this SFCR and Note 14 'Equity' in the 2020 Consolidated annual accounts.

Basis of consolidation for Solvency II reporting

For Solvency II reporting, NN Group makes a distinction in the treatment of the following groups of entities:

- Solvency II entities: These are all life, non-life and reinsurance entities that are located within the European Economic Area ('EEA'). These entities are subject to the Solvency II legislation for both solo and Group reporting. The accounting and consolidation-based method, similar to the IFRS consolidation method, is used to consolidate Solvency II entities over which NN Group has control. Solvency II entities are consolidated line-by-line in the Solvency II balance sheet whereas intra-group transactions between Solvency II entities have been eliminated.
- Non-Solvency II entities are entities controlled by NN Group that are other financial sector entities or are (re)insurance entities outside the EEA. These entities are not consolidated in the Solvency II balance sheet, but recognised as participations in the Solvency II Balance Sheet of NN Group. Intercompany transactions with Non-Solvency II entities are not eliminated. Their participation value and their contribution to the Group capital requirement are based on local sectoral rules. NN Group recognises the following types of non-Solvency II entities:
 - Other financial sector entities, including Institutions for Occupational Retirement Provision: pension funds in Central Europe, asset management activities and NN Bank.
 - Non-EEA insurance entities on equivalence basis: NN Group makes use of the deduction and aggregation ('D&A') method for NN Life Japan, following the granting of provisional equivalence of Japan by the European Commission.

NN Group is designated by DNB as a mixed financial holding company, also known as a Financial Conglomerate and, as such, DNB requested NN Group to exclude NN Bank from the NN Group Solvency II ratio. In July 2020, DNB published new guidance, in which the required approach to calculate the Solvency II ratio for an insurance-led Financial Conglomerate such as NN Group was revised. Under the new approach, NN Group is required to include NN Bank in the calculation of its Solvency II ratio, as from 31 December 2020.

ABN AMRO Verzekeringen, which is 51% owned by NN Group, is fully consolidated in the Solvency II balance sheet and 100% included in both Basic Own Funds and the SCR. The 49% minority interest in the excess of Own Funds over the SCR is excluded from the Eligible Own Funds of NN Group as required by the Delegated Regulation (EU) 2015/35/article 330 (4) and Guideline 14 'Treatment of minority interests for covering the group solvency capital requirement'.

Main difference in consolidation basis for Solvency II and IFRS reporting

For Solvency II reporting, non-Solvency II entities are not consolidated line-by-line while they are for IFRS reporting.

Relevant operations and transactions within the group

In the normal course of business, NN Group entities enter into various transactions with entities within the consolidated Group. These are described in chapter B.7 'Outsourcing'. In addition to the regular funding of the subsidiaries of NN Group, the central cash pooling activities for the Dutch subsidiaries by NN Group and the intra-group outsourcing arrangements, various intra-group transactions occurred in 2020 in the normal course of business. These include mainly:

- The utilisation of a credit facility between NN Life (lender) and NN Eurasia (borrower) for an outstanding amount of EUR 4,270 million outstanding at the end of 2020
- A credit facility of EUR 1,000 million between NN Interfinance (lender) and NN Life (borrower) is in place. No amount was outstanding under this facility at the end of 2020

Business and performance continued

A.2 Underwriting Performance (see A3 below)

A.3 Investment Performance

NN Group's operating result is analysed through a margin analysis, which includes the investment margin (investment performance), fees and premium-based revenues and the technical margin (underwriting performance). For information on underwriting and investment performance per material line of business, reference is made to the Financial developments section in the 2020 Financial Report and Note 32 'Segments' in the 2020 Consolidated annual accounts of NN Group. For the underwriting performance of entities in scope of Solvency II, reference is made to QRT S.05.01.02 'Premiums, claims and expenses by line of business' and QRT S.05.02.01 'Premiums, claims and expenses by country' in the Appendix.

Further reference is made to Note 23 'Investment income' in the 2020 Consolidated annual accounts of NN Group for information on income and expenses arising from investments by asset class and the components of such income and expenses.

Gains and losses on investments recognised directly in equity are disclosed in Note 14 'Equity'- revaluation reserve and in the Consolidated statement of comprehensive income in the 2020 Consolidated annual accounts of NN Group.

Information on investment in securitisations is included in Note 46 'Structured entities' in the 2020 Consolidated annual accounts of NN Group. Most of the investments in securitisations issued by third parties relate to debt instruments of structured entities regarding asset-backed securities, classified as loans. Further reference is made to Note 5 'Available-for-sale investments' in the 2020 Consolidated annual accounts of NN Group for more information on these investments in structured entities.

A.4 Performance of other activities

Other material income and expenses incurred over 2020 are disclosed in notes 22-30 and the Financial developments section in the 2020 Financial Report of NN Group.

A.5 Any other information

Reference is made to the Financial developments section in the 2020 Financial Report of NN Group for any other material information regarding the business and performance of NN Group.

System of governance

B. System of governance

Introduction

This chapter of the SFCR contains information on the system of the governance of NN Group in addition to governance information included in the NN Group 2020 Financial Report. The additional information includes relevant committees of the Executive Board, a description of the main roles and responsibilities of the key functions and NN Group's approach to the 'fit and proper' requirements and Own Risk and Solvency Assessment.

B.1 General information on the system of governance

This chapter describes the structure of the committees, and explains the responsibilities, members and interdependencies of each committee. This chapter sets out the governance and control framework effective in 2020.

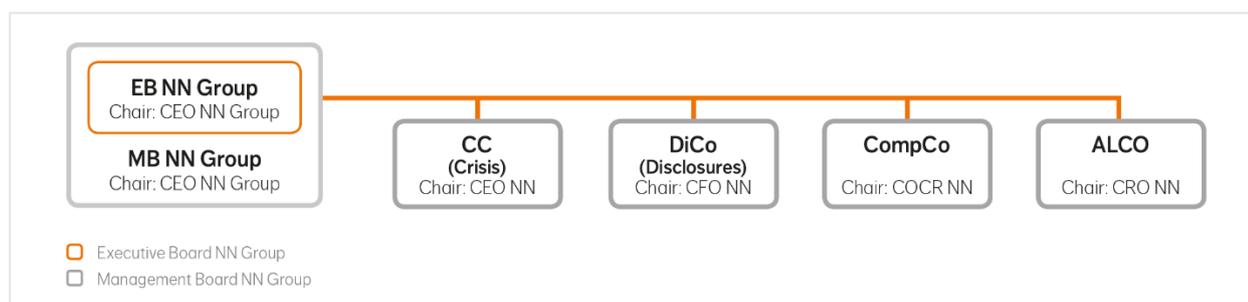
Structure of governance and changes in system of governance

For a description of the structure of NN Group's administrative, management and supervisory body, reference is made to the Corporate Governance section and the Report of the Supervisory Board, both included in the NN Group 2020 Financial Report and to the NN Group website: <https://www.nn-group.com/our-company/corporate-governance.htm>. These sources also describe the main roles and responsibilities of these bodies, provide a brief description of the segregation of responsibilities within these bodies and describe their relevant committees.

EB committees

The Executive Board ('EB') of NN Group has entrusted the Management Board ('MB') of NN Group with the day-to-day management of NN Group and the overall strategic direction of NN Group. The Executive Board has established four committees: Crisis, Disclosure, Compensation and Asset and Liability Committee.

The respective charters of each committee explain the responsibilities, memberships(s) and interdependencies of each committee.



Crisis Committee

The main scope and responsibility of the Crisis Committee ('CC') is handling financial and non-financial crisis situations as defined by the MB of NN Group. The Crisis Committee meets on an ad-hoc basis, but at least twice per year, face-to-face. The Crisis Committee is chaired by the Chief Executive Officer ('CEO') of NN Group.

Disclosure Committee

Among the Disclosure Committee's ('DiCo') responsibilities is to advise the EB on regular disclosures. Regular disclosures relate to the publication of NN Group's semi- and annual financial results. The Disclosure Committee meets at least twice per year, before the publication of the semi- and annual results of NN Group. The Disclosure Committee can also be convened on an ad-hoc basis in order to decide on issues relating to (the publication of) inside information. The Disclosure Committee is chaired by the Chief Financial Officer ('CFO') of NN Group.

Compensation Committee

The Compensation Committee ('CompCo') is responsible for reviewing and pre-approving remuneration proposals for identified staff and high earners as defined in the NN Group Remuneration Framework, reviewing and approving remuneration proposals in the annual pay review for identified staff and high earners. The CompCo is also responsible for setting, monitoring and reviewing the total spend on discretionary variable remuneration within NN Group and reviewing the design and operation of the Remuneration Framework. The Compensation Committee is chaired by the Chief Organisation & Corporate Relations ('COCR') of NN Group.

Asset and Liability Committee

The NN Group Asset and Liability Committee ('ALCO') oversees the activities and market risks related to investments and the matching of assets and liabilities at NN Group level. The NN Group ALCO has decision making authorities that are allocated from the NN Group Management Board. Investment decisions are taken by the local ALCO/ management board. For major business units the Strategic Asset Allocation and the interest rate risk policy must be approved by the NN Group ALCO. The local ALCO and/or -management board remain responsible for these decisions. For this reason, the NN Group ALCO can only approve or decline proposals and request amendments. The local ALCO and/or -management boards are required to inform the NN Group ALCO about any deviations from the requested amendments including a justification of their decision. The Asset and Liability Committee is chaired by the Chief Risk Officer ('CRO') of NN Group.

System of governance continued

Roles and responsibilities of key functions

NN Group has organised the Solvency II key functions in accordance with the applicable Solvency II regulations. All Solvency II key function holders within NN Group have passed the applicable fit and proper test. All the Solvency II key functions are able to carry out their duties objectively and free from undue influence, and do not simultaneously perform conflicting activities. They all have been given an appropriate standing in the organisation and can report relevant findings directly to the relevant Board(s).

Risk Function

The Risk Function is a Solvency II key function within NN Group.

Role

Within the Management Board, the chief risk officer (CRO) is entrusted with the day-to-day execution of the tasks in the domain of the Risk Management Function, while the Legal function and Compliance function fall within the responsibility of the General Counsel. In the period January-May 2020, the Group CFO acted as Group CRO on an interim basis. From 1 June 2020 onwards, a dedicated CRO took office.

The NN Group CRO steers an independent risk organisation which supports the first line in their decision-making, but which also has sufficient countervailing power to prevent excessive risk taking. The NN Group CRO is also responsible for the organisation of Group Risk at Head Office level. Each business unit has its own CRO, who reports hierarchically to the BU CEO, and has a functional line to the NN Group CRO. The NN Group CRO must ensure that both the Management Board and the Supervisory Board are at all times informed of, and understand the material risks to which NN Group is exposed.

Responsibilities

Within the Management Board, the CRO is entrusted with the execution of the following tasks:

- Setting and monitoring compliance with NN Group's overall risk policies issued by the Risk Management Function
- Formulating NN Group's risk management strategy and ensuring that it is implemented throughout NN Group
- Supervising the operation of NN Group's risk management and business control systems
- Reporting of NN Group's risks, as well as the processes and internal controls
- Making risk management decisions with regard to matters which may have an impact on the financial results of NN Group or its reputation, without limiting the responsibility of each individual member of the Management Board in relation to risk management
- Sharing best practices across NN Group

Group Risk supports the NN Group CRO in the execution of his duties and responsibilities. To ensure solid understanding, oversight, and support to the Business Units, the span of control of the NN Group CRO is strengthened by a Risk Oversight department at Group level. Risk governance and frameworks, as well as internal and external risk reporting, is supported by the Enterprise Risk Management (ERM) team. Specialised Financial Risk Management and Operational Risk Management teams provide extra emphasis to the management of those risk types.

Compliance Function

The Chief Compliance Officer is the Solvency II Key Function Holder for Compliance.

Role

To effectively manage business conduct risk, NN Group has a Compliance Function attributed to the General Counsel, member of the Management Board, who has delegated the responsibility for day-to-day management of the Compliance Function to the Chief Compliance Officer. The Compliance Function is positioned independently from the business it supervises. This independent position is, amongst others, warranted by independent reporting, unrestricted access to senior management as well as structural, periodic meetings with the CEO and the Chairman of the Risk Committee of the Supervisory Board.

Responsibilities

Within NN Group's broader risk framework, the purpose of the Compliance Function is to:

- Understand and advocate rules, regulations and laws for the effective management of risks in scope of the compliance function
- Proactively work with and advise the business to manage business conduct and customer suitability risk throughout our products' life cycle and our business' activities to meet stakeholder expectations
- Develop and enhance tools to strengthen the three lines of defence to detect, communicate, manage and to report on business conduct risks
- Support NN Group's strategy by establishing clear roles and responsibilities to help embed good compliance practices throughout the business by using a risk based approach to align business outcomes with NN Group's risk appetite
- Deepen the culture of compliance by partnering with the business to increase the culture of trust, accountability, transparency and integrity in evaluating, managing and in reporting on business conduct risk
- Monitor that management and employees act in accordance with NN Group's policies and standards in scope of the function, as well as related laws and legislation

At the business unit level, management establishes and maintains a Compliance Function and appoints a Local Compliance Officer (LCO). The LCO hierarchically reports to the CEO or the business unit Head of Legal & Compliance or in exceptional cases the CRO.

System of governance continued

Internal Audit Function

The Corporate Audit Services NN Group ('CAS') is also a Solvency II key function within NN Group. For a description of this function, its role and responsibilities, and implementation in the NN Group structure, reference is made to section B.5.

Actuarial Function

The Actuarial Function is also a Solvency II key function within NN Group. For a description of this function, its role and responsibilities, and implementation in the NN Group structure, reference is made to section B.6.

Remuneration

NN Group has an overall remuneration policy described in the NN Group Remuneration Framework, which provides for reward guidelines and principles for all country and business unit remuneration policies within NN Group. NN Group aims to apply a clear and transparent remuneration policy that is adequate to attract and retain expert leaders, senior staff and other highly qualified employees. The remuneration policy is also designed to support NN Group's employees to act with integrity and to carefully balance the interests of our stakeholders, including the future of our clients and of our company. Reference is made to the Remuneration report as part of the 2020 Financial Report and Note 28 'Staff expenses' as disclosed in the 2020 Consolidated annual accounts of NN Group for information on the remuneration policy and practices regarding administrative, management and supervisory bodies and employees.

Transactions with related parties

Reference is made to Note 47 'Related parties' and Note 48 'Key management personnel compensation' in the 2020 Consolidated annual accounts of NN Group for information about material transactions during the reporting period. Section B.7 in this SFCR contains more information on intra-group outsourcing arrangements. Transactions with people who exercise a significant influence on NN Group and with members of the Management Board, Executive Board and Supervisory Board are disclosed in Note 48 'Key management personnel compensation' in the 2020 Consolidated annual accounts of NN Group.

Adequacy of system of governance

A description of the main characteristics of the system of governance and risk management and control systems of NN Group and its subsidiaries is disclosed in Note 51 'Risk management' to the Consolidated annual accounts. The sections 'Report of the Supervisory Board' and 'Corporate Governance' in the NN Group Financial Report render account of the main activities and changes that occurred during the financial year. NN Group's system of governance consist of among others our risk management and internal control system which is aligned with the nature, scale and complexity of our organisation. Elements of NN Group's system of governance are regularly reviewed, and adapted when necessary, to ensure the system of governance is appropriate for our organisation.

Consistent use of risk management, internal control systems and reporting procedures

Reference is made to Note 51 'Risk management' in the 2020 Consolidated annual accounts of NN Group for a description of how the risk management and internal control systems and reporting procedures are implemented consistently throughout the Group.

Own risk and solvency assessment at group and entity level

NN Group did not make use of the option provided for in the third subparagraph of Article 246(4) of Directive 2009/138/EC to conduct the own risk and solvency assessments at the level of the group and at the level of any subsidiary in the group simultaneously. The assessment is done by each regulated insurance entity separately. NN Group performs its own ORSA, taking into account outcomes of local assessments where relevant and necessary.

B.2 Fit and proper requirements

For a description of NN Group's specific requirements concerning skills, knowledge and expertise applicable to the people who manage NN Group, reference is made to the Profile of the Executive Board and Management Board, included in Annex 2 to both the Charter of the Executive Board of NN Group, and the Charter of the Management Board of NN Group, which charters are available on the NN Group website: <https://www.nn-group.com/our-company/corporate-governance.htm>.

As stated in article 1.3(f) of the Charter of the Nomination and Corporate Governance Committee of the Supervisory Board of NN Group, this Committee shall at least annually review, assess and report its findings to and recommend any actions to be taken by the Supervisory Board regarding the Profile of the Executive Board and Management Board.

Requirements concerning skills, knowledge and expertise applicable to people who have other key functions, are included in the respective job profiles.

Various NN Group policies and charters include provisions aiming to ensure that the people who effectively manage NN Group and the people fulfilling key functions are fit and proper. During recruitment all candidates must have the professional qualifications, knowledge and experience that are required for sound and prudent management ('fit') and be of good reputation and have integrity ('proper'). In an early stage of the hiring process, an approval request is put forward to the external regulator (DNB or AFM).

For a description of NN Group's process for assessing the fit and proper quality of the people who effectively run NN Group, reference is made to article 1.4 (nn)(vii) and 2.5 of the Charter of the Supervisory Board, which is available on the NN Group website: <https://www.nn-group.com/our-company/corporate-governance.htm>. As in previous years, permanent education sessions were organised for the Executive Board, the Management Board and the Supervisory Board.

System of governance continued

All people holding key functions are assessed against their performance objectives, leadership behaviours and any other requirements from their job profiles during the annual performance cycle and specifically during the year-end appraisal.

Furthermore, the Supervisory Board, assisted by its Audit Committee, supervises the functioning and performance of CAS and its General Manager.

B.3 Risk management system including the own risk and solvency assessment

Description of NN Group's risk management system

Reference is made to Note 51 'Risk management' in the 2020 Consolidated annual accounts of NN Group for:

- a description of the risk management system, which comprises of strategies, processes and reporting procedures,
- how NN Group is able to effectively identify, assess, monitor, manage and report, on a continuous basis, and
- the risks to which NN Group is or could be exposed on an individual and aggregated level.

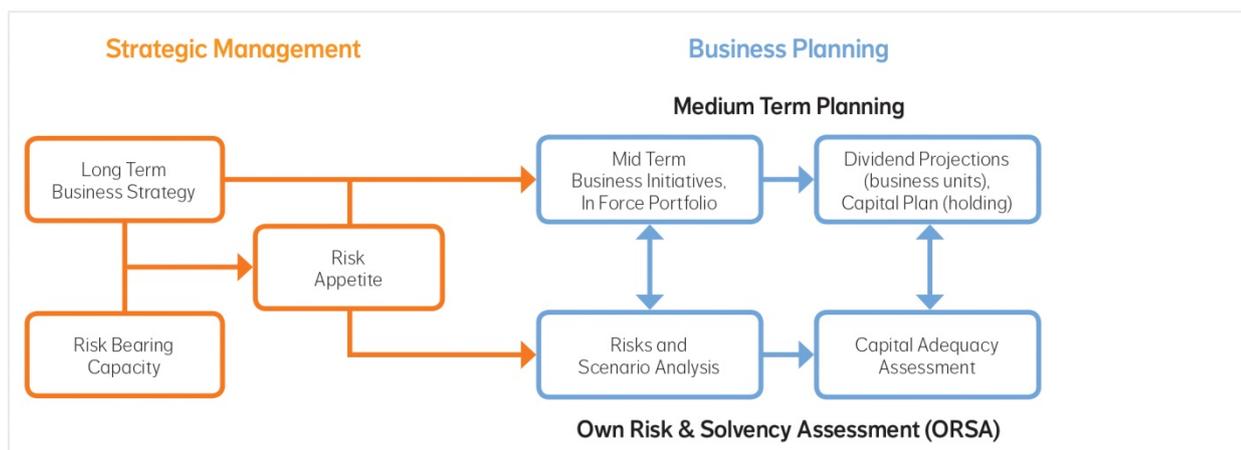
In the same note, a description is included on how the risk management system including the risk management function are implemented and integrated into the organisational structure and decision-making processes of NN Group.

Own Risk and Solvency Assessment

The annual Own Risk & Solvency Assessment (ORSA) is an assessment whether NN Group remains adequately capitalised during the Business Plan under a wide range of scenarios that may impact NN Group's solvency position. In the ORSA, NN Group assesses:

- scenarios that can have a significant impact on NN Group's solvency position during the Business Plan period, both for risks that are modelled as part of NN Group's internal model as well as risks that are not modelled explicitly, and
- the continuous appropriateness of our internal model in the context of NN Group's risk profile.

As such, the ORSA is linked to the strategic management process and related decision-making framework as illustrated below:



NN Group (and each of its regulated insurance subsidiaries) prepares an ORSA at least once a year. In the ORSA, NN Group:

- articulates its strategy and risk appetite;
- describes its key risks and how they are managed;
- analyses whether or not its risks and capital are appropriately modelled; and
- evaluates how susceptible the capital position is to shocks through stress testing and scenario analysis.

Stress testing examines the effect of severe but plausible scenarios on the capital position of NN Group. Stress testing can also be initiated outside the ORSA, either internally or by external parties such as DNB and the European Insurance and Occupational Pensions Authority ('EIOPA').

NN Group's banking and investment management operations run an annual internal capital and liquidity adequacy assessment process ('ICLAAP') in conformity with Basel III requirements. ICLAAP tests whether current capital positions are adequate for the financial risks that the relevant NN Group entities bear.

Monitoring between regular ORSAs: possible ad-hoc ORSA

To the extent necessary, outcomes of the ORSA are translated in ad-hoc ORSA triggers (i.e. events that lead to a significant shock in the risk profile and/or capital position), risk metrics and management actions for identified material risks. Monitoring of ad-hoc ORSA triggers and risk metrics is performed as part of the regular Finance & Risk control cycle. Developments are documented in internal Finance & Risk reports and discussed during board and/or delegated committee meetings. CROs within NN Group are responsible for identifying the need of a(n) (partial) ad-hoc ORSA. NN Group will be informed as soon as possible when the decision for a(n) (partial) ad-hoc ORSA is made in a business unit. In such cases, the relevant national supervisory authority is also informed.

System of governance continued

The regular ORSA process as undertaken within NN Group

Capital plan and projections

The strategy is further translated into a Capital Plan. The capital planning process starts with the annual budgeting process in which a capital plan is prepared for NN Group and its operating entities with a time horizon of 5 years. The Capital Plan is based on current expectations including macroeconomic assumptions. The base-case and projected technical provisions are reviewed by the Actuarial Function to assess whether they represent a true and fair view of future liabilities. The Actuarial Function also provides input concerning the risks arising from the calculation of technical provisions.

Capital adequacy is ensured through the capital planning process and further analysed using the 1-in-20 year scenarios and specific stress scenarios that might change from time to time. In the ORSA process, the capital plan is used as the basis to further assess a wide range of scenarios during the business plan period.

Strategy and risk appetite

A thorough (re-)assessment of strategy is usually done once every 3-5 years or when material developments in the external or internal environment require. Yearly assessments are made in the first half of the year whether to adjust the strategy for developments in the past year and/or revised assumptions on the future. Setting (and adjusting) the risk appetite is inextricably part of strategy setting (and adjusting).

Risk Assessment

Key to the ORSA is the identification of potentially solvency threatening risks for legal entities by management boards, given their strategy and risk appetite. For both modelled and non-modelled risks, we apply stress testing to understand and quantify the impact of adversity of these scenarios on our consolidated balance sheet.

Appropriateness test of regulatory capital calculation

The assumptions and models for calculating regulatory solvency requirements are assessed against the actual risk profile. Differences are analysed in terms of future model improvements and/or non-modelled risks. The outcome of the analysis may lead to mitigating actions to overcome model shortcomings. If the deviations or uncertainties are considered material, quantification of the deviation is necessary in order to consider a (temporary) self-imposed capital add-on.

Stress testing and overall assessment of capital adequacy

Based on the Business Plan and the outcomes of the risk assessment, (reverse) stress scenarios and their parameters are developed and documented. The Management Board is responsible for identifying the key uncertainties and the related scenarios.

Scenario testing, as well as (reverse) stress testing are required for each ORSA. At the same time, the group ORSA will assess any local stress scenarios that may significantly impact NN Group's capital position and perform statistical stress tests on modelled risks. When the outcomes of performed stress tests show solvency ratios dropping below 100%, realistic strategies for recovering solvency ratios will be considered and documented in the ORSA report. For Business Units, a capital downstream can only be considered if there is no other feasible management option left.

Ultimately, after all assessments and considerations (including formulated management actions) the ORSA is to conclude whether, going forward, the entity concerned is adequately capitalised under a wide range of scenarios over the planning horizon.

Governance of NN Group's Partial Internal Model

The responsible departments and committees for NN Group's Partial Internal Model and how they interact with the Executive and Supervisory Board are disclosed in the Corporate Governance section of the 2020 Financial report and in section B.1 'General information on the system of governance' above.

Model Validation

NN Group's Model Validation department aims to ensure that NN Group's models are fit for their intended purpose. For this purpose, Model Validation carries out validations of risk and valuation models in particular those related to Solvency II. Any changes to models that have an impact larger than certain pre-set materiality thresholds require approval from either the Group CRO and CFO, or the NN Group Management Board.

Model validation is not a one-off assessment of a model, but an ongoing process whereby the reliability of the model is verified at different stages during its lifecycle: at initiation, before approval, when the model has been redeveloped or modified, and on a regular basis, based on a planning discussed and agreed with Model Development. It is not only a verification of the mathematics and/or statistics of the model but encompasses both a quantitative and qualitative assessment of the model. Accordingly, the validation process covers a mix of developmental evidence assessment, process verification and outcome analysis.

The validation cycle determines the maximum period between two model validations, which can be up to five years. This means that each model in scope will be independently validated at least once within the validation cycle. In general, the length of the validation cycle relates to the relative materiality of the models in scope. In addition, reference is also made for more detail to Note 51 'Risk management' in the 2020 Consolidated annual accounts of NN Group.

System of governance continued

B.4 The Internal control system and Compliance Function

Reference is made to Note 51 'Risk management' of the 2020 Consolidated annual accounts of NN Group for a description of the implementation of the Internal control system and Compliance Function.

B.5 Internal Audit Function

Corporate Audit Services NN Group (CAS), the internal audit department within NN Group, is an independent assurance function and its responsibilities are established by the Executive Board of NN Group, pre-discussed with the Audit Committee and approved by the Supervisory Board of NN Group. CAS independently assesses the effectiveness of the design of the organisation and the quality of procedures and control measures. CAS is an essential part of the corporate governance structure of NN Group.

CAS keeps in close contact with home and local supervisors and regulators as well as with the external auditor via regular meetings in which current (audit) issues are discussed as well as internal and external developments and their impact on NN Group and CAS. CAS also exchanges information like risk assessments and relevant (audit) reports.

The General Manager and staff of CAS are authorised to:

- Obtain without delay, from General Managers within NN Group, information on any significant incident concerning NN Group's operations including but not limited to security, reputation and/or compliance with regulations and procedures
- Obtain without delay, from responsible managers within NN Group, a copy of all letters and reports received from external review agencies (e.g. external auditor, supervisors, regulators and other agencies providing assurance related services)
- Have free, full, unrestricted and unfettered access at any time deemed appropriate to all NN Group departments, offices, activities, books, accounts, records, files, information. CAS must respect the confidentiality of (personal) information acquired
- Require all NN Group staff and business management to supply such information and explanations, as may be needed for the performance of assessments, within a reasonable period of time
- Allocate resources, set frequencies, select subjects, determine scope of work and apply appropriate techniques required to accomplish the CAS's objectives
- Obtain the necessary assistance of personnel in various departments/offices of NN Group where CAS performs audits, as well as other specialised/professional services where considered necessary from within or outside NN Group. CAS should exercise its authority with the minimum possible disruption to the day-to-day activities of the area being assessed

In compliance with the Dutch Corporate Governance Code, the Executive Board is responsible for the role and functioning of CAS, supervised by the Supervisory Board, supported by the Audit Committee. The General Manager of CAS is accountable to the CEO and functionally to the chair of the Audit Committee. On a day-to-day basis the General Manager of CAS reports to the CEO.

B.6 Actuarial Function

The primary objective of the Actuarial Function, who reports hierarchically to the CFO and functionally to the CRO, is to ensure that technical provisions (under Solvency II and IFRS) are reliable and adequate, and as such that NN Group is able to meet its obligations towards policyholders and to protect NN Group from loss or reputational damage.

The Actuarial Function operates within the context of NN Group's broader Risk Management System. Within this system, the role of the Actuarial Function is to:

- Understand and advocate the rules, regulations and laws for effective management of the calculation process of technical provisions, covering elements such as data quality, assumption setting, models and methods, as well as underwriting and reinsurance arrangements; proactively advise the business to manage the risk of unreliable and inadequate technical provisions
- Inform management and the supervisory board on its opinion on the adequacy and the reliability of the technical provisions, the adequacy of reinsurance arrangements and the underwriting policy at least on an annual basis through the Actuarial Function Report
- Develop and enhance tools to strengthen the three lines of defence to detect, communicate, manage and to report on risks related to unreliable or inadequate technical provisions
- Support NN Group's strategy by establishing clear roles and responsibilities to help embed good (actuarial) practices throughout the organisation by using a risk-based approach to align insights with NN Group's risk appetite
- Strengthen the culture of professional risk management by challenging management and experts to increase the culture of trust, accountability, transparency and integrity in evaluating, managing and reporting on risks to unreliable or inadequate technical provisions

Reference is made to Note 51 'Risk management' of the 2020 Consolidated annual accounts of NN Group for a description of the Actuarial Function.

System of governance continued

B.7 Outsourcing

External Outsourcing arrangements

NN Group has outsourced part of its (IT) processes to external service providers. There are no significant provisions recognised for doubtful debts or individually significant bad debt expenses on outstanding balances with these providers.

For these external outsourcing arrangements written service level agreements are in place, setting out:

- The mutual rights and obligations of the parties
- The duties and responsibilities of all parties involved
- The Service Provider's commitment to comply with applicable local laws and regulatory requirements, applicable to the outsourced function or activity and to cooperate with the Outsourcing Entity's relevant supervisory authority with regard to the outsourced function or activity
- The Service Provider's obligation to disclose any development which may have a material impact on its ability to carry out the outsourced functions and activities effectively and in compliance with applicable laws and regulatory requirements
- That the Service Provider and the Outsourcing Entity can only terminate the contract with a notice period
- That the Outsourcing Entity is able to terminate the arrangement for outsourcing where necessary without detriment to the continuity and quality of its provision of services to the policyholder and other clients
- That the Outsourcing Entity reserves the right to be informed about the outsourced functions and activities and their performance by the Service Provider as well as a right to issue general guidelines and individual instructions at the address of the Service Provider, as to what has to be taken into account when performing the outsourced functions or activities

Intra-group Outsourcing arrangements

In the normal course of business, NN Group entities enter into various transactions with entities within the consolidated Group. Transactions with entities within the consolidated Group take place on an arm's length basis and include distribution agreements, human resources-related arrangements and rendering and receiving of services.

All intra-group transactions are conducted under market-consistent conditions. Intra-group transactions include:

- Facility services carried out by group companies for insurance and other entities
- Various other shared services, including finance and information technology, carried out by group companies for insurance and other entities
- Staff of the insurance entities within NN Group in the Netherlands is employed by NN Personeel B.V. The Dutch insurance entities are charged for their staff expenses by NN Personeel B.V. under a service level agreement. Although these costs are not paid out in the form of salaries, they do have the character of staff expenses and they are therefore recognised as such. A staff provision for holiday entitlement and bonuses is recognised at NN Personeel B.V. Actual spending is charged to the Dutch insurance entities as per the contract with NN Personeel B.V.
- Transactions between NN Group and its Dutch subsidiaries concerning the payment of tax, as NN Group heads the fiscal unity in the Netherlands
- NN Re (Netherlands) N.V. carries out reinsurance activities of NN Non-life, NN Life and certain other NN Group entities
- The transactions in financial instruments, such as shares, bonds, loans (excluding mortgage loans) and derivatives, are conducted via a management agreement with NN Investment Partners Holding B.V. NN Investment Partners B.V. makes use of Nationale-Nederlanden Interfinance B.V. for the execution of the transactions involving certain derivatives
- Zicht B.V. acts as an authorised agent for NN Non-life
- NN Bank is the servicing and originating partner for mortgage loans held by other group companies within the Netherlands

For material intra-group outsourcing arrangements, a written service level agreement is in place, similar to the one used for external service providers.

B.8 Any other information

Reference is made to the Corporate Governance section and the Report of the Supervisory Board, both included in the NN Group 2020 Financial Report and the NN Group website: <https://www.nn-group.com/our-company/corporate-governance.htm> for other information regarding the system of governance of NN Group.

Risk profile

C. Risk profile

Introduction

This chapter of the SFCR contains information on the risk profile of NN Group and information on the 'prudent person principle' used when investing.

Risk profile per risk category

Reference is made to Note 51 'Risk management' in the 2020 Consolidated annual accounts for quantitative and qualitative information on the risk profile per risk category. The following risk categories have been disclosed:

C.1 Non-market risk (Underwriting risk)

Non-Market risk is disclosed as insurance risk and business risk for the business units applying Internal Model and life risk, health risk and non-life risk for the business units applying Standard Formula in Note 51 'Risk management' in the 2020 Consolidated annual accounts.

C.2 Market risk

Market risk is disclosed in Note 51 'Risk management' in the 2020 Consolidated annual accounts.

C.3 Counterparty risk (Credit risk)

Counterparty Default risk is disclosed in Note 51 'Risk management' in the 2020 Consolidated annual accounts.

C.4 Liquidity risk

NN Group identifies three related liquidity risks: funding liquidity risk, market liquidity risk and funding risk. These risks are disclosed in Note 51 'Risk management' in the 2020 Consolidated annual accounts.

C.5 Operational risk

For operational risk NN Group has developed a framework governing the process of identifying, assessing, mitigating, monitoring and reporting operational risks. Operational risk is disclosed in Note 51 'Risk management' in the 2020 Consolidated annual accounts.

C.6 Other material risks

Business conduct risk

Business conduct risk is the risk related to unethical or irresponsible corporate behaviour, inappropriate employee behaviour and customer suitability of products. For more details reference is made to Note 51 'Risk management' in the 2020 Consolidated annual accounts.

Concentration risks

NN Group does not have an appetite for risk concentration and manages concentration risk with a limit structure. More information on the mitigation of several types of concentration risk is included in Note 51 'Risk Management' in the 2020 Consolidated annual accounts.

Investing assets in accordance with the 'Prudent person principle'

Acceptable investments

NN Group complies with the prudent person principles as set out in Directive 2009/138/EC/article 132: Prudent person principle. NN Group maintains a Global Asset List, which contains all asset classes in which NN Group and its subsidiaries are allowed to invest. Before an asset class is approved for this list, a specific assessment, called 'New Asset Class Assessment' ('NACA') must be followed.

The NACA should describe all relevant considerations on return, risk and operational consequences that are relevant to the decision whether a Business Unit of NN Group should invest in the proposed investment class.

The NACA request does not describe a specific transaction, but is a proposal for the potential investment in an investment class. The NACA should nevertheless address the quantitative impact of potential future investments and include proposed portfolio limits for the product. This should always be in line with NN Group internal policies as well as external constraints (such as regulatory limits).

Governance of investments

Within the Three-Lines-of-Defence model, investments are managed in the first line through a dedicated Central Investment Office, reporting directly to the CEO of NN Group, in cooperation with the business units. The second line function is performed by Group Financial Risk Management, which reports to the CRO of NN Group and local risk teams. Operational activities regarding investments are performed by NN Group's business unit NN Investment Partners or third parties, which also provide advice on proposed or current investments.

Risk profile continued

All investments related activities are performed within the boundaries as set by NN Group. These include among others the following:

- Asset Class Standard (NACA)
- Asset Liability Management policy
- Concentration Risk Standard
- Financial Regulations Standard
- Interest Rate Risk Management Standard
- Investment Management Policy
- Investment Mandate Standard
- Liquidity Risk Management Standard
- Responsible Investment framework policy

Chief Investment Officer

Based on market views, local Business Unit requirements and input from its assets managers, the Chief Investment Officer will:

- Propose Investment Strategies for NN Group as well as for the Business Units
- Prepare proposals for mandates and for delegated approval levels for the Asset Managers
- Prepare Performance Measurement Guidelines of all investment decisions taken under the delegated approval authorities

NN Investment Partners prepares a market view, proposes investment ideas based on market developments and Business Unit requirements and makes investment decisions within allocated limits/thresholds. NN Investment Partners executes the Performance Measurement Guidelines as prepared by the Chief Investment Officer.

Solvency II sensitivity analysis

Reference is made to Note 51 'Risk Management' in the 2020 Consolidated annual accounts of NN Group for the outcome of the NN Solvency II sensitivities analysis.

Other material risks

Reference is made to the 2020 Annual Review of NN Group, section 'Managing our risks' for any other information on any other material risks.

Risk exposure from off-balance sheet positions and transfer of risk to special purpose vehicles

Reference is made to Note 51 'Risk management' in the 2020 Consolidated annual accounts regarding the risk exposure of NN Group, including the exposure arising from off-balance sheet positions and describing the measures used to assess these risks.

As at 31 December 2020, no material risks were transferred to special purpose vehicles outside NN Group. For the risks transferred to consolidated special purpose vehicles, reference is made to Note 46 'Structured entities' in the 2020 Consolidated annual accounts.

C.7 Any other information relevant to the risk profile of NN Group

Techniques used for mitigation of risks

Reference is made to Note 51 'Risk management' of the 2020 Consolidated annual accounts of NN Group for a description of the techniques used for mitigating risks and the processes for monitoring the continued effectiveness of these risk mitigation techniques.

Valuation for Solvency purposes

D. Valuation for Solvency purposes

Introduction

This chapter contains information on the valuation for solvency purposes of consolidated assets, insurance liabilities and other liabilities of NN Group and explains the differences with the valuations in the NN Group 2020 Consolidated annual accounts.

Reconciliation IFRS Balance sheet to Solvency II Balance sheet

As at 31 December 2020. In EUR million	IFRS	Consolidation scope	Valuation differences	Presentation differences	Solvency II
Assets					
Cash and cash equivalents	12,382	-5,012	0	-6,150	1,220
Financial assets at fair value through profit or loss and Available-for-sale investments	169,141	-19,165	98	6,851	156,925
Loans	65,428	-20,315	3,327	1,661	50,101
Reinsurance contracts	1,063	-272	-720	0	71
Associates and joint ventures	5,673	4,073	-1,179	-205	8,362
Real estate investments	2,444	0	0	0	2,444
Property and equipment	448	-114	0	0	334
Intangible assets	1,063	-227	-836	0	0
Deferred acquisition costs	1,871	-1,038	-833	0	0
Assets held for sale	113	0	0	-113	0
Deferred tax assets	73	-7	673	0	739
Other assets	4,039	-541	2	-2,058	1,442
Total assets	263,738	-42,618	532	-14	221,638
Equity					
Shareholders' equity (parent)	36,731	10	-19,683	267	17,325
Minority interests	277	-10	0	-267	0
Undated subordinated notes	1,764	0	0	-1,764	0
Total equity/ Excess of assets over liabilities	38,772	0	-19,683	-1,764	17,325
Liabilities					
Subordinated debt	2,383	0	225	1,890	4,498
Debt securities issued	1,694	0	0	-1,694	0
Other borrowed funds	7,542	-7,291	166	13,821	14,238
Insurance and investment contracts	170,672	-17,817	25,138	80	178,073
Customer deposits and other funds on deposit	15,803	-15,803	0	0	0
Non-trading derivatives	4,012	-144	0	142	4,010
Liabilities held for sale	93	0	0	-93	0
Deferred tax liabilities	6,329	-598	-5,367	0	364
Other liabilities	16,438	-965	53	-12,396	3,130
Total liabilities	224,966	-42,618	20,215	1,750	204,313
Total equity and liabilities	263,738	-42,618	532	-14	221,638

Reference is made to the 2020 Consolidated annual accounts of NN Group for more detailed information on the IFRS Balance sheet ('Consolidated balance sheet'). Reference is made to QRT S.02.01.02 'Balance sheet' in the Appendix for the full Solvency II Balance sheet. The values in these tables may differ from those included in Note 51 'Risk Management' in the 2020 Consolidated annual accounts of NN Group due to classification and valuation differences to reflect a risk management view.

For Solvency II reporting, non-Solvency II entities (pension funds in Central Europe, NN Investment Partners, NN Bank and NN Life Japan) are not consolidated line-by-line while they are for IFRS reporting. Reference is made to section A1 'Business' for more information on the difference arising from the scope of consolidation. The impact from this difference is reflected above in the column 'Consolidation scope'. The most important differences arising from the scope of consolidation are caused by NN Bank and NN Life Japan.

The valuation and presentation differences between IFRS and Solvency II resulting from differences in accounting principles and methods are explained in the sections below. For items where no valuation difference occurred, reference is made to Note 1 'Accounting policies', Note 35 'Fair value of financial assets and liabilities' and Note 36 'Fair value of non-financial assets' in the 2020 Consolidated annual accounts of NN Group for a description of the bases, methods and main assumptions used for their valuation.

Details of valuation, presentation and consolidation differences are included in Section D.1-D.3 below.

Valuation for Solvency purposes continued

D.1 Assets

Accounting principles, methods and main assumptions used

In general, Solvency II valuation requires a market consistent approach to the valuation of assets and liabilities. The default reference framework for valuing assets and liabilities, other than technical provisions, is IFRS as endorsed by the European Union ('IFRS-EU'). The exception is if the IFRS valuation principle does not reflect a market consistent valuation (e.g. amortised cost). For main assumptions used in fair valuing assets, reference is made to Note 35 'Fair value of financial assets and liabilities' and to Note 36 'Fair value of non-financial assets' in the 2020 Consolidated annual accounts of NN Group.

Cash and cash equivalents

In the IFRS balance sheet, cash and cash equivalents are reported at the notional amount. In the Solvency II balance sheet, cash and cash equivalents are reported at market value. There are no significant valuation differences between IFRS and Solvency II for cash and cash equivalents as the market value is not significantly different from the notional value. Total presentation differences of EUR -6,150 million as at 31 December 2020 are caused by the presentation of short term deposits and money market funds as investments in the Solvency II balance sheet. Differences due to a different scope of consolidation amounted to EUR -5,012 million as at 31 December 2020.

Financial assets at fair value through profit or loss and Available-for-sale investments

In the IFRS balance sheet, investments are reported at fair value. In the Solvency II balance sheet, investments are reported at market value. There are no significant valuation differences between IFRS and Solvency II for investments as fair value generally equals market value. Presentation differences of EUR 6,851 million as at 31 December 2020 are caused by:

- Presentation of money market funds as investments under Solvency II, instead of their inclusion in cash and cash equivalents under IFRS
- Presentation of accrued interest as part of the investments, instead of a separate presentation as accrual under IFRS. Solvency II requires accrued interest to be presented as part of the investments ('dirty market value') and not separately as other assets as in the 2020 Consolidated annual accounts of NN Group ('clean market value')
- Presentation of certain Asset Backed Securities as investments under Solvency II, instead of their presentation as loans in the 2020 Consolidated annual accounts of NN Group
- Presentation of cash collateral paid (deposits) as investments under Solvency II, instead of their presentation as other assets in the 2020 Consolidated annual accounts of NN Group

Differences due to a different scope of consolidation amounted to EUR -19,165 million as at 31 December 2020.

Certain Asset Backed Securities and loans from Associates are presented as investments (at market value) under Solvency II, instead of their presentation as loans (at amortised cost) in the 2020 Consolidated annual accounts of NN Group. This resulted in a valuation difference of EUR 98 million as at 31 December 2020.

Loans

In the IFRS balance sheet, loans are reported at amortised cost. In the Solvency II balance sheet, loans are reported at market value. For loans that are repriced frequently and have had no significant changes in credit risk, the carrying values in the 2020 Consolidated annual accounts of NN Group represent a reasonable estimate of the market value for Solvency II. For other loans the market value is estimated by discounting expected future cash flows using a discount rate that reflects credit risk, liquidity and other current market conditions. The market value of mortgage loans is estimated by taking into account prepayment behaviour. Loans with similar characteristics are aggregated for calculation purposes.

Valuation differences between IFRS and Solvency II for loans represents the difference between amortised cost and market value of EUR 3,327 million as at 31 December 2020.

Presentation differences of EUR 1,661 million as at 31 December 2020 are caused by:

- The different presentation of accrued interest. Solvency II requires accrued interest to be presented as part of the loans ('dirty market value') and not separately as other assets as in the 2020 Consolidated annual accounts of NN Group ('clean market value')
- Presentation of short term deposits as investments under Solvency II, instead of their inclusion in cash and cash equivalents under IFRS
- The presentation of certain Asset Backed Securities as investments under Solvency II, instead of their presentation as loans in the 2020 Consolidated annual accounts of NN Group

Differences in loans recognised in the IFRS and the Solvency II Balance sheets due to a different scope of consolidation amounted to EUR -20,315 million as at 31 December 2020.

Reinsurance contracts

Reference is made to section D2 'Insurance and investment contracts' of this SFCR.

Valuation for Solvency purposes continued

Associates and joint ventures (Holdings in related undertakings)

In the IFRS balance sheet, associates and joint ventures are reported at net asset value (equity accounting).

In the Solvency II balance sheet, non-Solvency II entities are recognised as associates and measured at the local regulatory capital in accordance with the local (sectoral) rules instead of consolidating all balance sheet items line-by-line. Differences in Associates and joint ventures recognised in the IFRS and the Solvency II Balance sheets due to a different scope of consolidation amounted to EUR 4,073 million as at 31 December 2020 (IFRS values). Valuation differences of EUR -1,179 million as at 31 December 2020 represents the difference between the value of the consolidated line items under IFRS and the local regulatory capital of these entities. The presentation difference of EUR -205 million as at 31 December 2020 consists of receivables from associates that are presented as part of the other assets in the Solvency II balance sheet.

All holdings in related undertakings were either valued using quoted market prices in active markets or by using the adjusted equity method (when a quoted market price was not available).

Real estate investments

In the IFRS balance sheet, real estate investments are reported at fair value. In the Solvency II balance sheet, real estate investments are reported at market value. There are no significant valuation differences between IFRS and Solvency II for real estate investments as fair value generally equals market value. There are no differences in real estate investments due to a different scope of consolidation.

Property and equipment

In the IFRS balance sheet, property in own use is reported at fair value. In the Solvency II balance sheet, property in own use is reported at market value. There are no significant valuation differences between IFRS and Solvency II for property in own use as fair value generally equals market value. In the IFRS balance sheet, equipment is reported at cost less depreciation. In the Solvency II balance sheet, equipment is reported at market value. There are no significant valuation differences between IFRS and Solvency II for equipment, as market value is generally not significantly different from depreciated cost. Differences in property and equipment recognised in the IFRS and the Solvency II Balance sheets due to a different scope of consolidation amounted to EUR -114 million as at 31 December 2020.

Intangible assets

Goodwill and Value of Business Acquired ('VOBA') are not recognised for Solvency II purposes. Other intangibles including software can be recognised and measured at a value other than nil if they can be sold separately and if there is a quoted market price in an active market for the same or similar intangible assets. As there is no quoted market price for NN Group's other intangible assets, it is valued at nil for Solvency II purposes.

Deferred acquisition costs

Deferred Acquisition Costs are not recognised for Solvency II purposes.

Deferred taxes

Under IFRS, deferred tax assets are part of the other assets. In the IFRS balance sheet, deferred taxes, other than deferred tax assets arising from the carry forward of unused tax credits and the carry forward of unused tax losses, are valued on the basis of the difference between the tax bases of assets and liabilities and their carrying values. A positive value to deferred taxes is only attributed where it is probable that future taxable profit will be available against which the deferred tax asset can be used, taking into account any legal or regulatory requirements on the time limits relating to the carry forward of unused tax losses or credits.

Reference is made to Note 34 'Taxation' of the 2020 Consolidated annual accounts of NN Group for more information on the origin of the recognition of deferred tax assets and the amount and expiry date of deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the IFRS balance sheet.

In the Solvency II balance sheet, deferred tax assets and liabilities are recognised and valued in conformity with IFRS. Differences in deferred tax assets due to differences in valuation of the underlying assets and liabilities amounted to EUR 673 million as at 31 December 2020. Further information regarding the recoverability testing of deferred taxes is provided in section E6 'Any other information' of this SFCR.

Other assets

In the IFRS balance sheet, other assets are reported at their notional amounts. In the Solvency II balance sheet, other assets (with the exclusion of deferred taxes) are reported at market value.

Presentation differences of EUR -2,058 million as at 31 December 2020 consist of the different presentation of accrued interest and cash collateral amounts paid. Solvency II requires accrued interest to be presented as part of the interest bearing investments ('dirty market value') and not separately as other assets as in the 2020 Consolidated annual accounts of NN Group ('clean market value'). The cash collateral amounts paid is part of the investments (deposits) under Solvency II and no part of the other assets as in the 2020 Consolidated annual accounts of NN Group.

Differences in other assets recognised in the IFRS and the Solvency II Balance sheets due to a different scope of consolidation amounted to EUR -541 million as at 31 December 2020. Differences in valuation of other assets amounted to EUR 2 million as at 31 December 2020.

Valuation for Solvency purposes continued

Changes in valuation bases

During 2020, no material changes were made to the recognition and valuation bases, or estimations used, in the measurement of assets on the Solvency II balance sheet.

D.2 Insurance and investment contracts ('Technical provisions')

Value of the technical provisions

The value of technical provisions, including the amount of the Best Estimate of Liabilities and the Risk Margin is disclosed below separately for each material line of business as at 31 December 2020:

Value of technical provisions by Solvency II Business Line

As at 31 December 2020. In EUR million	Best Estimate Liabilities	Risk margin	Technical provisions
Technical provision per line of Business:			
1. Non-Life	2,693	135	2,828
2. Health similar to Non-Life	342	26	368
3. Life	129,665	6,626	136,291
4. Health similar to Life	3,736	438	4,174
5. Index-linked and Unit-linked	33,726	686	34,412
Total	170,162	7,911	178,073

Bases, methods and main assumptions used for solvency valuation

Technical Provisions are measured for Solvency II purposes as the sum of the Best Estimate of Liabilities and Risk Margin. The Best Estimate of Liabilities are equal to the probability-weighted average of the present value of the future liability cash flows. The Risk Margin is defined as the amount that an empty (re-)insurance entity is expected to require in excess of the Best Estimate of Liabilities in order to take over and meet the (re-)insurance obligations.

Best estimate of liabilities

NN Group uses cash flow models and best estimate assumptions to determine the Best Estimate of Liabilities under Solvency II. Premiums, benefits, expenses and other relevant cash flows are projected for the policy term – subject to contract boundaries – and discounted at the currency specific risk-free interest rate term structure, including the Ultimate Forward Rate ('UFR'), to allow for financial risk with the currency specific Credit Risk Adjustments ('CRA') and country specific Volatility Adjustment ('VOLA'). This is the full-cash flow approach and is typical for traditional business. For index-linked and unit-linked business, only margins are projected (expenses and charges) as investment risks are borne by the policyholder. Cash flows are either projected on a per policy basis or individual policies are grouped into representative model points.

At the end of 2020, the UFR for EUR under Solvency II was set at 3.75%. In April 2017, EIOPA published an updated methodology to derive the UFR and in line with this updated methodology, the calculated value of the UFR for EUR is 3.60%, but annual changes to the UFR will not be higher than 15 basis points. Therefore, the UFR for EUR decreased from 3.75% to 3.60% on 1 January 2021.

Cash flows are projected along a sufficiently large number of future risk-free interest rate scenarios to allow for one-sided financial options and guarantees. This is typical for traditional business with profit sharing on top of a fixed interest rate guarantee and unit-linked products with a guaranteed return. The best estimate risk-free interest rate term structure (with CRA and VOLA, if applicable) is used in those instances where there are no embedded options or guarantees.

The cash flow projections consider future management actions that can be taken to mitigate the loss to NN Group, management policy covering the distribution of future discretionary benefits and the predictability and profit sharing of liability cash flows. The cash flow projections used in the calculation of the Best Estimate of Liabilities are based on the best estimate assumptions. The cash flow projection reflects the expected realistic future demographic, legal, medical, technological, social, environmental and economic developments that have a material impact on the Best Estimate of Liabilities.

Assumptions underlying the Best Estimate of Liabilities are portfolio-specific rather than entity-specific. Entity-specific assumptions are used only insofar as those assumptions enable the entity to better reflect the characteristics of the portfolio or where the calculation of the Best Estimate of Liabilities in a realistic, reliable and objective manner without those assumptions is not possible.

For each material line of business, a quantitative and qualitative explanation of material differences between the bases, methods and main assumptions used for the valuation for solvency purposes and those used for their valuation in financial statements are included in the local Actuarial Function Reports prepared by the local Actuarial Function Holders ('AFHs').

For unmodelled business, Technical Provisions are estimated either by scaling of modelled business or by setting Solvency II Technical Provisions equal to IFRS insurance liabilities. The AFH considers the application of these approaches to estimating Technical Provisions of unmodelled business when providing his/her opinion.

Valuation for Solvency purposes continued

Reinsurance and other recoverables

The Best Estimate of Liabilities are estimated gross, without deduction of the amounts recoverable from reinsurance contracts. The amounts recoverable from reinsurance contracts and expected losses due to counterparty default are calculated separately. The principles used to calculate the amounts recoverable are consistent with those underlying the calculation of the gross Best Estimate of Liabilities.

Risk margin

In addition to the Best Estimate of Liabilities a Risk Margin is held to allow for non-hedgeable market and non-market risks. The calculation of the Risk Margin is performed by either explicitly calculating the SCR for each future year or by using a driver approach. Long term guarantee ('LTG') measures are excluded from the calculation of the SCRs and in the discounting, when calculating the Risk Margin.

With the driver approach, the relevant sub-risk SCRs - either Internal Model or Standard Formula - are projected using appropriate risk drivers, multiplied by the cost of capital of 6%, then discounted at the relevant risk free rate term structure. The sub-risk margins are aggregated using the relevant diversification factors. This calculation is performed by main products for the material Business Units. Note that this is a simplification as Solvency II requires the individual SCRs to be diversified at each future point in time. NN Group's simplification does not lead to a material misestimation of the Risk Margin.

Assumptions

Non-financial assumptions

Best estimate assumptions are set for expenses, mortality, morbidity and other relevant insurance risks using historical experience of the insurance portfolio. Assumptions are reviewed by each entity at least annually and submitted to the Chief Actuary Office ('CAO') for review and submitted to the Group Model Committee ('MoC') for information or, depending on materiality, for the MoC to advise the Chief Risk Officer and Chief Financial Officer or the NN Group Management Board, following NN Group's model governance.

Policyholder behaviour regarding lapses, partial and full surrenders and paid-ups are taken into account for individual life business for traditional and unit-linked portfolios subject to the boundaries of the contracts. Policyholder behaviour is typically not considered for non-life and group life business.

Management actions are reflected in the cash flow projections. Future management actions are assumed for portfolios including discretionary benefits and expense reserving.

Boundaries of insurance contracts are set by the Business Units based on a detailed investigation of terms and conditions of their portfolios. These assessments were reviewed and acknowledged at Head Office without comparing the different practices.

Financial assumptions

NN Group follows EIOPA requirements in determining the basic risk-free rates and the VOLA to determine the relevant currency specific risk free rate term structure for valuation of Technical Provisions. Because EIOPA curves are not available in time for NN Group's entities to start their valuations, NN Group follows the EIOPA methodology to independently produce the curves. These are then compared to the published EIOPA curves when these are made available to ensure consistency between the EIOPA and the NN Group manufactured curves. At year-end 2020, the EIOPA and NN Group curves were consistent.

Changes in assumptions

During 2020, all Business Units reviewed their best estimate assumptions as part of the regular process and updated them where necessary to reflect new insights.

Options and guarantees

When establishing technical provisions at NN Group, all material financial guarantees and contractual options included within the boundary of insurance and reinsurance policies are taken into account. In doing so, factors which may affect the likelihood that policyholders will exercise contractual options or realise the value of financial guarantees are analysed.

The intrinsic value of financial options and guarantees is reflected in the single (deterministic) cash flow projection of technical provisions. These include the interest rate guarantees implicit in traditional products found throughout NN Group as well as policyholder options such as paid-up, guaranteed insurability options, and automatic inflation protection, where material.

A stochastic model is required to determine the time value of options and guarantees ('TVoG') where cash flows vary asymmetrically with market returns. The stochastic model uses a number of Monte Carlo simulations (typically, 1,000 to 3,500) to project future cash flows under various economic scenarios. The number of scenarios is set in order to reduce the simulation error to within the tolerance level. Currently, such error should be less than 1% of the best estimate liabilities, as determined by taking the 80% confidence interval of the mean standard error of the simulations. NN Group's Business Units perform a test to ensure the simulation error is within the established limits and increase the number of scenarios used if the test does not satisfy the requirements. Nearly the entire TVoG for NN Group is from Japan Closed Block VA and the Dutch group pension business.

Valuation for Solvency purposes continued

Dynamic policyholder behaviour has been reflected where it is deemed material to the valuation under the different economic environments reflected in the stochastic scenarios. Where future profit sharing is dependent on economic conditions, the variability is taken into account in the TVoG. Where management actions have been taken into account, these are consistent with policies signed-off by the respective boards.

Actuarial Function Holders throughout the reporting entities of NN Group have assessed the allowances made in respect of options and guarantees in the technical provisions and the underlying assumptions, and came to the conclusion that such allowances are appropriate.

Level of Uncertainty

For the level of uncertainty associated with the value of the technical provision, reference is made to Note 51 'Risk Management' in the 2020 Consolidated annual accounts of NN Group.

Main differences between IFRS and Solvency II valuation of technical provisions

As at 31 December 2020. In EUR million	IFRS	Consolidation scope	Valuation and presentation differences	Solvency II
Technical provision per line of Business:				
1. Non-Life	3,151	0	-323	2,828
2. Health similar to Non-Life	372	0	-4	368
3. Life	128,875	-15,987	23,403	136,291
4. Health similar to Life	4,114	0	60	4,174
5. Index-linked and Unit-linked	34,160	-1,830	2,082	34,412
Total	170,672	-17,817	25,218	178,073

Summary of main differences between IFRS and Solvency II as at 31 December 2020

At 31 December 2020, the valuation and presentation differences between the insurance and investment contracts recognised in the IFRS balance sheet and the technical provisions recognised in the Solvency II balance sheet of NN Group amounted to EUR 25,218 million. Methods and models used in calculating the Solvency II technical provisions and IFRS insurance liabilities differ substantially. The main valuation differences between IFRS and Solvency II are outlined below:

- Insurance liabilities in the IFRS Balance sheet are established in accordance with IFRS 4 'Insurance Contracts'. Under IFRS 4, an insurer may continue its existing pre-IFRS accounting policies for insurance contracts, provided that certain minimum requirements are met. Upon adoption of IFRS-EU in 2005, NN Group decided to continue the then existing accounting principles for insurance contracts under IFRS-EU. NN Group operates in many different countries and the accounting principles for insurance contracts follow local practice in these countries. NN Group's businesses in the Netherlands, for example apply accounting standards generally accepted in the Netherlands ('Dutch GAAP') for their provisions for liabilities under insurance contracts
- The Best Estimate Liability in Solvency II is calculated for all entities as the expected present value of future liability cash flows using best estimate assumptions
- A Risk Margin for non-hedgeable market and non-market risks is added to the Best Estimate of Liabilities to establish the Solvency II technical provisions
- Different interest rates are used for calculation of insurance and investment contracts under IFRS and Solvency II. For Solvency II a risk-free interest rate curve with credit risk, VOLA and UFR where applicable is used. None of the entities within NN Group apply a matching adjustment. For IFRS a fixed interest rate/guaranteed technical interest rate is used and for certain non-life insurance contracts discounting is not applied
- The present value of future profits is recognised in Solvency II technical provisions but not in IFRS insurance liabilities
- The difference between IFRS and Solvency II provisions is primarily reflected in the Life line of Business, where IFRS insurance liabilities largely reflect assumptions - interest, mortality, morbidity, expense, etc. - locked-in at policy issue, which can depart significantly from the best estimate assumptions reflected in the Solvency II provisioning
- For index-linked and unit-linked insurance, the IFRS insurance liabilities are equal to the fund value of these contracts. For Solvency II technical provisions, the present value of the margins is deducted from the fund value

Differences in technical provisions recognised in the IFRS and the Solvency II Balance sheets due to a different scope of consolidation caused by NN Life Japan amounted to EUR -17,817 million as at 31 December 2020.

Valuation for Solvency purposes continued

Matching and volatility adjustment, transitional measures and transitional risk-free interest rate-term structure

QRT S.22.01.22 'Impact of long term guarantees and transitional measures' in the Appendix provides the quantitative impact of excluding the so-called long term guarantee ('LTG') measures and Transitional measures from Own Funds and the SCR. QRT S.22.01.22 mandates disclosure of the quantitative impact of excluding:

- Transitional measures on technical provisions
- Transitional measures on interest rates
- Volatility adjustment
- Matching Adjustment

on:

- Technical provisions
- Basic Own funds
- Eligible Own funds to meet Solvency Capital Requirement
- Solvency Capital Requirement

All the elements of which the impact is excluded in this QRT are an integral part of the Solvency II framework. The resulting Own Funds and SCR should therefore not be seen as a replacement of, or alternative for, the Own Funds and SCR as determined in accordance with Solvency II. For NN Group, the Volatility adjustment ('VOLA') is of significant relevance given its long-dated liability profile and its approach to match cash-flows of these liabilities with corresponding fixed income instruments. Transitional measures in respect of technical provisions and interest rates are applied by NN Group, but the impact thereof is less significant. NN Group does not apply the Matching Adjustment.

Transitional on technical provisions

NN Group applies the transitional measures on technical provisions for its insurance businesses in Belgium and Spain. These transitional measures resulted in a reduction of EUR 684 million in technical provisions, contributing EUR 513 million (after tax) to Basic Own Funds before deductions as at 31 December 2020. The impact on Basic Own Funds after deductions and on Eligible Group Own Funds is partly mitigated because of the deduction of the excess non available Own Funds. Therefore, the net impact on Eligible Own Funds is EUR 397 million. These transitional measures had no impact on the SCR as at 31 December 2020.

Transitional on the risk-free interest rates

NN Group applies the transitional measures on the risk-free interest rates for its insurance business in Greece. These transitional measures resulted in a reduction of EUR 197 million in technical provisions as at 31 December 2020. The impact on Basic Own Funds after deductions and on Eligible Group Own Funds is partly mitigated because of higher excess non available Own Funds. Therefore, the net impact on Eligible Own Funds is EUR 103 million. These transitional measures had no impact on the SCR as at 31 December 2020.

Volatility adjustment

NN Group applies the yield curve as published by EIOPA for the calculation of the technical provisions under Solvency II. In line with Solvency II regulations, this yield curve includes a Volatility adjustment component. As at 31 December 2020, the level of the VOLA for the Euro currency was 7 bps (31 December 2019: 7 bps). The application of the VOLA resulted in a reduction of EUR 1,264 million in technical provisions, contributing EUR 944 million (after tax) to Basic Own Funds after deductions and Eligible Own Funds as at 31 December 2020.

In the calculation of the SCR for the Partial Internal Model entities, NN Group assumes no change to the VOLA after a shock-event, but reflects the illiquidity of liabilities in the asset shocks to ensure appropriate solvency capital requirements. This approach is approved by DNB, in particular to ensure appropriate risk incentives on asset allocation decisions. NN Group also shocks all government bonds and its mortgage portfolio in the calculation of spread risk capital requirements for the Partial Internal Model entities. Under the Standard Formula no capital is required to be held against spread risk arising from these assets, whereas under the Partial Internal Model substantial capital is held against these risks.

If the VOLA would be excluded from the SCR calculation for Partial Internal Model entities, the spread risk on government bonds and mortgages would, in the opinion of NN Group, need to be adjusted accordingly. However, for the completion of QRT S.22.01.22 'Impact of long term guarantees and transitional measures' in the Appendix, NN Group is required to reflect only the impact of excluding the VOLA from Eligible Own Funds and the SCR, without adjusting for the spread risk on government bonds and mortgages.

D.3 Other liabilities

Subordinated debt, Debt securities issued and Other borrowed funds

In the IFRS balance sheet, subordinated debt, debt securities issued and other borrowed funds are reported at amortised cost. In the Solvency II balance sheet, these borrowings are reported at market value, excluding an adjustment for the change in NN Group's own credit risk after initial recognition. In the Solvency II value, the change in the own credit risk is not taken into account. The Solvency II value of subordinated debt is calculated using discounted cash flows based on current interest rates and credit spreads at issue date. The Solvency II value of other borrowed funds, is calculated by discounting expected future cash flows using a current market interest rate and credit spreads at issue date.

Valuation differences between IFRS and Solvency II for Subordinated debt of EUR 225 million and other borrowed funds of EUR 166 million represent the difference between amortised cost and market value, excluding an own credit element.

Valuation for Solvency purposes continued

Presentation differences include the different presentation of accrued interest. Solvency II requires accrued interest to be presented as part of the interest-bearing liabilities ('dirty market value') and not separately as other liabilities as in the 2020 Consolidated annual accounts of NN Group ('clean market value'). In addition to this presentation difference, subordinated debt presented as equity under IFRS is presented as liability under Solvency II. Total presentation differences for subordinated debt amounted to EUR 1,890 million as at 31 December 2020.

Debt securities issued in IFRS are presented as other borrowed funds in Solvency II, causing a presentation difference of EUR -1,694 million.

The presentation differences in the other borrowed funds of EUR 13,821 million is for EUR 1,694 million transferred from Debt securities issued. The remaining part is mainly the cash collateral amounts received for derivatives.

Differences due to a different scope of consolidation amounted to EUR -7,291 million for the other borrowed funds as at 31 December 2020.

Customer deposits and other funds on deposit

NN Bank is the only group entity carrying Customer deposits. As NN Bank is reported as Other Financial Sector entity and thus not consolidated for Solvency II purposes, no Customer deposits and other funds on deposit are recognised in the Solvency II balance sheet. This results in a consolidation difference amounted to EUR -15,803 million as at 31 December 2020.

Non-trading derivatives

Main difference is due to different scope of consolidation amounted to EUR -144 million which is related to NN Bank and NN Life Japan. Total presentation differences for Non-trading derivatives amounted to EUR 142 million as at 31 December 2020.

Liabilities for employee benefits

No significant liability for employee benefits exists in NN Group.

Deferred tax liabilities

In the Solvency II balance sheet, deferred tax assets and liabilities are recognised and valued in conformity with IFRS (reference is made to section D.1 'Assets'- Other assets). However, due to the differences in valuation of assets and liabilities as set out in sections D.1 'Assets', D.2 'Insurance and investment contracts' and D.3 'Other liabilities', EUR 5,367 million lower deferred tax liabilities are recognised in the Solvency II balance sheet as at 31 December 2020. Differences due to a different scope of consolidation amounted to EUR -598 million as at 31 December 2020.

Other liabilities

In the IFRS balance sheet, other liabilities are reported at the notional amount. In the Solvency II balance sheet, other liabilities are reported at market value.

Presentation differences amounted to EUR -12,396 million as at 31 December 2020 of which the main part (the cash collateral received) is transferred to Other borrowed funds. Presentation differences also include the different presentation of accrued interest. Solvency II requires accrued interest to be presented as part of the interest bearing liability ('dirty market value') and not separately as other liabilities as in the 2020 Consolidated annual accounts of NN Group ('clean market value'). Differences in valuation of other liabilities amounted to EUR 53 million as at 31 December 2020.

Differences due to a different scope of consolidation amounted to EUR -965 million as at 31 December 2020.

Contingent liabilities and provisions

Part of the other liabilities are the contingent liabilities and provisions. In the IFRS balance sheet, provisions are recognised when:

- An entity has a present obligation (legal or constructive) as a result of a past event
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation
- A reliable estimate can be made of the amount of the obligation

In the IFRS balance sheet, provisions are recognised for the amount representing the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Contingent liabilities are not recognised in the IFRS balance sheet. These are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

In the Solvency II balance sheet, all material contingent liabilities are recognised as liabilities for the expected present value of future cash flows required to settle the contingent liability over the lifetime of that contingent liability, using the basic risk-free interest rate term structure.

Valuation for Solvency purposes continued

Valuation differences between IFRS and Solvency II for contingent liabilities and provisions represent:

- A recognition difference: contingent liabilities are not recognised in the IFRS balance sheet, but are recognised in the Solvency II balance sheet if the exposure can be reliably estimated
- A measurement difference: provisions are measured in the IFRS balance sheet using the best estimate outcome (i.e. the full amount that may be incurred), while Solvency II requires a provision for the probability weighted outcome (i.e. the probability multiplied by the impact of the differences as at 31 December 2020)

For more details on other provisions and contingent liabilities, reference is made to Note 43 'Contingent liabilities and commitments' and Note 44 'Legal proceedings' in the 2020 Consolidated annual accounts of NN Group.

The valuation difference between IFRS and Solvency II for provisions and contingent liabilities had no material impact at 31 December 2020.

Expected profits in future premiums

For existing business, expected profits included in future premiums are reflected in the technical provisions and therefore contribute to the Own Funds. For more information on the expected profits in future premiums, reference is made to QRT S.23.01.22 'Own Funds' as included in the Appendix.

Outflow of economic benefits

For the expected timing of the outflows of economic benefits reference is made to Note 39 'Liabilities by maturity' in the 2020 Consolidated annual accounts of NN Group. Uncertainties surrounding the amount or timing of the outflows of economic benefits is described in the Liquidity Risk paragraph in Note 51 'Risk management' in the 2020 Consolidated annual accounts of NN Group. The uncertainties in amount or timing of other liability cash flows are low. Deviation risk was not taken into account in the valuation of the other liabilities.

Changes during 2020

No significant changes were made to the recognition and valuation bases nor on estimations of the other liabilities during the reporting period.

D.4 Alternative methods for valuation

Differences within NN Group

The bases, methods and main assumptions used at NN Group level for the valuation for Solvency II purposes does not differ materially from those used by any of its subsidiaries.

Alternative valuation methods used

Alternative valuation methods are used by NN Group to determine the fair value of assets and liabilities if quoted market prices in active markets are unavailable. Reference is made to Note 35 'Fair value of financial assets and liabilities' and Note 36 'Fair value of non-financial assets' in the 2020 Consolidated annual accounts of NN Group for more information on the valuation approaches used.

D.5 Any other information

Active markets

Information on the criteria used to assess whether markets are active is included in Note 1 'Accounting policies' in the 2020 Consolidated annual accounts of NN Group. The valuation methods used if the markets are inactive are described in Note 35 'Fair value of financial assets and liabilities'.

Estimation uncertainties

Reference is made to 'Strategy and value creation' in the 2020 Annual Review of NN Group for assumptions and judgments used including those about the future. For the major sources of estimation uncertainty, reference is made to Note 51 'Risk Management' in the 2020 Consolidated annual accounts of NN Group.

Capital management

E. Capital management

Introduction

This chapter of the SFCR contains information on the capital management of NN Group, including the reconciliation of IFRS equity to Solvency II Own Funds, NN Group's Minimum Capital Requirement ('MCR') and detailed information on NN Group's Partial Internal Model.

E.1 Own funds

Reference is made to Note 52 'Capital and liquidity management' in the 2020 Consolidated annual accounts of NN Group for:

- The objectives, policies and processes employed by NN Group for managing its Own Funds, including information on the time horizon used for business planning and on any material changes over the reporting period
- The structure, amount and quality of Own Funds, including the extent to which each material own fund item is available and subordinated, as well as its duration and any other features that are relevant for assessing its quality
- The amount of eligible Own Funds to cover the SCR, classified by tiers and eligibility restrictions

Solvency II Basic Own Funds represent the excess of assets over liabilities in the Solvency II balance sheet and subordinated liabilities. It comprises the following items:

- Paid-in ordinary share capital and the related share premium account
- Paid-in preference shares and related share premium account
- The amount equal to the value of net deferred tax assets
- A reconciliation reserve. The purpose of the reconciliation reserve is to reconcile the value of the above items to the total amount of the excess of assets over liabilities
- Paid-in subordinated liabilities

NN Group did not have Ancillary Own Funds during 2020 or as at 31 December 2020.

Impact of long term guarantees and transitional measures

The quantification of the impact of changing the volatility adjustment to zero, the transitional on technical provisions and the transitional on interest rates on NN Group's financial position - represented by an adjustment on the amount of technical provisions, the SCR, the Basic Own Funds and the Eligible Own Funds - is included in Section D.2 and QRT S.22.01.22 'Impact of long term guarantees and transitional measures' in the Appendix.

Items deducted from Own Funds

Under Solvency II, Own Funds are reduced by 'foreseeable dividends, distributions and charges'. This requirement is different from reporting under IFRS where dividends are deducted from equity (and a corresponding liability is recognised) when they are declared and share buy-backs are deducted from equity (through 'treasury shares held') when these are executed.

Capital management continued

Recognition of 'foreseeable dividends, distributions and charges' under Solvency II are relevant in four different circumstances:

- **Dividends (interim and final)**
Under IFRS and Solvency II, dividends are deducted from equity when these are declared. Dividends are declared when these are approved. Interim dividends are approved when decided by the Executive Board. Final dividends are to be approved by the General meeting of Shareholders
In addition, under Solvency II, proposed dividends that are not yet finally approved but form part of the appropriation of the net result for the year are foreseeable dividends as from the date the decision to distribute has been made by the Executive Board. If such decision is made after the balance sheet date but before the publication date, these are reflected as foreseeable dividends. Dividends that are approved after the balance sheet date and relate to the new period/year (i.e. are not part of the appropriation of the result for the period), are not reflected as foreseeable dividends at the reporting date.
- **Coupons on undated notes**
Certain funding transactions through undated perpetual notes with discretionary interest payments qualify as equity under IFRS. Under IFRS, the coupons on these notes are deducted from equity when these become irrevocably due. This implies that coupons are deducted from equity at the earlier of the following dates:
 - On the date of payment
 - On the date on which the otherwise discretionary payment becomes contractually required; this may be the case when the contract specifies triggers for mandatory coupon payment, such as the declaration/payment of dividend on ordinary shares and/or a purchase of own shares within a certain period
- **Under Solvency II, certain undated perpetual notes are recognised as Solvency capital.** Coupon payments on such instruments are considered to be distributions and fall under the requirements for 'foreseeable dividends, distributions and charges'. Whilst a coupon may be discretionary (and, as such, there is no contractual requirement to pay), in normal circumstances it is expected that these will be paid. As such, these must be recognised as a foreseeable distribution on an accrual basis. If and when a trigger occurred under IFRS and the full annual coupon is already recognised under IFRS, the same amount is recognised under Solvency II. Consequently, the deduction from Solvency II Own Funds is the higher of the accrued amount (if no liability is recognised under IFRS) and the full annual coupon (if recognised under IFRS).
- **Coupons on funding liabilities**
Under IFRS, coupons on funding classified as liabilities are recognised on an accrual basis. Under Solvency II, certain funding liabilities are recognised as capital (Tier 1 or Tier 2). Coupons payable on these instruments are in scope of 'foreseeable dividends, distributions and charges'. Coupons are deducted from Own Funds on an accrual basis.
- **Purchase of own shares**
Under IFRS, (re)purchased own shares ('share buy backs') are deducted from equity upon execution of the repurchase (the so-called 'trade date'). In case of a share purchase programme that is executed over time, execution takes place at different points in time and, therefore, deduction from equity occurs at every specific execution date.
Under Solvency II, when own shares are (re)purchased, these are considered to be distributions to shareholders. As such, they fall under the requirements for 'foreseeable dividends, distributions and charges'. Purchases of own shares become foreseeable when the Executive Board has decided on a purchase. In case of a share purchase programme that is executed over time, but is decided upon as one programme, the full (maximum) repurchase under the programme is deducted from Own Funds at the date the Executive Board approves the programme.

Foreseeable dividends, distributions and charges amount to EUR 595 million at 31 December 2020 and include the proposed final 2020 dividend of EUR 456 million, the remainder of the ongoing share buyback programme of EUR 13 million and the accrued coupons on the eligible subordinated debt of EUR 126 million.

Additional ratios

No additional ratios are disclosed in the Solvency and Financial Condition Report other than the ratios included in QRT S.23.01.22 'Own Funds' as included in the Appendix plus those that are included by reference into this report.

Analysis of significant changes in Own Funds

Reference is made to Note 52 'Capital and liquidity management' of the 2020 Consolidated annual accounts of NN Group for an analysis of significant changes in Own Funds.

Deferred tax under Solvency II

Reference is made to section E6 'Any other information' of this SFCR.

The principal loss-absorbency mechanism

During 2020, subordinated liabilities issued by NN Group and recognised as Tier 1 solvency capital had no principal loss-absorbency mechanism in place.

Capital management continued

Reconciliation reserve

The reconciliation reserve - as presented in QRT S.23.01.22 'Own Funds' in the Appendix to this report - equals the total excess of assets over liabilities reduced by the following key elements:

- Paid-in ordinary share capital and related share premium account
- Paid-in preference shares and related share premium account
- The number of own shares held by NN Group
- The amount equal to the value of net deferred tax assets
- Foreseeable dividends, distributions and charges

Reconciliation IFRS equity to Own Funds

Reconciliation IFRS equity to Solvency II Basic Own Funds

In EUR million	2020	2019
IFRS Shareholders' Equity	36,731	30,768
Minority interest	277	260
Elimination of deferred acquisition costs and intangible assets	-1,669	-1,580
Valuation differences on assets	2,611	2,888
Valuation differences on liabilities, including insurance and investment contracts	-25,582	-18,577
Deferred tax effect on valuation differences	6,039	3,622
Difference in treatment of non-Solvency II regulated entities	-1,082	-1,240
Excess of assets over liabilities	17,325	16,141
Deduction of participation in Bank ¹		-930
Subordinated loans	4,498	4,483
Foreseeable dividends and distributions ²	-595	-203
Basic Own Funds	21,228	19,491

1. As of 31 December 2020, NN Bank is included in NN Group Solvency II ratio following the Q&A published by DNB.

2. The 2019 figures have been adjusted to reverse the deduction of the proposed 2019 final dividend of EUR 1.40 per ordinary share following recommendations of EIOPA and DNB regarding dividend distributions.

The differences between IFRS Shareholders' Equity in NN Group's 2020 annual accounts and Solvency II Basic Own Funds of NN Group as at 31 December 2020 are mainly caused by:

- Consolidation differences: Other Financial Sector entities, including Institutions for Occupational Retirement Provision and insurance entities outside the European Economic Area (non-EEA) on equivalence basis (NN Life Japan) controlled by NN Group are not consolidated, but rather recognised as associate in the Solvency II balance sheet and measured based on local/relevant (sectoral) rules. The Own Funds of these entities are added separately to the Own Funds of NN Group
- Valuation differences:
 - Intangible assets are not recognised or recognised at nil under Solvency II
 - Deferred acquisition costs are not recognised for Solvency II purposes
 - Different measurement of:
 - Loans and advances
 - Reinsurance contracts
 - Subordinated loans
 - Insurance and investment contract liabilities
 - The other valuation differences mainly consist of the change in net Deferred Tax Assets or Deferred Tax Liabilities caused by using different valuations for some Solvency II balance sheet items whilst the tax base of these items remained the same
- Other differences:
 - Subordinated loans which are recognised as Solvency II capital are included
 - Foreseeable dividends and distributions are recognised for Solvency II purposes when determining the Basic Own Funds

Reference is made to section D 'Valuation for Solvency Purposes' for more information on the valuation and consolidation differences between IFRS and Solvency II.

Own Funds issued by other group entities

Reference is made to Note 52 'Capital and liquidity management' of the 2020 Consolidated annual accounts of NN Group for the Own Funds issued by NN Group entities.

Intra-group transactions

NN Group Own Funds have been calculated net of any intra-group transactions with other Solvency II entities within the group, but including intra-group transactions with non-Solvency II entities within NN Group.

Capital management continued

Eligibility, transferability and fungibility of Own Funds

For the legal and supervisory limits on freely distributable capital, reference is made to Note 14 'Equity' of the NN Group 2020 Consolidated annual accounts. Reference is made to Note 52 'Capital and liquidity management' of the NN Group 2020 Consolidated annual accounts for the restrictions affecting eligibility, transferability and fungibility of Own Funds of NN Group and related undertakings.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

SCR

Reference is made to QRT S.25.02.22 in the Appendix and Note 51 'Risk management' of the 2020 Consolidated annual accounts of NN Group for the amount of the SCR split by risk categories.

NN Group determined the SCR including:

- Loss-absorbing capacity of technical provisions ('LAC TP'). LAC TP is the part of the technical provisions that can be used to absorb some of the SCR shock losses, as the expected future profit sharing to policyholders will be reduced if actual losses would arise. LAC TP is applicable to insurance policies with discretionary profit sharing
- Loss-absorbing capacity of deferred taxes ('LAC DT'). NN Group's total loss in a 1-in-200 adverse event would be offset by tax recoveries and these are recognised to the extent they are expected to be recoverable. The determination of LAC DT is significantly dependent on various assumptions and local regulatory requirements, such as capitalisation assumptions, the assumed investment returns and the projection period

Minimum Capital Requirement

In EUR million	2020	2019
Eligible Own Funds to cover MCR	15,230	14,520
of which Tier 1 unrestricted	12,484	11,836
of which Tier 1 Restricted	1,927	1,922
of which Tier 2	819	762
MCR (or the sum of the MCR of the related undertakings)	4,096	3,810

The MCR for the group is calculated as the sum of the MCRs of the participating insurance and reinsurance undertakings.

Method of consolidation

Reference is also made to section D.1 Assets in this report for the methods used to consolidate entities within NN Group for Solvency II reporting purposes.

Deferred tax under Solvency II

Reference is made to section E6 'Any other information' of this SFCR.

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

NN Group has not used the duration-based equity risk sub-module during the reporting period.

E.4 Differences between the Standard Formula and any Internal Model used

Internal Model vs Standard Formula

NN Group applies a Partial Internal Model as it better reflects the risk profile of the Dutch insurance entities (namely NN Life, NN Non-life and NN Re) and facilitates better risk management purposes, whilst the Standard Formula adequately captures the risk profile of the international businesses and the ABN AMRO insurance entities. Vivat Non-life is included based on Standard Formula and NN Non-life is in the process of expanding the PIM to include former VIVAT Non-life business.

In particular:

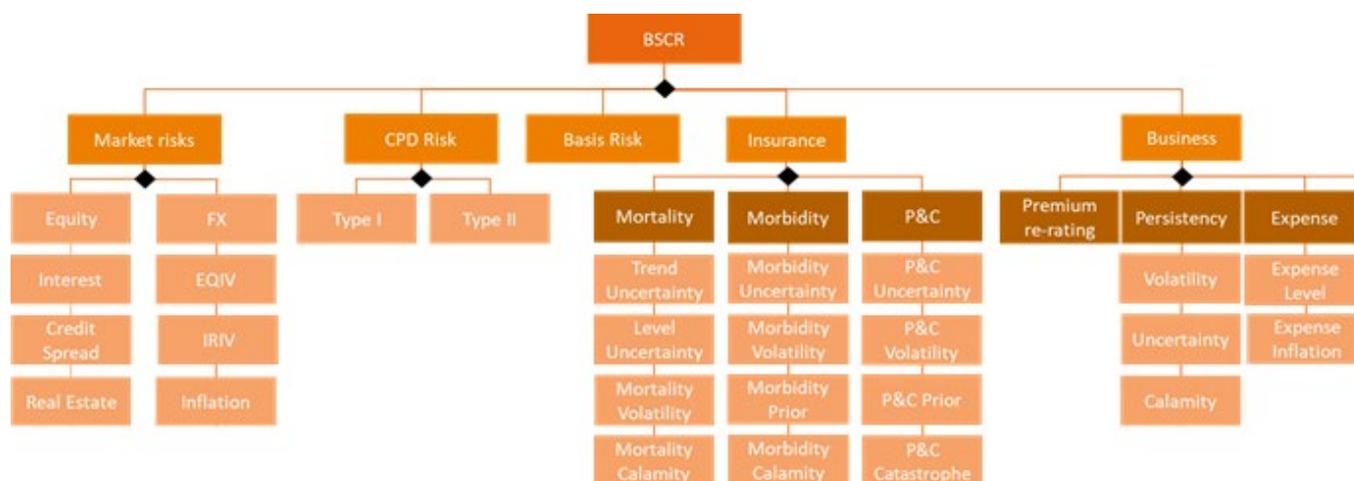
- An Internal Model approach better reflects the specific assets and therefore the market risk in the portfolio of NN Life e.g. property risk, sovereign and other credit spread risks
- The approach to the most significant non-market risks within NN Life such as longevity (trend uncertainty) and expense risk (closed block treatment) is better tailored to the specific portfolio characteristics and statutory reserves set up according to local company law
- An Internal Model approach better reflects the reinsured risks of NN Re (Netherlands) N.V. A significant proportion of the NN Re risks are a share of the NN Non-life risks where an Internal Model approach is applied. Variable Annuity risks are not adequately addressed by the Standard Formula. The Internal Model captures the combined market risks and the dynamics of the hedging programmes more accurately
- In the case of Disability/Morbidity Risks, the product features and experience in the Dutch market are different from those in the wider European market, e.g. greater emphasis is placed on claimants returning to work in the Netherlands
- In the case of the non-life catastrophe windstorm risk in P&C products, the Internal Model better reflects the risk profile in the NN portfolio which differs due to the type of property
- The Standard Formula diversification assumptions do not recognise all the diversification of risks that exist in the NN portfolios
- The Internal Model accounts for the volatility adjustment by means of an approach recognizing the illiquidity of liabilities in the asset shocks. Reference is made to section D.2 (in paragraph 'Matching and volatility adjustment, transitional measures and transitional risk-free interest rate term structure') for further information on NN Group's volatility adjustment

Capital management continued

There are no differences between the Internal Models used at individual undertaking level and the Internal Model used to calculate the Group SCR.

Risks covered by the Internal Model which are not – or differently - covered in the Standard Formula

Risk arises from the possibility that actual experience will adversely deviate from expectations, which results in economic losses for NN Group. In this respect, NN Group identified the following risk factors, and developed probability distributions for these various risk factors, as part of its Internal Model, which leads to the Basic Solvency Capital requirement ('BSCR'):



◆ = Correlation matrix or diversification factor

In addition to the risks covered in the Standard Formula, the Internal Model includes the following risks:

- Inflation risk is defined as the risk associated with adverse changes in both realised and future expected inflation rates
- Equity implied volatility refers to the possibility of adverse changes in Solvency II Own Funds due to adverse changes in the level of equity implied volatilities
- Interest rate implied volatility refers to the possibility of adverse changes in Solvency II Own Funds due to adverse changes in the level of interest rate implied volatilities
- Foreign exchange implied volatility refers to the possibility of adverse changes in Solvency II Own Funds due to adverse changes in the level of FX implied volatilities
- Basis risk is the risk that occurs if the underlying asset or liability behaves differently than the underlying of the hedge instrument

Capital management continued

The most important differences between Internal Model and Standard Formula in covered risk factors are:

- Interest Rate Risk:
 - The Internal Model incorporates non-parallel shocks to the curve as well instead of only two parallel shocks used in the Standard Formula
 - The Internal Model allows for shocking negative interest rates, whereas the Standard Formula does not
 - In the Internal Model, first, the shock is applied to the interest rates and then the resulting rates are extrapolated to the Ultimate Forward rate. Under the Standard Formula the interest rates are first extrapolated to the Ultimate Forward rate and afterwards the shock is applied
- Equity Risk:
 - Level of shocks differs mainly because of the higher granularity in the Internal Model and calibration to the equity portfolio of NN Group
- Credit Spread Risk:
 - Shocks in the Internal Model apply to all fixed income assets, whereas the Standard Formula does not apply shocks to the government bonds issued by members of the European Union in their own currency
 - In the Internal Model mortgages are treated under Credit Spread Risk, whereas in the Standard Formula these are shocked as part of Counterparty Default Risk
 - In contrast to the Standard Formula, the Internal Model recognises that volatility of credit spreads on our assets is mitigated by the illiquid nature of the liabilities through the Aligned Reference Portfolio (ARP) approach
- Real Estate Risk:
 - Shock applied in the Standard Formula is calibrated to historical prices observed in the UK property market, which is less representative for NN Group's portfolio, while the shocks in the Internal Model are calibrated to historical prices observed in the property markets according to actual exposures of NN Group
- Counterparty Default Risk:
 - Counterparty Default Risk module in the Standard Formula includes shocks applied to mortgage exposure, which are included under the Credit Spread module in the Internal Model
- Diversification within the Market Risk module:
 - Risk aggregation within the Internal Model is performed on different levels than in the Standard Formula: Internal Model captures the dependency between risk drivers, while Standard Formula correlates losses
- Life Risk:
 - Under the Internal Model, longevity risk (i.e. longevity trend uncertainty) is based on a multiyear model, whereas under the Standard Formula the longevity risk is estimated by permanently decreasing all mortality rates by the same fixed percentage

Structure of the Partial Internal Model

The BSCR in the Partial Internal Model is calculated as follows: the aggregate total BSCR of Internal Model entities (namely NN Life, NN Non-life and NN Re) is combined with the aggregate total BSCR of the Standard Formula entities (international businesses, ABN AMRO insurance entities and Vivat Non-life) using a correlated sum, recognising a Solvency II regulation based diversification between the Internal Model and Standard Formula entities. At a lower level, diversification between the Internal Model entities is based on Internal Model, and between the Standard Formula entities is based on Standard Formula.

Capital requirements for operational risk are calculated for all NN Group's modelled entities based on the Standard Formula and added to the combined BSCR. Next, loss absorption effects from technical provisions and taxes are included. Furthermore, capital requirements for non-modelled entities are added to come to the SCR for Solvency II Entities. Finally, Non-Solvency II entities are added to come to the total SCR.

The table below shows the results for the steps described above.

SCR

In EUR million	2020	2019
Internal Model entities	8,156	7,448
Standard Formula entities	1,816	1,498
Diversification	-333	-294
Partial Internal Model BSCR	9,639	8,652
Operational Risk	758	704
Loss-Absorbing Capacity of Technical Provisions	-68	-96
Loss-Absorbing Capacity of Deferred Taxes	-2,225	-1,732
Non-modelled Solvency II Entities	62	84
Solvency II entities	8,166	7,612
Non-Solvency II entities	1,368	542
Total SCR	9,534	8,154

The nature and appropriateness of the data used in the Internal Model

Market data is collected from pre-defined external data sources. All relevant market data must be used when it is available and is of sufficient quality for most of the market risk models NN Group uses standard well established market data sources, e.g. Refinitiv. The data is analysed for correctness as part of the calibration process.

Capital management continued

Qualitative and quantitative information on the material sources of group diversification effects

The material group diversification effects arise from different sources:

- For diversification within market risks, reference is made to the 'Market risk capital requirements' table in Note 51 'Risk management' of the 2020 Consolidated annual accounts of NN Group
- For other diversifications, reference is made to Note 51 'Risk management' of the 2020 Consolidated annual accounts of NN Group

Differences between Internal Model used at individual undertaking level and at the group level

There are no differences between the Internal Model methodology used locally and at the Group level. The Group uses centrally developed models for market risk and counterparty default risk and for aggregation, which are also applied by all entities using Internal Models.

Entities in the scope of the Internal Model have their specific models for non-market risk, which are then aggregated at the Group level for the Group SCR calculation.

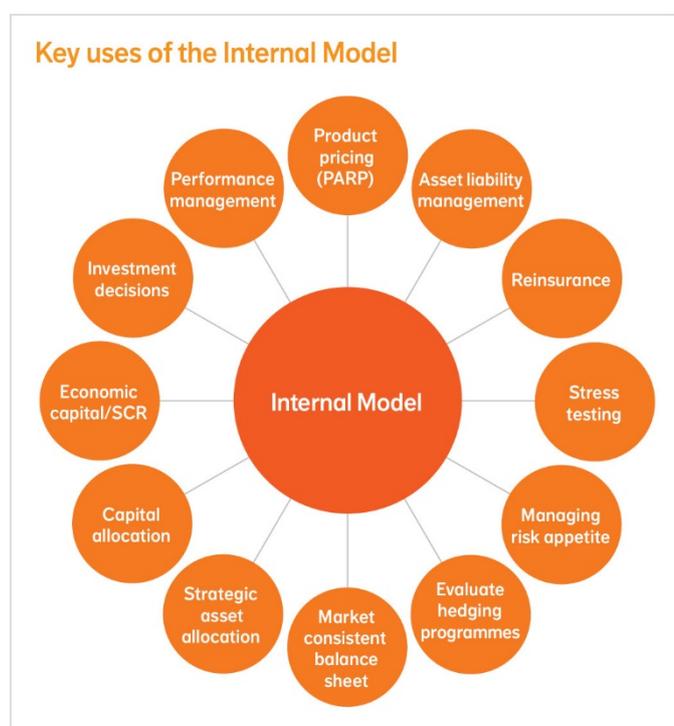
The use of the Internal Model

The Internal Model allows NN Group to treat different risk management activities in a consistent way:

- The model provides a framework which is consistent across risk types, businesses and the key uses such as market valuation, capitalisation, product pricing, investments, monitoring of risk appetite and risk mitigation/transfer
- The model facilitates adequate risk management at all levels of the organisation and provides a framework to measure, monitor and manage risks versus NN Group's risk appetite
- The model allows NN Group to manage risk in many different ways, e.g.:
 - Manage individual risk types at a much more granular approach, i.e. a stochastic (loss distribution) approach
 - Manage volatility in a stochastic rather than deterministic approach
 - Supports valuation, scenario and stress analysis by running scenarios in a simple way using replicating portfolios
- The model allows NN Group to proactively define its risk measurement and management approach rather than awaiting (generic) industry changes to the Standard Formula

The Internal Model is used for different purposes (for instance NN Group uses the Internal Model to measure the Own Funds at Risk (or Regulatory Capital at Risk) across its entities). The Internal Model is used to measure and manage the risks at all levels within the company, thus covering the entire loss distribution. This information is not only used to determine the SCR to cover tail risks. It is also used for, amongst others, wider risk management, capital management and business decisions such as product pricing and asset allocation.

The following diagram provides an overview of the key uses of the Internal Model.



The methods used in the Internal Model for determining the probability distribution for risks and the Solvency Capital Requirement

For the market risk models the Normal Inverse Gaussian ('NIG') distribution is mostly used. NIG distributions are a flexible set of distributions that allows modelling of fat-tailed and skewed distributions. For some market risk models, where fewer data points are available, the Normal distribution is used.

Where there is lack of annual data, higher frequency data is used for the calibration of the distribution parameters. The distribution is then annualised for the calculation of the SCR.

Capital management continued

To assess the quality of the calibration, the goodness-of-fit tests and back testing are applied.

Reference is made to Note 52 'Capital and liquidity management' in the 2020 Consolidated annual accounts of NN Group for more information on the entities in scope of NN Group's Internal Model.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

NN Group complied with the MCR and the SCR during the reporting period.

E.6 Any other information

Reference is made to Note 52 'Capital and liquidity management' in 2020 Consolidated annual accounts of NN Group for any other material information regarding the capital management of NN Group, including the cash capital position at the holding company, financial leverage and credit ratings of NN Group.

Deferred tax under Solvency II

The total deferred tax amount in Solvency II arises from:

- Taxable or deductible temporary differences because the carrying amount of assets or liabilities in the balance sheet differs from the tax base of those assets or liabilities. These differences multiplied by the tax rate are recognised as a net deferred tax liability or a net deferred tax asset (per legal entity or tax group) in the balance sheet. Reference is made to section D.1 'Assets' for the deferred tax asset recognised in the Solvency II balance sheet
- Unused tax losses that are available for carry forward for tax purposes
- The Loss Absorbing Capacity of deferred taxes on the Solvency Capital Requirement ('LAC DT' on the SCR)

Not all valuation differences between the tax basis and Solvency II and SCR shocks will lead to deferred tax as certain elements are exempt for tax. For example: valuation differences on certain equity securities and the equity shock in the SCR on these securities do not result in a deferred tax effect when equity returns are exempt from tax. Therefore, these are excluded from the valuation differences and SCR amounts in order to arrive at the deferred tax balances for Solvency II.

The total deferred tax amount for Solvency II is therefore built up in a number of steps:

- deferred tax assets on unused tax losses
- +/- deferred tax assets/liabilities from valuation differences between IFRS and tax basis (except for non-taxable items)
- = deferred tax asset/liability in the IFRS balance sheet (deferred tax for IFRS)
- +/- deferred tax assets/liabilities from valuation differences between Solvency II and IFRS (except for non-taxable items)
- = deferred tax asset/liability in the Solvency II balance sheet (deferred tax for Own Funds)
- + deferred tax on SCR (LAC DT on the SCR) (except for non-taxable items)
- = total deferred tax amount for Solvency II

The 'total deferred tax amount for Solvency II' represents the deferred tax position that would be reflected in a Solvency II balance sheet that is fully shocked in line with the SCR shock. Any net deferred tax asset/benefit - whether for IFRS, Own Funds or SCR - must be tested for recoverability. The general guidance on assessing recoverability is summarised as follows:

- Tax assets can only be recognised when it is concluded that their recoverability is probable. This applies to both deferred tax assets from timing differences, deferred tax assets from unused tax losses carried forward and the LAC DT on the SCR.
- Deferred tax assets are recoverable when:
 - There are sufficient deferred tax liabilities relating to the same taxation authority and the same taxable entity. These deferred tax liabilities must be expected to reverse either in the same period as the tax asset or in periods into which a tax loss can be carried back or forward
 - It is probable that the entity will have sufficient taxable profit relating to the same taxation authority and the same taxable entity in the same period as the reversal of the deductible temporary difference (or in the periods into which a tax loss arising from the deferred tax asset can be carried back or forward)
 - Tax planning opportunities are available

Deferred taxes in the IFRS and Solvency II balance sheet are nominal, undiscounted, amounts. Therefore, recoverability testing also only considers nominal, undiscounted, amounts.

Specific guidance applies under Solvency II in respect of 'Sufficient taxable profit' as, different from IFRS, this refers to Solvency II based profits (before and after a shock event) and not to regular (IFRS-based) profits.

In order to assess the recoverability of deferred tax, the total deferred tax amount for Solvency II (i.e. deferred tax in the Solvency II balance sheet plus the LAC DT on the SCR) must be equal to or lower than the total recoverable deferred tax amount in a Solvency II environment.

The recoverable amount must be assessed at the legal entity level and may not - except for the Solvency II balance sheet deferred tax asset only - include amounts from other entities in the Group, independent of existing fiscal unities or tax groups. While from a legal, tax and economic perspective the recoverability would benefit from the existence of a fiscal unity, and therefore the benefit from a fiscal unity is 'real', the Solvency II requirements prohibits reflecting the benefit of a fiscal unity in supporting the LAC DT on the SCR. The fiscal unity may be reflected in supporting the deferred tax asset in the Solvency II balance sheet.

Capital management continued

The deferred tax asset and deferred tax liability in the IFRS balance sheet at 31 December 2020 amount to EUR 73 million and EUR 6,329 million respectively. A detailed breakdown of the deferred tax per underlying items is provided in Note 34 'Taxation' in the 2020 Consolidated annual accounts. The net position of EUR 6.3 billion relates mainly to invested assets (EUR 9.6 billion) and to net insurance liabilities (EUR 3.3 billion). Deferred taxes are recognised in the Solvency II balance sheet as a net amount for deferred tax asset or deferred tax liability to the extent that the amounts relate to the same tax and the same tax authority. Deferred tax on the consolidated NN Group Solvency II balance sheet consists of the sum of the deferred tax positions of all Solvency II entities within NN Group, including that of NN Group itself. The deferred tax asset and deferred tax liability in the Solvency II balance sheet at 31 December 2020 amount to EUR 739 million and EUR 364 million respectively. The net position of EUR 0.4 billion relates mainly to invested assets (EUR 8.3 billion) and to net insurance liabilities (EUR 8.5 billion).

From the deferred tax asset in the Solvency II balance sheet of EUR 739 million, an amount of EUR 364 million is supported by the reversion of the deferred tax liability. The remainder is supported by estimated future taxable profits.

Unused tax losses at 31 December 2020 amounted to EUR 527 million. From this amount, EUR 302 million is expected to be offset against future taxable profits, whereas EUR 225 million is not. Therefore, a deferred tax asset of EUR 77 million for unused tax losses is recognised at 31 December 2020 representing the EUR 302 million at the relevant tax rate. There are no significant unrecognised deferred tax assets on temporary valuation differences.

As the total deferred tax amount for Solvency II (i.e. the deferred tax asset that exists in a fully shocked SCR balance sheet) is the highest amount, it acts as starting point for the recoverability test. This total amount reflects the differences between the tax values and the Solvency II values for all assets and liabilities and the tax benefit on the SCR. Only if the total deferred tax is non-recoverable, the recoverability of the deferred tax in Own Funds becomes separately relevant.

It is reasonable to assume that NN Group can continue as a going concern after the shock. The tax recoverability test of NN Group is performed on this basis.

The total recoverable deferred tax amount in a Solvency II environment may come from various sources and includes both recoverability from items that never impact taxable profits and reverse over time as well as sources of profits and losses that would emerge in a Solvency II environment or a Solvency II environment after a SCR-type shock would have occurred. The recoverability is therefore based on an estimation of the total taxable results (including both income and expenses) that is expected to arise in a Solvency II environment after the shock. The sources of recoverability include all components of the estimated future taxable results, irrespective whether these are income ('profit') or expense ('loss'). In this calculation the Dutch corporate income tax rate of 25% as of 2021, that was enacted in December 2020, is used.

The following items are included in determining the total recoverable deferred tax amount:

- The amount of the risk margin in the technical provision
- Taxable return on capital after the shock and net of expected dividends
- Taxable part of investment spread in excess of interest accretion on liabilities and funding costs over their (expected average) remaining duration
- Profits from estimated new business
- Other taxable items

The most important assumption in determining estimated future taxable profits to support the DTA and LAC DT is the investment spread that is used both to determine taxable return on capital after the shock and the taxable part of investment spread in excess of interest accretion on liabilities and funding costs. This investment spread after shock is assumed to be similar to the investment spread before shock (i.e. the positive impact on spreads from the recovery after shock is not taken into account) and the spreads are set at the same level as used for other purposes (including strategic asset allocation and business and capital planning).

In determining the total recoverable deferred tax amount, the uncertainty around future taxable profits and the increasing degree of uncertainty in future taxable profits as the projection horizon becomes longer is taken into account. This is done by excluding certain profit sources, setting conservative assumptions and/or calculating various alternative scenarios to assess the (potential) impact of these scenarios on the LAC DT. Scenarios that are used to reflect uncertainty include a scenario of higher/lower technical results (impacting the release of the risk margin), higher/lower investment spreads (impacting the investment return in excess of interest accretion on liabilities) and higher/lower new business profits. The average recoverable LAC DT resulting from these scenarios is determined and reflected in the recognised LAC DT.

The LAC DT recognised as at 31 December 2020 was EUR 2,225 million. This LAC DT was supported by expected taxable profits for the current year and future years. NN Group has sufficient expected taxable profits to support the total LAC DT recognised. The LAC DT in the consolidated SCR of NN Group consists of the sum of the LAC DT of all Solvency II entities within NN Group, adjusted for the group diversification effects.

The net deferred tax asset is classified as Tier 3 capital. Tier 3 capital cannot exceed 15% of the Group Consolidated SCR.

Capital management continued

Eligible Own Funds to cover the Solvency Capital Requirement

	Available Own Funds 2020	Eligible Own Funds 2020	Available Own Funds 2019	Eligible Own Funds 2019	Eligibility restriction
Tier 1	14,411	14,411	13,758	13,758	More than one third of total EOF
Of which:					
- Unrestricted Tier 1	12,484	12,484	11,836	11,836	Not applicable
- Restricted Tier 1	1,927	1,927	1,922	1,922	Less than 20% of Tier 1
-					
Tier 2 + Tier 3	3,217	3,217	3,177	3,177	Less than 50% of SCR
- Tier 2	2,484	2,484	2,474	2,474	
- Tier 3	733	733	703	703	Less than 15% of SCR; Less than one third of total EOF
- Non-Solvency II regulated entities	2,400	2,400	1,305	1,305	
Total Own Funds	20,028	20,028	18,240	18,240	

As at 31 December 2020, the total net DTA was EUR 739 million. From this amount, EUR 733 million was recognised as Tier 3 basic own funds and Tier 3 eligible own funds capital following the relevant limits. Further information on Tiering is included in Note 52 'Capital and liquidity management' in the 2020 Consolidated annual accounts of NN Group.

Subsequent events

Disposal Bulgarian operations

On 11 February 2021, NN Group announced that it has reached an agreement to sell its Bulgarian operations. Reference is made to Note 45 'Companies and businesses acquired and divested' in the 2020 Consolidated annual accounts of NN Group.

Share buyback programme

On 18 February 2021, NN Group announced that it will execute an open market share buyback programme for an amount of EUR 250 million. The programme will be executed within 12 months and commenced on 1 March 2021. The share buyback will be deducted in full from Solvency II Own Funds in the first half of 2021 and is estimated to reduce NN Group's Solvency II ratio by approximately 3%-points. It will be deducted from IFRS shareholders' equity when the actual buyback transactions occur.

Appendix

Appendix: Quantitative Reporting Templates that form part of the Solvency and Financial Condition Report

This appendix includes certain Quantitative Reporting Templates ('QRTs') of NN Group, required to be reported to DNB and to be publicly disclosed:

Reference number	Title	Description
S.02.01.02	Balance sheet	Balance sheet information using Solvency II valuation methodology
S.05.01.02	Premiums, claims and expenses by line of business	Information on premiums, claims and expenses using the valuation and recognition principles used in NN Group's Consolidated annual report
S.05.02.01	Premiums, claims and expenses by country	Information on premiums, claims and expenses by country using the valuation and recognition principles used in NN Group's Consolidated annual report
S.22.01.22	Impact of long term guarantees and transitional measures	Information on the impact of the long term guarantee and transitional measures
S.23.01.22	Own Funds	Information on Own Funds, including basic Own Funds
S.25.02.22	Solvency Capital Requirement	Information on the Solvency Capital Requirement calculated using the Standard Formula and a Partial Internal Model
S.32.01.22	Undertakings in the scope of the group	Information on the undertakings in the scope of the group

All amounts in this appendix are recorded in EUR 1,000.

Appendix continued

S.02.01.02 Balance sheet

		Solvency II value C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	
Deferred tax assets	R0040	738,897
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	334,387
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	137,011,152
Property (other than for own use)	R0080	2,443,782
Holdings in related undertakings, including participations	R0090	8,361,556
Equities	R0100	5,985,146
Equities - listed	R0110	5,668,482
Equities - unlisted	R0120	316,664
Bonds	R0130	91,639,705
Government Bonds	R0140	61,541,734
Corporate Bonds	R0150	27,284,253
Structured notes	R0160	584,317
Collateralised securities	R0170	2,229,401
Collective Investments Undertakings	R0180	11,117,675
Derivatives	R0190	14,954,215
Deposits other than cash equivalents	R0200	2,279,381
Other investments	R0210	229,691
Assets held for index-linked and unit-linked contracts	R0220	32,999,028
Loans and mortgages	R0230	47,814,118
Loans on policies	R0240	531,171
Loans and mortgages to individuals	R0250	31,022,474
Other loans and mortgages	R0260	16,260,473
Reinsurance recoverables from:	R0270	70,815
Non-life and health similar to non-life	R0280	205,878
Non-life excluding health	R0290	200,004
Health similar to non-life	R0300	5,874
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	-173,761
Health similar to life	R0320	43,411
Life excluding health and index-linked and unit-linked	R0330	-217,172
Life index-linked and unit-linked	R0340	38,698
Deposits to cedants	R0350	7,649
Insurance and intermediaries receivables	R0360	481,397
Reinsurance receivables	R0370	253,708
Receivables (trade, not insurance)	R0380	529,901
Own shares (held directly)	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
Cash and cash equivalents	R0410	1,220,057
Any other assets, not elsewhere shown	R0420	171,760
Total assets	R0500	221,632,868

Appendix continued

		Solvency II value C0010
Liabilities		
Technical provisions – non-life	R0510	3,195,644
Technical provisions – non-life (excluding health)	R0520	2,827,308
Technical provisions calculated as a whole	R0530	
Best Estimate	R0540	2,692,568
Risk margin	R0550	134,739
Technical provisions - health (similar to non-life)	R0560	368,337
Technical provisions calculated as a whole	R0570	
Best Estimate	R0580	342,651
Risk margin	R0590	25,686
Technical provisions - life (excluding index-linked and unit-linked)	R0600	140,465,083
Technical provisions - health (similar to life)	R0610	4,174,416
Technical provisions calculated as a whole	R0620	
Best Estimate	R0630	3,736,612
Risk margin	R0640	437,804
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	136,290,668
Technical provisions calculated as a whole	R0660	
Best Estimate	R0670	129,664,629
Risk margin	R0680	6,626,039
Technical provisions – index-linked and unit-linked	R0690	34,412,057
Technical provisions calculated as a whole	R0700	
Best Estimate	R0710	33,725,985
Risk margin	R0720	686,072
Other technical provisions	R0730	
Contingent liabilities	R0740	1,199
Provisions other than technical provisions	R0750	143,128
Pension benefit obligations	R0760	109,399
Deposits from reinsurers	R0770	327,303
Deferred tax liabilities	R0780	364,205
Derivatives	R0790	4,010,176
Debts owed to credit institutions	R0800	12,225,642
Financial liabilities other than debts owed to credit institutions	R0810	2,012,379
Insurance & intermediaries payables	R0820	1,293,188
Reinsurance payables	R0830	78,320
Payables (trade, not insurance)	R0840	940,299
Subordinated liabilities	R0850	4,497,752
Subordinated liabilities not in Basic Own Funds	R0860	
Subordinated liabilities in Basic Own Funds	R0870	4,497,752
Any other liabilities, not elsewhere shown	R0880	231,979
Total liabilities	R0900	204,307,753
Excess of assets over liabilities	R1000	17,325,115

Appendix continued

S.05.01.02 Premiums, claims and expenses by line of business

Line of Business for: non-life insurance and reinsurance obligations (direct
business and accepted proportional reinsurance)

		Medical expense insurance C0010	Income protection insurance C0020	Workers' compen- sation insurance C0030	Motor vehicle liability insurance C0040	Other motor insurance C0050	Marine, aviation and transport insurance C0060	Fire and other damage to property insurance C0070	General liability insurance C0080	Credit and suretyship insurance C0090
Premiums written										
Gross - Direct Business	R0110		493,003		477,429	351,234	99,955	1,091,104	280,589	
Gross - Proportional reinsurance accepted	R0120						76	1,536	-433	
Gross - Non-proportional reinsurance accepted	R0130									
Reinsurers' share	R0140		13,214		913	1,322	3,115	68,204	1,020	
Net	R0200		479,789		476,516	349,912	96,916	1,024,436	279,136	
Premiums earned										
Gross - Direct Business	R0210		501,092		487,093	361,542	103,571	1,125,530	290,150	
Gross - Proportional reinsurance accepted	R0220						76	1,536	98	
Gross - Non-proportional reinsurance accepted	R0230									
Reinsurers' share	R0240		13,145		910	1,302	3,065	68,264	1,119	
Net	R0300		487,947		486,183	360,240	100,582	1,058,802	289,129	
Claims incurred										
Gross - Direct Business	R0310		341,305		360,506	167,109	75,702	490,962	157,720	
Gross - Proportional reinsurance accepted	R0320						530	1,306	3,487	
Gross - Non-proportional reinsurance accepted	R0330									
Reinsurers' share	R0340		7,450		3,033	278	9,824	38,338	20,600	
Net	R0400		333,855		357,473	166,831	66,408	453,930	140,607	
Changes in other technical provisions										
Gross - Direct Business	R0410		-320					3		
Gross - Proportional reinsurance accepted	R0420									
Gross - Non- proportional reinsurance accepted	R0430									
Reinsurers' share	R0440									
Net	R0500		-320					3		
Expenses incurred	R0550		154,787		179,455	142,572	39,459	466,606	143,293	
Other expenses	R1200									
Total expenses	R1300									

Appendix continued

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Line of Business for: accepted non-proportional reinsurance			Total	
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport		Property
		C0100	C0110	C0120	C0130	C0140	C0150		C0160
Premiums written									
Gross - Direct Business	R0110	121,049	31,383	43,449				2,989,195	
Gross - Proportional reinsurance accepted	R0120							1,179	
Gross - Non-proportional reinsurance accepted	R0130					2,353	650	12,322	
Reinsurers' share	R0140	114,849	82	119		304	142	2,251	
Net	R0200	6,200	31,301	43,330		2,049	508	10,071	
Premiums earned									
Gross - Direct Business	R0210	121,535	33,476	42,849				3,066,838	
Gross - Proportional reinsurance accepted	R0220							1,710	
Gross - Non-proportional reinsurance accepted	R0230					2,353	650	12,322	
Reinsurers' share	R0240	115,090	82	119		304	142	2,251	
Net	R0300	6,445	33,394	42,730		2,049	508	10,071	
Claims incurred									
Gross - Direct Business	R0310	57,956	8,040	25,822				1,685,122	
Gross - Proportional reinsurance accepted	R0320							5,322	
Gross - Non-proportional reinsurance accepted	R0330					1,905		3,344	
Reinsurers' share	R0340	21,396	168	681				101,767	
Net	R0400	36,560	7,872	25,141		1,905		3,344	
Changes in other technical provisions									
Gross - Direct Business	R0410							-318	
Gross - Proportional reinsurance accepted	R0420								
Gross - Non-proportional reinsurance accepted	R0430								
Reinsurers' share	R0440								
Net	R0500							-318	
Expenses incurred	R0550	981	12,003	12,323		283	135	2,433	
Other expenses	R1200							5,404	
Total expenses	R1300							1,159,734	

Appendix continued

	Line of Business for: life insurance obligations						Life reinsurance obligations		Total
	Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to the insurance obligations other than health insurance obligations	Annuities stemming from non-life insurance contracts and relating to the insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written									
Gross	R1410	1,116,335	907,787	2,812,317	5,945,504			34,474	10,816,417
Reinsurers' share	R1420	25,955	40,083	2,680	1,057,132			3,780	1,129,630
Net	R1500	1,090,380	867,704	2,809,637	4,888,372			30,694	9,686,787
Premiums earned									
Gross	R1510	1,151,048	910,308	2,812,497	5,944,552			34,444	10,852,849
Reinsurers' share	R1520	25,963	40,820	2,680	1,056,906			3,780	1,130,149
Net	R1600	1,125,085	869,488	2,809,817	4,887,646			30,664	9,722,700
Claims incurred									
Gross	R1610	912,539	2,257,292	2,768,057	6,057,309			31,177	12,026,374
Reinsurers' share	R1620	21,539	80,801	949	928,952			2,612	1,034,853
Net	R1700	891,000	2,176,491	2,767,108	5,128,357			28,565	10,991,521
Changes in other technical provisions									
Gross	R1710	-9,245	1,084,350	-1,291,231	-756,142			-433	453
Reinsurers' share	R1720	-33	-675	2,078	-10,493				21
Net	R1800	-9,212	1,085,025	-1,293,309	-745,649			-433	432
Expenses incurred	R1900	299,889	227,333	389,462	1,047,676			2,157	20,672
Other expenses	R2500								14,071
Total expenses	R2600								2,001,261

Appendix continued

S.05.02.01 Premiums, claims and expenses by country

	Home country	Total for top 5 countries and home country (by amount of gross premiums written)					Total	
		C0020	C0030	C0040	C0050	C0060		
		BE - Kingdom of Belgium	ES - Kingdom of Spain	RO - Romania	SK - Slovak Republic	PL - Republic of Poland		
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written								
Gross - Direct Business	R0110	2,771,008	125,627	44,807	14,184	22,945	9,805	2,988,376
Gross - Proportional reinsurance accepted	R0120	197		131				328
Gross - Non-proportional reinsurance accepted	R0130	15,282					2	15,284
Reinsurers' share	R0140	184,269	2,080	11,094	7,350	594	146	205,533
Net	R0200	2,602,218	123,547	33,844	6,834	22,351	9,661	2,798,455
Premiums earned								
Gross - Direct Business	R0210	2,851,513	127,284	43,495	13,986	22,259	7,568	3,066,105
Gross - Proportional reinsurance accepted	R0220	728		131				859
Gross - Non-proportional reinsurance accepted	R0230	15,289					2	15,291
Reinsurers' share	R0240	185,043	2,080	10,579	7,350	594	146	205,792
Net	R0300	2,682,487	125,204	33,047	6,636	21,665	7,424	2,876,463
Claims incurred								
Gross - Direct Business	R0310	1,594,203	59,302	31,030	1,415	4,646	2,052	1,692,648
Gross - Proportional reinsurance accepted	R0320	3,642		653				4,295
Gross - Non-proportional reinsurance accepted	R0330	6,997	-2,402	3	-3		73	4,668
Reinsurers' share	R0340	88,486	17	11,980	882	144	273	101,782
Net	R0400	1,516,356	56,883	19,706	530	4,502	1,852	1,599,829
Changes in other technical provisions								
Gross - Direct Business	R0410		-266		3	-55		-318
Gross - Proportional reinsurance accepted	R0420							
Gross - Non-proportional reinsurance accepted	R0430							
Reinsurers' share	R0440							
Net	R0500		-266		3	-55		-318
Expenses incurred	R0550	1,046,668	70,794	11,108	4,521	13,119	6,749	1,152,959
Other expenses	R1200							5,098
Total expenses	R1300							1,158,057

Appendix continued

	Home country	Total for top 5 countries and home country (by amount of gross premiums written)					Total	
		C0020	C0030	C0040	C0050	C0060		
			BE - Kingdom of Belgium	HE - Hellenic Republic	ES - Kingdom of Spain	PL - Republic of Poland		
		C0080	JP - Japan C0090	C0100	C0110	C0120		C0130
Premiums written								
Gross	R1410	4,169,440	3,730,670	801,975	465,627	511,313	369,403	10,048,428
Reinsurers' share	R1420	876,870	176,877	13,166	4,589	40,485	3,035	1,115,022
Net	R1500	3,292,570	3,553,793	788,809	461,038	470,828	366,368	8,933,406
Premiums earned								
Gross	R1510	4,206,026	3,730,670	802,288	465,627	511,675	367,751	10,084,037
Reinsurers' share	R1520	876,870	176,877	13,166	4,589	40,997	3,035	1,115,534
Net	R1600	3,329,156	3,553,793	789,122	461,038	470,678	364,716	8,968,503
Claims incurred								
Gross	R1610	6,772,664	2,452,675	1,224,332	250,372	603,961	228,310	11,532,314
Reinsurers' share	R1620	883,422	54,267	56,443	4,166	29,817	1,792	1,029,907
Net	R1700	5,889,242	2,398,408	1,167,889	246,206	574,144	226,518	10,502,407
Changes in other technical provisions								
Gross	R1710	-258,918	-818,694	367,847	-156,641	123,861	-39,824	-782,369
Reinsurers' share	R1720	53,808	-63,228	-806	503	56	544	-9,123
Net	R1800	-312,726	-755,466	368,653	-157,144	123,805	-40,368	-773,246
Expenses incurred	R1900	795,709	425,069	221,389	92,725	102,394	118,831	1,756,117
Other expenses	R2500							9,884
Total expenses	R2600							1,766,001

Appendix continued

S.22.01.22 Impact of long term guarantees and transitional measures

		Amount with Long Term Guarantee measures and transitionals C0010	Impact of transitional on technical provisions C0030	Impact of transitional on interest rate C0050	Impact of volatility adjustment set to zero C0070	Impact of matching adjustment set to zero C0090
Technical provisions	R0010	178,072,784	683,678	197,037	1,264,324	
Basic own funds	R0020	17,627,987	-397,481	-102,707	-944,478	
Eligible own funds to meet Solvency Capital Requirement	R0050	20,027,920	-397,481	-102,707	-944,478	
Solvency Capital Requirement ¹	R0090	9,533,869			7,559,155	

1. This reflects the impact to set the volatility adjustment to zero; it does not reflect second order impacts, such as changes to LAC DT (which is kept constant).

Reference is made to Section D.2. (paragraph 'Matching and volatility adjustment, transitional measures and transitional risk-free interest rate term structure') for more information on the impact of long term guarantees and transitional measures.

Appendix continued

S.23.01.22 Own Funds

		Total C0010	Tier 1 - unrestricted C0020	Tier 1 - restricted C0030	Tier 2 C0040	Tier 3 C0050
Basic own funds before deduction for participations in other financial sector						
Ordinary share capital (gross of own shares)	R0010	39,633	39,633			
Non-available called but not paid in ordinary share capital at group level	R0020					
Share premium account related to ordinary share capital	R0030	12,573,398	12,573,398			
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Non-available subordinated mutual member accounts at group level	R0060					
Surplus funds	R0070					
Non-available surplus funds at group level	R0080					
Preference shares	R0090					
Non-available preference shares at group level	R0100					
Share premium account related to preference shares	R0110					
Non-available share premium account related to preference shares at group level	R0120					
Reconciliation reserve	R0130	3,377,909	3,377,909			
Subordinated liabilities	R0140	4,497,752		1,926,598	2,571,154	
Non-available subordinated liabilities at group level	R0150					
An amount equal to the value of net deferred tax assets	R0160	738,897				738,897
The amount equal to the value of net deferred tax assets not available at the group level	R0170					
Other items approved by supervisory authority as basic own funds not specified above	R0180					
Non available own funds related to other own funds items approved by supervisory authority	R0190	1,083,423	990,374		87,181	5,868
Minority interests (if not reported as part of a specific own fund item)	R0200					
Non-available minority interests at group level	R0210	116,247	116,247			
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that shall not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230	1,489,714	1,489,714			
whereof deducted according to Article 228 of the Directive 2009/138/EC	R0240					
Deductions for participations where there is non-availability of information (Article 229)	R0250					
Deduction for participations included by using D&A when a combination of methods is used	R0260	910,220	910,220			
Total of non-available own fund items	R0270	1,199,670	1,106,621		87,181	5,868
Total deductions	R0280	3,599,604	3,506,555		87,181	5,868
Total basic own funds after deductions	R0290	17,627,986	12,484,386	1,926,598	2,483,973	733,029

Appendix continued

		Total C0010	Tier 1- unrestricted C0020	Tier 1- restricted C0030	Tier 2 C0040	Tier 3 C0050
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Non available ancillary own funds at group level	R0380					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Own funds of other financial sectors						
Credit institutions, investment firms, financial institutions, alternative investments fund managers, UCITS management companies	R0410	1,240,250	1,155,250		85,000	
Institutions for occupational retirement provision	R0420	249,463	249,463			
Non regulated entities carrying out financial activities	R0430					
Total own funds of other financial sectors	R0440	1,489,714	1,404,714		85,000	
Own funds when using the D&A, exclusively or in combination of method 1						
Own funds aggregated when using the D&A and combination of method	R0450	910,220	910,220			
Own funds aggregated when using the D&A and combination of method net of IGT	R0460	910,220	910,220			
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	17,627,986	12,484,386	1,926,598	2,483,973	733,029
Total available own funds to meet the minimum consolidated group SCR	R0530	16,894,957	12,484,386	1,926,598	2,483,973	
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	17,627,986	12,484,386	1,926,598	2,483,973	733,029
Total eligible own funds to meet the minimum consolidated group SCR	R0570	15,230,190	12,484,386	1,926,598	819,206	
Consolidated Group SCR	R0590	9,248,592				
Minimum consolidated Group SCR	R0610	4,096,029				
Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)	R0630	2.16				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	3.72				
Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)	R0660	20,027,920	14,799,320	1,926,598	2,568,973	733,029
SCR for entities included with D&A method	R0670	285,276				
Group SCR	R0680	9,533,869				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	R0690	2.10				

Appendix continued

Reconciliation reserve

		C0060
Reconciliation reserve		Amount
Excess of assets over liabilities	R0700	17,325,115
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	595,277
Other basic own fund items	R0730	13,351,930
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Other non available own funds	R0750	
Reconciliation reserve	R0760	3,377,909
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	2,565,482
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	94,792
Total Expected profits included in future premiums (EPIFP)	R0790	2,660,274

Appendix continued

S.25.02.22 Solvency Capital Requirement – for groups using the Standard Formula and Partial Internal Model

Unique number of component/ Components description C0010/ C0020	Calculation of the Solvency Capital Requirement C0030	Allocation from adjustments due to RFF and Matching adjustments portfolios C0050	Consideration of the future management actions regarding technical provisions and/or deferred taxes C0060	Amount modelled C0070
Market Risk (SF)	861,070			861,070
Market Risk (PIM)	4,631,776			4,631,776
Counterparty Default Risk (SF)	178,324			178,324
Counterparty Default Risk (PIM)	136,678			136,678
Life Underwriting Risk (SF)	870,853			870,853
Life Underwriting Risk (PIM)	5,560,443			5,560,443
Health Underwriting Risk (SF)	581,709			581,709
Health Underwriting Risk (PIM)	575,204			575,204
Non-life Underwriting Risk (SF)	341,103			341,103
Non-life Underwriting Risk (PIM)	549,219			549,219
Intangible Asset Risk (SF)				
Operational Risk (SF)	142,909			142,909
Operational Risk (PIM)	614,578			614,578
Operational Risk (non-modelled SII entities)	58,421			
LAC TP (SF)	-14,909			-14,909
LAC TP (PIM)	-52,847			-52,847
LAC DT (SF)	-258,986			-258,986
LAC DT (PIM)	-1,966,133			-1,966,133

NN Group did not use undertaking specific parameters or simplifications in determining the components of the Standard Formula as set out above to ensure alignment, SCR for Non-Modelled Solvency II entities has been linked in C0100 to the category Operational Risk.

The diversification in this QRT is across the main risk categories for Internal Model and Standard Formula entities.

Appendix continued

Calculation of Solvency Capital Requirement

		C0100
Total undiversified components	R0110	12,809,411
Diversification	R0060	-4,647,359
Adjustment due to RFF/MAP nSCR aggregation	R0120	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency capital requirement excluding capital add-on	R0200	8,162,052
Capital add-ons already set	R0210	3,828
Solvency capital requirement for undertakings under consolidated method	R0220	9,248,592
Other information on SCR		
Amount/estimate of the overall loss-absorbing capacity of technical provisions	R0300	-67,755
Amount/estimate of the overall loss-absorbing capacity of deferred taxes	R0310	-2,225,119
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirement for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	
Minimum consolidated group solvency capital requirement	R0470	4,096,029
Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	1,082,712
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	960,337
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520	122,375
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated entities carrying out financial activities	R0530	
Capital requirement for non-controlled participation requirements	R0540	
Capital requirement for residual undertakings	R0550	
Overall SCR		
SCR for undertakings included via D and A	R0560	285,276
Solvency capital requirement	R0570	9,533,869

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S.32.01.22 Undertakings in the scope of the group

Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Belgium	549300P1862 TXM0YEB58	LEI	NN Insurance Belgium NV	Life insurer	N.V.	Non-mutual	National Bank of Belgium (NBB)
Belgium	549300GVZD NBP9CS7220	LEI	NN Insurance Services Belgium NV	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	N.V.	Non-mutual	
Greece	21380015K5G PXUGHWP21	LEI	NN Hellenic Life Insurance Co. S.A.	Life insurer	S.A.	Non-mutual	Bank of Greece
Hungary	213800LJXKN QGW17T748	LEI	NN Biztosító Zártkörűen Működő Részvénytársaság	Life insurer	Részvénytárság	Non-mutual	National Bank of Hungary
Netherlands	72450089HO KNKBXZW470	LEI	NN Non-Life insurance N.V.	Non-life insurer	N.V.	Non-mutual	De Neder- landsche Bank (DNB)
Netherlands	54930050LBZ UR4138I72	LEI	NN Re (Nether- lands) N.V.	Reinsurance undertaking	N.V.	Non-mutual	De Neder- landsche Bank (DNB)
Netherlands	7245000CROL NYKWUS634	LEI	Nationale- Nederlanden Schade- verzekering Maatschap- pij N.V.	Non-life insurer	N.V.	Non-mutual	De Neder- landsche Bank (DNB)
Netherlands	724500L7T6JR 7V9SIO28	LEI	Nationale- Nederlanden Levensverze- kering Maatschap- pij N.V.	Life insurer	N.V.	Non-mutual	De Neder- landsche Bank (DNB)
Poland	259400RZ393 3F1O8K604	LEI	Nationale- Nederlanden Towarzystwo Ubezpieczeń na Życie S.A.	Life insurer	S.A.	Non-mutual	Financial Supervisory Authority Poland
Romania	549300GK7Z9 RSNNVFB27	LEI	NN Asigurari de Viata S.A.	Life insurer	S.A.	Non-mutual	Financial Supervisory Authority Romania
Slovakia	3157008I214Z P307A433	LEI	NN Životná poistovňa, a.s.	Life insurer	A.S.	Non-mutual	National Bank of Slovakia
Spain	9598008SSV GKRKJMWW9 2	LEI	Nationale Nederlanden Generales, Compania de Seguros y Reaseguros, S.A.	Non-life insurer	S.A.	Non-mutual	General Directorate of Insurance and Pensions

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Spain	95980020140 005328872	LEI	Nationale Nederlanden Vida, Compania de Seguros y Reaseguros. S.A.	Life insurer	S.A.	Non-mutual	General Directorate of Insurance and Pensions
Japan	549300Z97MF LU58LWK39	LEI	NN Life Insurance Company, Ltd.	Life insurer	Ltd	Non-mutual	Financial Service Agency
Turkey	491142.2	SC	NN Hayat ve Emeklilik A.Ş.	Life insurer	A.S.	Non-mutual	Undersecret ariat of Treasury
Romania	J40/475/1997. 2	SC	NN 3rd pillar pension Romania	Institutions for occupational retirement provision	S.A.	Non-mutual	Financial Supervisory Authority Romania
Slovakia	3157007FMSO 22KKV9Z88	LEI	NN dôchodková správcovská spoločnosť, a.s.	Institutions for occupational retirement provision	A.S.	Non-mutual	National Bank of Slovakia
Romania	J40/9766/200 7	SC	NN Pensii Societate de Administrare a unui Fond de Pensii Administrat Privat S.A.	Institutions for occupational retirement provision	S.A.	Non-mutual	Financial Supervisory Authority Romania
Bulgaria	7644/98	SC	NN Pensionno- Osigoritelno Druzestvo EAD	Institutions for occupational retirement provision	EAD	Non-mutual	Financial Supervisory Commission
Czech Republic	315700R2GW HJJLOF7381	LEI	NN Penzijní společnost, a.s.	Institutions for occupational retirement provision	A.S.	Non-mutual	Central Bank of the Czech Republic (CNB)
Poland	259400ETK4 Q7BA75MU17	LEI	Nationale- Nederlanden Powszechne Towarzystwo Emerytalne S.A.	Institutions for occupational retirement provision	S.A.	Non-mutual	Financial Supervisory Authority Poland
Slovakia	35976853	SC	NN Tatry - Sympatia, d.d.s., a.s.	Institutions for occupational retirement provision	A.S.	Non-mutual	National Bank of Slovakia
Hungary	01-10-043980	SC	NN Szolgáltató és Tanácsadó Zártkörűen Működő Részvénytárs aság	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Részvénytárs aság	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Netherlands	724500BICUQ OLF1AH770	LEI	Nationale- Nederlanden Bank N.V.	Credit institutions, investment firms and financial institutions	N.V.	Non-mutual	De Neder- landsche Bank (DNB)
Netherlands	27093787	SC	Zicht B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Poland	KRS 27325	SC	Nationale- Nederlanden Usługi Finansowe Spółka z ograniczoną odpowiedzial- nością (sp. z o. o)	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.A.	Non-mutual	
Netherlands	33002043	SC	Nationale- Nederlanden Intertrust B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	30107623	SC	Private Equity Investments II B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	27068646	SC	Wijkertunnel Beheer I B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	7245002XM4Y OLBZ60634	LEI	REI Investment I B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Netherlands	56522525	SC	Private Equity Investments B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	59293012	SC	Korea Investment Fund B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	549300N0HH GLT70MM602	LEI	NN Investment Partners Holdings N.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	N.V.	Non-mutual	
Netherlands	62094114	SC	Private Debt Investments B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	549300NC3S ZTETC10349	LEI	Nationale-Nederlanden Interfinance B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	27193850	SC	NN Insurance Support Nederland B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	33262127	SC	Nationale-Nederlanden Holdinvest B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Netherlands	724500OHYN DT9OY6Q215	LEI	NN Group N.V.	Mixed financial holding company as defined in Art. 212§ [h] of Directive 2009/138/EC	N.V.	Non-mutual	
Netherlands	724500LSEY WJHXZ58E54	LEI	NN Insurance International B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	724500G2BU PAFMEITB30	LEI	NN Insurance Eurasia N.V.	Insurance holding company as defined in Art. 212§ [f] of Directive 2009/138/EC	N.V.	Non-mutual	
Netherlands	33231790	SC	Nationale- Nederlanden Nederland B.V.	Insurance holding company as defined in Art. 212§ [f] of Directive 2009/138/EC	B.V.	Non-mutual	
United Kingdom	02634701	SC	Nationale- Nederlanden Overseas Finance and Investment Company	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Ltd	Non-mutual	
Netherlands	724500MXAV UOTVWT2A46	LEI	NN Continental Europe Holdings B.V.	Insurance holding company as defined in Art. 212§ [f] of Directive 2009/138/EC	B.V.	Non-mutual	
Netherlands	57489408	SC	Infrastructure Equity Investments B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	14047914	SC	AZL N.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	N.V.	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Czech Republic	64573729	SC	NN Management Services, s.r.o	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	s.r.o.	Non-mutual	
Netherlands	27193814	SC	NN Personeel B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Ireland	258798	SC	NN Operations (Ireland) Limited	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Ltd	Non-mutual	
Hungary	01-09-708350	SC	NN RAS Kockázatele mzési és Aktuárius Szolgáltató Korlátolt Felelősségű Társaság	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	KFT	Non-mutual	
Poland	0000324689	SC	Notus Finanse S.A.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.A.	Non-mutual	
Poland	25940098WU P2IVVEJ498	LEI	Nationale- Nederlanden Towarzystwo Ubezpieczeń S.A.	Non-life insurer	S.A.	Non-mutual	Financial Supervisory Authority Poland
Greece	12244920300 0	SC	NN Hellenic Insurance Brokerage S.A.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.A.	Non-mutual	
Netherlands	68034229	SC	Sparklab B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Netherlands	71769609	SC	REI Diaphane Holding B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	25618	SC	REI Diaphane Fund FGR	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Netherlands	34200872	SC	Delta Lloyd Houdster- maatschap- pij Ver- zekeringen N.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	N.V.	Non-mutual	
Netherlands	05071891	SC	Nationale- Nederlanden ABN AMRO Ver- zekeringen Holding B.V.	Insurance holding company as defined in Art. 212§ [f] of Directive 2009/138/EC	B.V.	Non-mutual	
Netherlands	18115656	SC	Distributie Zorgver- zekeringen B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	33113642	SC	Delta Lloyd Vastgoed Ontwikkeling B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	724500HLQ2 Q30059FD13	LEI	BeFrank N.V.	Credit institutions, investment firms and financial institutions	N.V.	Non-mutual	De Neder- landsche Bank (DNB)
Netherlands	51380722	SC	BeFrank PPI N.V.	Institutions for occupational retirement provision	N.V.	Non-mutual	De Neder- landsche Bank (DNB)

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Netherlands	05027455	SC	ABN AMRO Verzeke- ringen B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	724500FWP7 OWHQUBMZ6 2	LEI	ABN AMRO Levens- verzekering N.V.	Life insurer	N.V.	Non-mutual	De Neder- landsche Bank (DNB)
Netherlands	05058077	SC	ABN AMRO Assura- deuren B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	724500G3PJT YPL2L9M11	LEI	ABN AMRO Schade- verzekering N.V.	Non-life insurer	N.V.	Non-mutual	De Neder- landsche Bank (DNB)
Netherlands	5493001QST0 I7Z235S79	LEI	NN Investment Partners International Holdings B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	549300YXQ0 Y6SPQTPE40	LEI	NN Investment Partners B.V.	Credit institutions, investment firms and financial institutions	B.V.	Non-mutual	De Neder- landsche Bank (DNB)
Malaysia	4047	SC	IFB Management Holdings Sdn Bhd	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Sdn Bhd	Non-mutual	
Czech Republic	24265870	SC	NN Finance s.r.o	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	s.r.o.	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Romania	J40/9811/1999	SC	NN Lease SRL	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	SRL	Non-mutual	
Mexico	70077-9	SC	Conglomera do de Valores, S.A. de C.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.A. de C.V.	Non-mutual	
Mexico	272255	SC	Covasa Servicios México, S.A. de C.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.A. de C.V.	Non-mutual	
Spain	V87154407	SC	Nationale Nederlanden Services, A.I.E.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	A.I.E.	Non-mutual	
Netherlands	33243926	SC	Exploitatie- maatschap- pij Wijkertunnel C.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	C.V.	Non-mutual	
Spain	B88397260	SC	Nationale- Nederlanden Oxygen, S.L.U.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.L.	Non-mutual	
Netherlands	27258850	SC	Human Capital Scan Holding B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	7245007VC54 C9JRSGW42	LEI	Vivat Schadever- zekeringen N.V.	Non-life insurer	N.V.	Non-mutual	De Neder- landsche Bank (DNB)

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Netherlands	58998489	SC	Volmacht- kantoor Nederland B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Romania	787200KDNY VLC2ELYG87	SC	NN Asigurari SA	Non-life insurer	S.A.	Non-mutual	Financial Supervisory Authority Romania
Netherlands	24092118	SC	W. Haagman en Co B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	02056262	SC	Bemiddelings kantoor Nederland B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	24061451	SC	Nieuw Rotterdam Knight Schippers B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	32076168	SC	Keerpunt B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Slovakia	53237587	SC	NN Facility Management , s.r.o.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	s.r.o.	Non-mutual	
Netherlands	24741	SC	CBRE Dutch Office Fund FGR	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Guernsey	23778	SC	CBRE Retail Property Fund Iberica L.P.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	L.P.	Non-mutual	
Netherlands	24931	SC	CBRE Dutch Retail Fund FGR	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Netherlands	32136045	SC	Parcom Investment Fund II B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
United Kingdom	2138006AETT RKKMDW129	LEI	CBRE UK Property Fund PAIF	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	L.P.	Non-mutual	
Netherlands	25506	SC	CBRE Dutch Residential fund FGR	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Netherlands	32136043	SC	Parcom Investment Fund III B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	23783	SC	CBRE Property Fund Central and Eastern Europe F.G.R.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Netherlands	23772	SC	CBRE European Industrial Fund C.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	C.V.	Non-mutual	
Hungary	01-09-929987	SC	Allee center Kft	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	KFT	Non-mutual	
Italy	12806290156	SC	Fiumara-nuova s.r.l.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.R.L.	Non-mutual	
Netherlands	34363412	SC	Parcom Buy Out Fund IV B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Italy	549300SYDR SAP88SFX73	LEI	Boccaccio - Closed-end Real Estate Mutual Investment Fund	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Mutual Investment Fund	Non-mutual	
Netherlands	24857	SC	Dutch Student and Young Professional Housing Fund FGR	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Luxembourg	B210769	SC	The Fizz Student Housing Fund SCS	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	SCS	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Netherlands	24932	SC	CBRE Dutch Retail Fund II FGR	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Netherlands	24823	SC	Robeco Bedrijfs- leningen FGR	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Netherlands	25516	SC	Achmea Dutch Health Care Property Fund	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Germany	HRA 43630	SC	Delta Mainlog Holding GmbH & Co. KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	
Spain	25496	SC	Siresa House S.L.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.L.	Non-mutual	
France	529900TDQC ZVRX1H3J98	LEI	Le Havre LaFayette SNC	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	SNC	Non-mutual	
Netherlands	23775	SC	CBRE Retail Property Fund France Belgium C.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	C.V.	Non-mutual	

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Country	Identification code of entity	Type of code of the ID of the Undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
Netherlands	529900A8S3 UCVRGEL132	LEI	CBRE Logistics Property Fund Europe C.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	C.V.	Non-mutual	
Netherlands	23781	SC	CBRE Italian Retail Fund FGR	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Netherlands	23774	SC	CBRE Nordic Property Fund F.G.R.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Netherlands	23791	SC	DOF Development Fund C.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	C.V.	Non-mutual	
Netherlands	25507	SC	CBRE Dutch Residential Fund II FGR	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Germany	HRA 49760	SC	DEOS REI Germany Cross Docks 1 - Würselen GmbH & Co.KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	
Germany	HRA 49776	SC	DEOS REI Germany Cross Docks 2 - Hamm-Uentrop GmbH & Co.KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Germany	HRA 49761	SC	DEOS REI Germany Cross Docks 3 - Essen GmbH & Co.KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	
Germany	HRA 49762	SC	DEOS REI Germany Cross Docks 4 - Moers GmbH & Co.KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	
Germany	HRA 49763	SC	DEOS REI Germany Cross Docks 5 - Holzgerlinge n GmbH & Co.KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	
Germany	HRA 49777	SC	DEOS REI Germany Cross Docks 6 - Kassel GmbH & Co.KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	
Germany	HRA 49778	SC	DEOS REI Germany Cross Docks 7 - Brühl GmbH & Co.KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	
Germany	HRA 49764	SC	DEOS REI Germany Cross Docks 8 - Freiburg GmbH & Co.KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	
Germany	HRA 49765	SC	DEOS REI Germany Cross Docks 9 - Dortmund GmbH & Co.KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Germany	HRA 49766	SC	DEOS REI Germany Cross Docks 10 - Lörrach GmbH & Co.KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	
Netherlands	32132285	SC	Parcom Investment Fund I B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	64770672	SC	Parcom Buy- Out Fund V C.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	C.V.	Non-mutual	
Netherlands	724500AM4M YHCTRLF551	LEI	N.V. Levensve- rzekering- Maatschap- pij "De Hoop"	Life insurer	N.V.	Non-mutual	De Neder- landsche Bank (DNB)
France	9695007C09I 6DB3ER958	LEI	Parquest Capital B FPCI	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FPCI	Non-mutual	
Netherlands	33243605	SC	Wijkertunnel Beheer III B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	724500FK6HE 2QUL3B962	LEI	de Vereende N.V.	Non-life insurer	N.V.	Non-mutual	De Neder- landsche Bank (DNB)
Spain	25860	SC	Inmoalemani a Gestión de Activos Inmobiliarios S.A.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.A.	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Germany	25586	SC	H3H KG Immobilien GmbH & Co	Ancillary services undertaking as defined in IVZ Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	
Germany	25209	SC	DEOS REI Cross Docks GmbH	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH	Non-mutual	
Netherlands	25286	SC	Dutch Urban Living Venture FGR	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Netherlands	32147455	SC	Dasym Investments IV B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	32147459	SC	Dasym Investments V B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Germany	391200V1UEW 3C1KOU135	LEI	DPE Deutschland II B GmbH & Co. KG	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	
Germany	391200PCUJ6 LKOKD5F49	LEI	DPE Deutschland III B (Parallel) GmbH & Co	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GmbH & Co. KG	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
France	25601	SC	Parquest Capital II B FPCI	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FPCI	Non-mutual	
Netherlands	25668	SC	Vesteda Residential Fund FGR	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FGR	Non-mutual	
Spain	959800H0G2 4RKNCY1732	LEI	Lazora S.I.I. S.A.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.A.	Non-mutual	
Luxembourg	25662	SC	MTech GP (EU) S.À R.L.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	SARL	Non-mutual	
Netherlands	13025147	SC	Visschers & Corten Beheer B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	67298141	SC	NL Boompjes Property 5 C.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	C.V.	Non-mutual	
Turkey	828074	SC	Makinist Vip Sigorta Aracılık Hizmetleri A.Ş.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	A.S.	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Turkey	794659	SC	Sigorta Ofisi Plus Aracılık Hizmetleri A.S.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	A.S.	Non-mutual	
Turkey	161178	SC	Ünlem Sigorta Aracılık Hizmetleri A.Ş.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	A.S.	Non-mutual	
Netherlands	32122988	SC	Dasym Edam Holding B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	32116673	SC	Cyrte Fund I Investment CV	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	C.V.	Non-mutual	
Netherlands	50641050	SC	Dasym EDAM Holding C.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	C.V.	Non-mutual	
Norway	529900MOL5 836J152C80	LEI	NRP Nordic Logistic Fund AS	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	AS	Non-mutual	
Netherlands	63060418	SC	Otherside Software B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
France	969500RVDF 6BONF9TL37	LEI	Rivage Euro Debt Infrastructure	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	OPCVM	Non-mutual	
Germany	HRB 161960 B	SC	Optiopay GmbH	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	GMBH	Non-mutual	
Spain	25869	SC	Alma mundi Insurtech Fund FCRE	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	FCRE	Non-mutual	
Netherlands	71347011	SC	Prime ventures V C.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	C.V.	Non-mutual	
Netherlands	51089610	SC	Cyrte latAm	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Stichting	Non-mutual	
Netherlands	61307068	SC	Focus Orange Technology B.V. - Chrunchr	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Greece	529900ZPRX AYAWDLEG6 2	LEI	Mednet Greece SA	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.A.	Non-mutual	

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Country C0010	Identification code of entity C0020	Type of code of the ID of the Undertaking C0030	Legal Name of the undertaking C0040	Type of undertaking C0050	Legal form C0060	Category (mutual/non mutual) C0070	Supervisory Authority C0080
Netherlands	65923685	SC	Klup B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	27136700	SC	Invers B.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	B.V.	Non-mutual	
Netherlands	34157138	SC	DAS Holding N.V.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	N.V.	Non-mutual	
Spain	25863	SC	Siresa House II S.L.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	S.L.	Non-mutual	

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Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation					
	% used for the establishment of		% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under treatment of the undertaking				
	% capital share	consolidated accounts							C0180	C0190	C0200	C0210
C0040												
NN Insurance Belgium NV	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Insurance Services Belgium NV	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Hellenic Life Insurance Co. S.A.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Biztosító Zártkörűen Működő Részvénytársaság	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Non-Life insurance N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Re (Netherlands) N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Schadeverzekering Maatschappij N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Levensverzekering Maatschappij N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Towarzystwo Ubezpieczeń na Życie S.A.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Asigurari de Viata S.A.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Životná poisťovňa, a.s.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale Nederlanden Generales, Compania de Seguros y Reaseguros, S.A.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale Nederlanden Vida, Compania de Seguros y Reaseguros, S.A.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Life Insurance Company, Ltd.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 2: Local rules				

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Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation					
	% used for the establishment of		% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under treatment of the undertaking				
	% capital share	consolidated accounts							C0180	C0190	C0200	C0210
C0040												
NN Hayat ve Emeklilik A.Ş.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN 3rd pillar pension Romania	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Sectoral rules				
NN dôchodková správcovská spoločnosť, a.s.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Sectoral rules				
NN Pensii Societate de Administrare a unui Fond de Pensii Administrat Privat S.A.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Sectoral rules				
NN Pensionno-Osigoritelno Druzestvo EAD	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Sectoral rules				
NN Penzijní společnost, a.s.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Sectoral rules				
Nationale-Nederlanden Powszechne Towarzystwo Emerytalne S.A.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Sectoral rules				
NN Tatry - Sympatia, d.d.s., a.s.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Sectoral rules				
NN Szolgáltató és Tanácsadó Zártkörűen Működő Részvénytársaság	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Bank N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Sectoral rules				
Zicht B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Usługi Finansowe Spółka z ograniczoną odpowiedzialnością (sp. z o. o)	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Intertrust B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Private Equity Investments II B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				

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Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation					
	% used for the establishment of		% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under treatment of the undertaking				
	% capital share	consolidated accounts							C0180	C0190	C0200	C0210
C0040												
Wijkertunnel Beheer I B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
REI Investment I B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Private Equity Investments B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Korea Investment Fund B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Investment Partners Holdings N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Private Debt Investments B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Interfinance B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Insurance Support Nederland B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Holdinvest B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Group N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Insurance International B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Insurance Eurasia N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Nederland B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Overseas Finance and Investment Company	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				

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Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation					
	% used for the establishment of		% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under treatment of the undertaking				
	% capital share	consolidated accounts							C0180	C0190	C0200	C0210
C0040												
NN Continental Europe Holdings B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Infrastructure Equity Investments B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
AZL N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Management Services, s.r.o	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Personeel B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Operations (Ireland) Limited	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN RAS Kockázatelemzési és Aktuárius Szolgáltató Korlátolt Felelősségű Társaság	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Notus Finanse S.A.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Towarzystwo Ubezpieczeń S.A.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Hellenic Insurance Brokerage S.A.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Sparklab B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
REI Diaphane Holding B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
REI Diaphane Fund FGR	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Delta Lloyd Houdstermaatschappij Verzekeringen N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				

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Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation					
	% used for the establish- ment of		% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking				
	% capital share	consolidated accounts							C0180	C0190	C0200	C0210
C0040												
Nationale-Nederlanden ABN AMRO Verzekeringen Holding B.V.	51.00	100.00	51.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Distributie Zorgverzekeringen B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Delta Lloyd Vastgoed Ontwikkeling B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
BeFrank N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Sectoral rules				
BeFrank PPI N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Sectoral rules				
ABN AMRO Verzekeringen B.V.	51.00	100.00	51.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
ABN AMRO Levensverzekering N.V.	51.00	100.00	51.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
ABN AMRO Assuradeuren B.V.	51.00	100.00	51.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
ABN AMRO Schadeverzekering N.V.	51.00	100.00	51.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Investment Partners International Holdings B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Investment Partners B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Sectoral rules				
IFB Management Holdings Sdn Bhd	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Finance s.r.o	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Lease SRL	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				

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Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation					
	% used for the establishment of		% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under treatment of the undertaking				
	% capital share	consolidated accounts							C0180	C0190	C0200	C0210
C0040												
Conglomerado de Valores, S.A. de C.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Covasa Servicios México, S.A. de C.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale Nederlanden Services, A.I.E.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Exploitiemaatschappij Wijkertunnel C.V.	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Full consolidation				
Nationale-Nederlanden Oxygen, S.L.U	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Human Capital Scan Holding B.V.	93.60	100.00	93.60		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Vivat Schadeverzekeringen N.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Volmachtkantoor Nederland B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Asigurari SA	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
W. Haagman en Co B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Bemiddelingskantoor Nederland B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Nieuw Rotterdam Knight Schippers B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
Keerpunt B.V.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				
NN Facility Management, s.r.o.	100.00	100.00	100.00		Dominant	100.00	Included into scope of group supervision	Method 1: Full consolidation				

Appendix continued

Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation			
	% used for the establishment of		% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under treatment of the undertaking		
	% capital share	consolidated accounts							C0180	C0190
CBRE Dutch Office Fund FGR	18.58	18.58	18.58		Significant	18.58	Included into scope of group supervision	Method 1: Adjusted equity method		
CBRE Retail Property Fund Iberica L.P.	49.90	49.90	49.90		Significant	49.90	Included into scope of group supervision	Method 1: Adjusted equity method		
CBRE Dutch Retail Fund FGR	20.30	20.30	20.30		Significant	20.30	Included into scope of group supervision	Method 1: Adjusted equity method		
Parcom Investment Fund II B.V.	100.00	100.00	100.00		Significant	100.00	Included into scope of group supervision	Method 1: Adjusted equity method		
CBRE UK Property Fund PAIF	10.15	10.15	10.15		Significant	10.15	Included into scope of group supervision	Method 1: Adjusted equity method		
CBRE Dutch Residential fund FGR	8.51	8.51	8.51		Significant	8.51	Included into scope of group supervision	Method 1: Adjusted equity method		
Parcom Investment Fund III B.V.	100.00	100.00	100.00		Significant	100.00	Included into scope of group supervision	Method 1: Adjusted equity method		
CBRE Property Fund Central and Eastern Europe F.G.R.	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method		
CBRE European Industrial Fund C.V.	25.86	25.86	25.86		Significant	25.86	Included into scope of group supervision	Method 1: Adjusted equity method		
Allee center Kft	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method		
Fiumaranuova s.r.l.	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method		
Parcom Buy Out Fund IV B.V.	99.50	99.50	99.50		Significant	99.50	Included into scope of group supervision	Method 1: Adjusted equity method		
Boccaccio - Closed-end Real Estate Mutual Investment Fund	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method		
Dutch Student and Young Professional Housing Fund FGR	49.32	49.32	49.32		Significant	49.32	Included into scope of group supervision	Method 1: Adjusted equity method		

Appendix continued

Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation					
	% used for the establishment of		% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under treatment of the undertaking				
	% capital share	consolidated accounts							C0180	C0190	C0200	C0210
C0040												
The Fizz Student Housing Fund SCS	49.50	49.50	49.50		Significant	49.50	Included into scope of group supervision	Method 1: Adjusted equity method				
CBRE Dutch Retail Fund II FGR	10.00	10.00	10.00		Significant	10.00	Included into scope of group supervision	Method 1: Adjusted equity method				
Robeco Bedrijfsleningen FGR	25.91	25.91	25.91		Significant	25.91	Included into scope of group supervision	Method 1: Adjusted equity method				
Achmea Dutch Health Care Property Fund	22.97	22.97	22.97		Significant	22.97	Included into scope of group supervision	Method 1: Adjusted equity method				
Delta Mainlog Holding GmbH & Co. KG	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method				
Siresa House S.L.	48.50	48.50	48.50		Significant	48.50	Included into scope of group supervision	Method 1: Adjusted equity method				
Le Havre LaFayette SNC	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method				
CBRE Retail Property Fund France Belgium C.V.	15.00	15.00	15.00		Significant	15.00	Included into scope of group supervision	Method 1: Adjusted equity method				
CBRE Logistics Property Fund Europe C.V.	25.00	25.00	25.00		Significant	25.00	Included into scope of group supervision	Method 1: Adjusted equity method				
CBRE Italian Retail Fund FGR	25.55	25.55	25.55		Significant	25.55	Included into scope of group supervision	Method 1: Adjusted equity method				
CBRE Nordic Property Fund F.G.R.	14.25	14.25	14.25		Significant	14.25	Included into scope of group supervision	Method 1: Adjusted equity method				
DOF Development Fund C.V.	23.37	23.37	23.37		Significant	23.37	Included into scope of group supervision	Method 1: Adjusted equity method				
CBRE Dutch Residential Fund II FGR	10.00	10.00	10.00		Significant	10.00	Included into scope of group supervision	Method 1: Adjusted equity method				
DEOS REI Germany Cross Docks 1 - Würselen GmbH & Co.KG	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method				

Appendix continued

Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation		
	% used for the establishment of		% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under treatment of the undertaking	
	% capital share	consolidated accounts							Yes/No
C0040	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
DEOS REI Germany Cross Docks 2 - Hamm-Uentrop GmbH & Co.KG	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision		Method 1: Adjusted equity method
DEOS REI Germany Cross Docks 3 - Essen GmbH & Co.KG	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision		Method 1: Adjusted equity method
DEOS REI Germany Cross Docks 4 - Moers GmbH & Co.KG	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision		Method 1: Adjusted equity method
DEOS REI Germany Cross Docks 5 - Holzgerlingen GmbH & Co.KG	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision		Method 1: Adjusted equity method
DEOS REI Germany Cross Docks 6 - Kassel GmbH & Co.KG	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision		Method 1: Adjusted equity method
DEOS REI Germany Cross Docks 7 - Brühl GmbH & Co.KG	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision		Method 1: Adjusted equity method
DEOS REI Germany Cross Docks 8 - Freiburg GmbH & Co.KG	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision		Method 1: Adjusted equity method
DEOS REI Germany Cross Docks 9 - Dortmund GmbH & Co.KG	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision		Method 1: Adjusted equity method
DEOS REI Germany Cross Docks 10 - Lörrach GmbH & Co.KG	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision		Method 1: Adjusted equity method
Parcom Investment Fund I B.V.	100.00	100.00	100.00		Significant	100.00	Included into scope of group supervision		Method 1: Adjusted equity method
Parcom Buy-Out Fund V C.V.	21.05	21.05	21.05		Significant	21.05	Included into scope of group supervision		Method 1: Adjusted equity method
N.V. Levensverzekering-Maatschappij "De Hoop"	33.33	33.33	33.33		Significant	33.33	Included into scope of group supervision		Method 1: Adjusted equity method
Parquest Capital B FPCI	35.17	35.17	35.17		Significant	35.17	Included into scope of group supervision		Method 1: Adjusted equity method
Wijkertunnel Beheer III B.V.	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision		Method 1: Adjusted equity method

Appendix continued

Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation					
	% used for the establishment of		% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under treatment of the undertaking				
	% capital share	consolidated accounts							C0180	C0190	C0200	C0210
C0040												
de Vereende N.V.	35.73	35.73	35.73		Significant	35.73	Included into scope of group supervision	Method 1: Adjusted equity method				
Inmoalemania Gestión de Activos Inmobiliarios S.A.	20.00	20.00	20.00		Significant	20.00	Included into scope of group supervision	Method 1: Adjusted equity method				
IVZ Immobilien GmbH & Co H3H KG	47.26	47.26	47.26		Significant	47.26	Included into scope of group supervision	Method 1: Adjusted equity method				
DEOS REI Germany Cross Docks GmbH	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method				
Dutch Urban Living Venture FGR	45.40	45.40	45.40		Significant	45.40	Included into scope of group supervision	Method 1: Adjusted equity method				
Dasym Investments IV B.V.	39.10	39.10	39.10		Significant	39.10	Included into scope of group supervision	Method 1: Adjusted equity method				
Dasym Investments V B.V.	40.94	40.94	40.94		Significant	40.94	Included into scope of group supervision	Method 1: Adjusted equity method				
DPE Deutschland II B GmbH & Co. KG	37.05	37.05	37.05		Significant	37.05	Included into scope of group supervision	Method 1: Adjusted equity method				
DPE Deutschland III B (Parallel) GmbH & Co	16.72	16.72	16.72		Significant	16.72	Included into scope of group supervision	Method 1: Adjusted equity method				
Parquest Capital II B FPCI	28.04	28.04	28.04		Significant	28.04	Included into scope of group supervision	Method 1: Adjusted equity method				
Vesteda Residential Fund FGR	24.36	24.36	24.36		Significant	24.36	Included into scope of group supervision	Method 1: Adjusted equity method				
Lazora S.I.I. S.A.	22.12	22.12	22.12		Significant	22.12	Included into scope of group supervision	Method 1: Adjusted equity method				
MTech GP (EU) S.À R.L	41.25	41.25	41.25		Significant	41.25	Included into scope of group supervision	Method 1: Adjusted equity method				
Visschers & Corten Beheer B.V.	49.02	49.02	49.02		Significant	49.02	Included into scope of group supervision	Method 1: Adjusted equity method				

Appendix continued

Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation					
	% used for the establishment of		% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under treatment of the undertaking				
	% capital share	consolidated accounts							C0180	C0190	C0200	C0210
C0040												
NL Boompjes Property 5 C.V.	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method				
Makinist Vip Sigorta Aracılık Hizmetleri A.Ş.	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method				
Sigorta Ofisi Plus Aracılık Hizmetleri A.S.	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method				
Ünlem Sigorta Aracılık Hizmetleri A.Ş.	50.00	50.00	50.00		Significant	50.00	Included into scope of group supervision	Method 1: Adjusted equity method				
Dasym Edam Holding B.V.	12.20	12.20	12.20		Significant	12.20	Included into scope of group supervision	Method 1: Adjusted equity method				
Cyrte Fund I Investment CV	21.81	21.81	21.81		Significant	21.81	Included into scope of group supervision	Method 1: Adjusted equity method				
Dasym EDAM Holding C.V.	5.20	5.20	5.20		Significant	5.20	Included into scope of group supervision	Method 1: Adjusted equity method				
NRP Nordic Logistic Fund AS	42.08	42.08	42.08		Significant	42.08	Included into scope of group supervision	Method 1: Adjusted equity method				
Otherside Software B.V.	49.90	49.90	49.90		Significant	49.90	Included into scope of group supervision	Method 1: Adjusted equity method				
Rivage Euro Debt Infrastructure 3	34.20	34.20	34.20		Significant	34.20	Included into scope of group supervision	Method 1: Adjusted equity method				
Optiopay GmbH	28.97	28.97	28.97		Significant	28.97	Included into scope of group supervision	Method 1: Adjusted equity method				
Alma mundi Insurtech Fund FCRE	29.10	29.10	29.10		Significant	29.10	Included into scope of group supervision	Method 1: Adjusted equity method				
Prime ventures V C.V.	19.68	19.68	19.68		Significant	19.68	Included into scope of group supervision	Method 1: Adjusted equity method				
Cyrte latAm	13.43	13.43	13.43		Significant	13.43	Included into scope of group supervision	Method 1: Adjusted equity method				

Appendix continued

Legal Name of the undertaking	Criteria of influence					Inclusion in the scope of Group supervision	Group solvency calculation	
	% used for the establish- ment of % capital share	consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0040	C0180	C0190	C0200	C0210	C0220	C0230	Yes/No C0240 C0250	C0260
Focus Orange Technology B.V. - Chrunchr	14.66	14.66	14.66		Significant	14.66	Included into scope of group supervision	Method 1: Adjusted equity method
Mednet Greece SA	10.32	10.32	10.32		Significant	10.32	Included into scope of group supervision	Method 1: Adjusted equity method
Klup B.V.	45.63	45.63	45.63		Significant	45.63	Included into scope of group supervision	Method 1: Adjusted equity method
Invers B.V.	49.00	49.00	49.00		Significant	49.00	Included into scope of group supervision	Method 1: Adjusted equity method
DAS Holding N.V.	30.86	30.86	30.86		Significant	30.86	Included into scope of group supervision	Method 1: Adjusted equity method
Siresa House II S.L.	48.50	48.50	48.50		Significant	48.50	Included into scope of group supervision	Method 1: Adjusted equity method

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For further information on NN Group's sustainability strategy, policies and performance, please visit <https://www.nn-group.com/sustainability.htm> or contact us via sustainability@nn-group.com

Disclaimer

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 on the Dutch Civil Code. In preparing the financial information in this document, the same accounting principles are applied as in the 2020 NN Group Consolidated annual accounts, except as indicated in chapter D 'Valuation for Solvency Purposes' of the 2020 Solvency and Financial Condition Report.

All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

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