2017 was a memorable year with solid financial and non-financial performance

Financial highlights

**EUR 1,586m**
Operating result ongoing business
(2016: EUR 1,227m)

- **2017**: EUR 1,586m
- **2016**: EUR 1,227m

**EUR 881m**
Free cash flow to the holding
(2016: EUR 1,349m)

- **2017**: EUR 881m
- **2016**: EUR 1,349m

**199%**
Solvency II ratio
(2016: 241%)

- **2017**: 199%
- **2016**: 241%

**EUR 345m**
Value of new business (VNB)
(2016: EUR 214m)

- **2017**: EUR 345m
- **2016**: EUR 214m

**EUR 1,791m**
New sales life insurance (APE)
(2016: EUR 1,386m)

- **2017**: EUR 1,791m
- **2016**: EUR 1,386m

**EUR 246bn**
NN IP Assets under Management
(2016: EUR 195bn)

- **2017**: EUR 246bn
- **2016**: EUR 195bn

How we performed

Full-year 2017 operating result of the ongoing business increased to EUR 1,586 million, up from EUR 1,227 million in 2016, mainly driven by improved results in most segments and the EUR 205 million contribution of the Delta Lloyd businesses.

In 2017, our free cash flow to the holding was EUR 881 million, including a EUR 500 million capital injection into Delta Lloyd Life.

Our Solvency II ratio remained robust at 199%, in line with our disciplined approach to managing our capital. The decline from 241% at the end of 2016 reflects the acquisition of Delta Lloyd, partly offset by operating capital generation.

VNB in 2017 amounted to EUR 345 million, up 60.7% from EUR 214 million in 2016. The increase reflects higher VNB at Japan Life mainly driven by higher sales, an improved product mix and an increase in interest rates, and higher VNB at Insurance Europe driven by higher sales at better margins.

In 2017, total new sales were EUR 1,791 million, up 33.9% compared to 2016 on a constant currency basis, driven by higher sales at Netherlands Life, Insurance Europe and Japan Life.

Total Assets under Management were EUR 246 billion at the end of 2017, up from EUR 195 billion at the end of 2016, mainly driven by the acquisition of Delta Lloyd Asset Management.

Read more about how we performed financially in the chapter ‘Attractive returns for investors’ on pages 39-40, and in the chapter ‘Facts and figures’ on pages 63-65 of this Annual Review, and in our Financial Report.
Non-financial highlights

**+17pts**
Net Promoter Score
(2016: +2pts)

<table>
<thead>
<tr>
<th>Year</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>+17 pts</td>
</tr>
<tr>
<td>2016</td>
<td>+2 pts</td>
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</tbody>
</table>

**EUR 10.9bn**
Assets under Management in SRI funds and mandates (2016: EUR 5bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>EUR 10.9bn</td>
</tr>
<tr>
<td>2016</td>
<td>EUR 5bn</td>
</tr>
</tbody>
</table>

**66%**
Employee engagement (2016: 71%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>66%</td>
</tr>
<tr>
<td>2016</td>
<td>71%</td>
</tr>
</tbody>
</table>

**EUR 2.4m**
Donations to charitable organisations
(2016: EUR 1.5m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>EUR 2.4m</td>
</tr>
<tr>
<td>2016</td>
<td>EUR 1.5m</td>
</tr>
</tbody>
</table>

**37,208**
Young people reached through NN Future Matters programme (2016: 27,529)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>37,208</td>
</tr>
<tr>
<td>2016</td>
<td>27,529</td>
</tr>
</tbody>
</table>

**Neutral**
NN Group was CO2 neutral (2016: 100% neutral)

<table>
<thead>
<tr>
<th>Year</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Neutral</td>
</tr>
<tr>
<td>2016</td>
<td>100% neutral</td>
</tr>
</tbody>
</table>

**How we performed**

- **Net Promoter Score**
  In 2017, all of our insurance businesses maintained or improved their relational NPS scores compared with the previous year, with the exception of NN Life Hungary. Their NPS is still well above market average. We aim to increase our NPS scores every year.

- **Assets under Management**
  Assets under Management in Socially Responsible Investment (SRI) funds and mandates increased by 114% compared to 2016. NN Investment Partners launched new SRI products that contributed to this growth. We aim to grow our Assets under Management and product offering in this area every year.

- **Employee engagement**
  Overall employee engagement dropped compared with last year. This is mainly due to the integration of NN and Delta Lloyd in the Netherlands and Belgium. Our international business units showed an increase in engagement to 73%. We aim to increase our employee engagement going forward.

- **Donations**
  In 2017, NN Future Matters and Delta Lloyd Foundation joined forces to increase our communities’ financial wellbeing. Of our total charitable donations of EUR 2.4 million, 82% went to NN Future Matters focus areas.

- **Young people reached**
  Since the start of our NN Future Matters programme in 2015, we have reached out to nearly 74,000 youths in the many communities in which we operate. This brings us closer to our goal of positively impacting the futures of 100,000 young people by 2020.

- **CO2 emissions**
  CO2 emissions of our direct environmental footprint showed an increase of 15.2% due to the integration of NN and Delta Lloyd. However, the CO2 emissions per FTE decreased by 10.5%. We fully compensated our CO2 emissions by the purchase of voluntary carbon units.