



Fulfilling customer needs, better and faster

In 1992, Nationale-Nederlanden started a greenfield life insurance company in the Czech Republic. We were the first international insurer in the country. In 1996, we started a greenfield in Slovakia.

NN Czech Republic and NN Slovakia sell life insurance - with various riders to cover serious health risks - and retirement services via agents, brokers and bancassurance partners.

Together, NN Czech Republic and NN Slovakia have over one million customers and about 900 employees. In fact, it has always been one of our largest insurance business units in Central Europe. In both markets, we continually look for new ways to meet our customers' needs, and to keep up with changing market dynamics.

Acquisition for further growth

We have the ambition to grow in the Czech Republic and Slovakia. In August last year, we announced that NN Group reached an agreement to acquire Aegon's Life Insurance business in the Czech Republic and Aegon's Life Insurance and Pension businesses in Slovakia. On 8 January 2019, we successfully completed this transaction, and preparations for the integration process started.



'With the completion of the acquisition, we can take all the necessary steps to merge both companies'

Peter Brudňák
CEO NN Slovakia

The acquisition is in line with NN Group's strategy to realise profitable growth. With this acquisition, NN strengthens its market position and distribution network in both countries and also strengthens its leading position in the Slovakian pension market. 'With the completion of this acquisition, we can take all the necessary steps to merge both companies,' says Peter Brudňák, CEO NN Slovakia. 'The integration part will be challenging, but I'm very much looking forward to it. In Slovakia, the NN family will grow, and we will be able to offer our customers a better experience with products more tailored to their needs.'

'In addition, I believe that the acquisition of Aegon Pojišťovna will enable us to meet customer needs even better and faster,' adds Maurick Schellekens, CEO NN Czech Republic. 'Our new colleagues will support us to accelerate the pace of technological advancement and further improve our customer experience. We are doing everything possible to deliver on our brand promise: Na vás záleží (You matter), because for us, customers are of paramount importance.'

New backbone for commercial activities

To keep pace in a rapidly changing digital world, NN Czech Republic and NN Slovakia launched a user-friendly digital sales platform in 2018. The aim was to digitise and further improve the customer experience. NN Stela offers customers real-time, individualised solutions. It also allows customers to completely digitally enter into a life insurance contract with NN.

As an application, NN Stela is designed to help our sales advisers. It is accessible 24/7, from anywhere. Thanks to 2D signature technology, customers can enter into a contract by placing their signature on a smart touchscreen display. Advisers only need a standard stylus to be able to use the touchscreen system.



'I believe that the acquisition of Aegon Pojišťovna will enable us to meet customer needs even better and faster'

Maurick Schellekens
CEO NN Czech Republic

'We want to be among the pioneers using modern technologies to ease the lives of our customers and partners,' says Schellekens. 'Which is why, in the future, NN Stela should serve as the backbone of our commercial activities. Within that framework, we want to be able to manage not just the creation of insurance contracts, but also other subsequent processes. For example, the settlement of claims.'

NN Czech Republic succeeded in migrating all business partners onto the platform within three months, and is already seeing positive trends, both in new business and in the optimisation of overall processes. There are some brokers who have sold their first-ever NN product, thanks to access to the new platform. The effect of NN Stela so far:

- 60% of new contracts from our business partners are now signed electronically
- More than one third of the contracts electronically signed in NN Stela are in force in less than a week, including the first premium payment. The overall average is 15.7 days. This is less than half of the time needed before NN Stela was launched
- Over 50% of new contracts are in our core systems, and awaiting the first premium payment, within seconds - without any technical intervention or a required sign-off from a medical professional



Taková šikovná aplikace

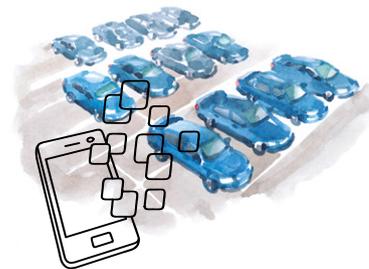
The launch of NN Stela was successful in NN Slovakia, as well. 'In October 2018, we successfully launched NN Stela in the first broker company,' says Brudňák. 'Since then, we have gradually joined other external partners and, today, I can say NN Stela was the right step. I am very happy to see that the numbers of active users and contracts continue to rise. Even better, we received positive feedback from our partners.'

Recognition for excellence

At the end of 2018, NN Czech Republic was awarded second in the 'Best Insurance Company' competition. The competition has been organised by the leading Czech daily economic newspaper for the past ten years. The Best Insurance Company 2018 awards were granted based on an analysis of a wide range of data that provides a detailed picture of individual insurers. The research also makes use of 'secret testing' (shopping, calls and emails) that evaluates customer service.

Export-oriented economies

Czech Republic and Slovakia both have export-oriented economies, based on strong macroeconomic foundations, with low unemployment rates. Czech Republic has a population of about 10.6 million people. Its main export commodities are cars, machinery and information and communications technology. Slovakia has a population of about 5.5 million. Its main export products are technology, refined petroleum and cars.



'We appreciate this recognition, because the research compares all insurers on the Czech market and evaluates them based on objective data,' Schellekens explains. 'Today, clients expect simplicity, fast responses and 100% transparency from their insurer. This is why we extended our risk coverage, why we are among the fastest insurers in terms of claim pay-outs, why we strive to offer our clients high-quality products at a reasonable price, and why we communicate to them in an understandable way.'

In 2018, during the secret shopping tests of life insurance sales related to customer experience journeys, NN Slovakia got top marks. And its call centre has been awarded several times as the best one on the market. 'This recognition is the result of the improvements we made last year. Our main goal is to be closer to our customers and their needs. We want to continue in this way and offer customers improved services and products,' says Brudňák.

Market shares and market positions (incl. Aegon)	Life	Pensions
NN Czech Republic	11.3% (#3)	3rd pillar pensions: 8.8% (#7)
NN Slovakia	10% (#3)	2nd pillar pensions: 19% (#3) 3rd pillar pensions: 38.7% (#1)