

**Draft minutes
Extraordinary
General Meeting of
Shareholders of
NN Group N.V.**

**The Hague
26 September 2019, 10:00**



Agenda item 1

Opening

Mr David Cole, **Chair** of the Supervisory Board of NN Group N.V., acts as Chair of the meeting. He welcomes the attendees to this Extraordinary General Meeting of Shareholders of NN Group. The Chair says that everyone will have had the opportunity to take note of the planned appointment of David Knibbe as member of the NN Group Executive Board. Besides the shareholders, the Chair also welcomes Mr Vonk, who is attending on behalf of the Central Works Council.

The shareholders have been convened in accordance with legislation and the Articles of Association. The meeting can therefore proceed lawfully. The shareholders have not submitted any proposals for discussion. An audio recording will be made of the meeting for the purpose of drawing up the minutes. The minutes will record the capital present/represented at this meeting.¹

The Chair introduces those sitting on his left and right. On the right is Ms Hélène Vletter-van Dort, member of the Supervisory Board. On the left is Ms Janet Stuijt, Company Secretary, member of the Management Board and General Counsel of the Company. Beside her is Mr Dick Harryvan, Vice-chair of the Supervisory Board.

Mr Delfin Rueda, member of the Executive Board and CFO of NN Group, Mr David Knibbe, prospective member of the Executive Board, and Ms Dailah Nihot, member of the Management Board, are also present.

Please note

The following is a translation of the meeting minutes which were originally provided in Dutch. Any deviations from the original Dutch version are unintentional. The Dutch version of this document should be considered leading. For questions or inconsistencies, please consult – and refer to – the Dutch document.

¹ The capital represented/present was significantly less than 0.5 percent of the capital entitled to vote on the registration date.

Agenda item 2

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

The **Chair** moves on to the intended appointment of David Knibbe as member of the Executive Board. He refers to the note included on page 4 of the convocation letter.

As is known, on 12 August 2019, Mr Friese resigned as member and chair of the Executive Board of the Company (NN Group). Since then Mr Rueda has been the sole member of the Executive Board.

The Supervisory Board wishes to appoint Mr Knibbe as a member of the Executive Board for a term of four years starting on 1 October 2019. This term shall end at the close of the Annual General Meeting in 2023. Furthermore, the Supervisory Board wishes to designate Mr Knibbe as Chief Executive Officer of the Company for the same period and therefore also as chair of the Executive Board. With the appointment of Mr Knibbe, his membership of the Management Board of the Company will continue and he will also become chair of the Management Board.

The Supervisory Board wishes to appoint Mr Knibbe on account of his extensive knowledge and experience in the area of NN's activities, the sector and the market in which the Company operates. Mr Knibbe is a dynamic, customer-focused and value-driven leader. His vision and proven track record will contribute to the Company's future.

The planned appointment of Mr Knibbe has already been approved by the Dutch Central Bank (DNB). The Company's Central Works Council has also given a positive opinion on the planned appointment. Further information about Mr Knibbe is provided on page 4 of the convocation letter.

The Chair gives the shareholders the opportunity to ask questions.

Mr **Keyner** (VEB) raises various questions. Was the Supervisory Board surprised that Mr Friese left NN? Was the Supervisory Board even more surprised that he moved to a competitor? Mr Keyner was surprised by this. Not so much by the departure of a CEO, but by the fact that he could move to a direct competitor in one of the key markets. Is this possible with just a cooling-off period of half a year? Mr Keyner thought that a couple of years would be necessary. It might not have been preventable by law, but perhaps contractually?

How is NN going to try to prevent Mr Friese from luring a number of high potential employees away from the NN organisation to join Aegon, given the challenges faced by Aegon – which Mr Keyner says are greater than those faced by NN? Is there anything that NN can do, or try to do, to prevent this?

Mr Keyner also asks Mr Knibbe a number of questions. Mr Knibbe has, in his view, a few years' experience of what it is like to operate in a very important role at slightly below Executive Board level. Did he regard some aspects as less effective? Will he take these experiences with him now that he is to become CEO of NN himself? Is he considering any changes of focus? Should NN be more centrally managed, or should it not? Should certain units be given more freedom and bigger budgets to be more entrepreneurial? Or, on the contrary, should NN be run in a tighter, more centralised manner?

Mr Keyner also asks about Mr Knibbe's perspective on disruptive elements taking place in NN markets. What is his vision on this? Could he mention two things that he is concerned about and to which NN must formulate a good response? And what does Mr Knibbe see as his greatest challenge at NN?

Answering the questions put to the Supervisory Board, the **Chair** says that Mr Friese worked for NN Group for more than ten years. He has left behind a strong and stable business with a good position in the market. The Chair understands Mr Friese's decision. He did many good things for NN Group, such as separating the Company from ING, the IPO, the acquisition of Delta Lloyd and the planned acquisition of VIVAT Non-life. Mr Friese's departure was a personal decision. The Supervisory Board respects it.

Regarding the fact that Mr Friese is going to work for a competitor, the Chair says that this is permitted. Obviously, NN has a contract with Mr Friese. NN will comply with the contract, and so will Mr Friese. There is a cooling-off period of six months and so Mr Friese cannot begin at Aegon until March. Terms have also been agreed on not recruiting talent from within NN Group. NN will hold Mr Friese to these terms.

Mr Friese made a personal choice and the Supervisory Board wishes him great success in his new role. The Board now looks to NN's prospective CEO and the future of NN Group.

Mr **Knibbe**, intended CEO of NN Group, answers the questions about his performance in the Management Board and about any change of focus. He says that NN has lots of strengths: a good capital position, a great customer base and a strong brand. These strengths need to be maintained and further developed.

He also says – and this is a theme throughout the insurance sector – that it is important to determine what the new revenue model will be. Interest rates are low, supervisory requirements have tightened and there is an increasing focus on transparency. The question for many insurers is how to continue earning money in the long term.

Mr Knibbe will specifically devote attention to this subject and engage in dialogue with stakeholders about it in the months ahead. Mr Knibbe says that it is easy to conclude that the business model is under pressure, but it is not so simple to then determine what form it should take in the future. There are ideas about this, naturally, but it is still too early to share them.

Mr Knibbe mentions two challenges. NN has a lot of data and is willing and obligated to handle the data with due care, paying attention to privacy. At the same time, the use of data offers many opportunities to the insurer and the consumer. This is being considered from a broader perspective than just regulation. There are lots of parties very actively engaged in using data.

Another challenge is that throughout the value chain there are niche players that focus on specific parts of the chain. They can be very competitive with regard to such a specific part. NN is a company that operates across the whole chain. As a result it needs to ensure that it is efficient in every aspect of the chain. This is about costs, but also customer focus, so that NN can maintain customer loyalty.

Mr Keyner asks about possible organisational changes.

Mr Knibbe thinks it is too early to say anything on that subject. If there are any changes, these will be largely determined by the strategy that NN develops. A new organisational structure will therefore not be Mr Knibbe's first priority.

Mr Van Stuijvenberg introduces himself as a small shareholder and also an ex-employee. When he wanted to leave a company that he worked for, he had to sign a four-page non-competition clause. Does the same not apply in this case? Is a cooling-off period really enough on its own?

The Chair reiterates that contractual terms have been agreed. Mr Friese has a cooling-off period of six months and there are terms in his contract about not using confidential information and not recruiting NN employees. These obligations continue to apply and NN will hold Mr Friese to them.

Mr Van Stuijvenberg says that he has lots of insurance policies and investment funds at NN. He sometimes looks at comparison sites for car insurance, healthcare insurance, liability insurance, home insurance and so on. But NN is never in the top five on any of those comparison sites. He asks whether Mr Knibbe can do something about this.

Mr Knibbe says that he does not know what comparison sites Mr Van Stuijvenberg consults, but that NN does not participate in all of them. He explains that NN is making a substantial move towards individual rates. It is therefore becoming increasingly difficult to say in which respects NN is expensive or inexpensive. It is clear that NN is not a low-budget operator by nature. But at the same time, in the current world of comparisons, comparison sites and transparency, NN does in fact want to offer competitive rates, with the right products in the right segments. Mr Knibbe says that fortunately this is the case. With many of its products, NN is in fact in the top three or top five on price comparison sites. But it is important to keep a sharp eye on costs. To remain competitive on price, costs will need to be permanently reduced at NN. There are already lots of programmes aimed at this and NN is working hard in this area.

There are no further questions and the Chair addresses himself to Mr Knibbe. The Supervisory Board appreciates his great commitment, his many years of experience in financial services, his substantive knowledge and his leadership qualities.

The Supervisory Board is delighted that it has found and been able to appoint Mr Knibbe as successor to Mr Friese from within the Company. The Supervisory Board looks forward to continuing its good relationship with Mr Knibbe and wishes to appoint him, starting on 1 October 2019, as a member of the Executive Board and designate him as Chief Executive Officer of the Company and therefore also Chair of the Executive Board. The Chair congratulates Mr Knibbe on his appointment.

Agenda item 3

Closure

The **Chair** thanks the attendees for their attendance and commitment to NN Group and closes the meeting.

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