

NN GROUP FINANCIAL SUPPLEMENT

2H21



TABLE OF CONTENTS

1.1	Consolidated balance sheet	3
1.2	Total equity	4
1.3	Shareholders' equity reconciliation	5
1.4	Capital base - Solvency II	6
1.5	Operating capital generation	7
1.6	Cash capital position at the holding company	8
1.7	Investments per asset type	9
1.8	Earnings per ordinary share	10
1.9	New Business	11
	Analysis of Results:	
2.1	Consolidated results	12
2.2.1	Netherlands Life	15
2.2.2	Netherlands Life - Provisions for life insurance and investment contracts	16
2.3.1	Netherlands Non-life	17
2.3.2	Netherlands Non-life - Key figures by line of business	18
2.4.1	Insurance Europe	19
2.4.2	Insurance Europe - Key figures by country	21
2.4.3	Insurance Europe - Provisions for life insurance and investment contracts and Assets under Management pensions	23
2.5.1	Japan Life	24
2.5.2	Japan Life - Provisions for life insurance and investment contracts	26
2.6.1	Asset Management	27
2.6.2	Asset Management - AuM and AuA	28
2.7.1	Banking	29
2.7.2	Banking - Savings and deposits and Mortgages	30
2.8	Other	31
	Notes	32
	Important Legal Information	33

1.1 CONSOLIDATED BALANCE SHEET

In EUR million	31 Dec 21	30 Jun 21	31 Dec 20	30 Jun 20
Assets				
Cash and cash equivalents	6,929	7,122	12,382	12,388
Financial assets at fair value through profit or loss				
- investments for risk of policyholders	39,261	37,191	34,797	32,288
- non-trading derivatives	6,419	6,900	14,833	16,431
- designated as at fair value through profit or loss	991	782	1,336	1,344
Available-for-sale investments				
- debt securities	95,917	103,202	106,876	108,960
- equity securities	11,966	12,225	11,299	9,242
Loans	68,200	65,870	65,428	64,580
Reinsurance contracts	954	767	1,063	1,173
Associates and joint ventures	6,919	6,120	5,673	5,396
Real estate investments	2,719	2,672	2,444	2,561
Property and equipment	414	430	448	471
Intangible assets	1,129	1,043	1,063	1,093
Deferred acquisition costs	1,893	1,908	1,871	1,934
Assets held for sale	4,121	119	113	0
Deferred tax assets	47	63	73	82
Other assets	3,706	3,801	4,039	4,326
Total assets	251,585	250,215	263,738	262,269
Equity and liabilities				
Shareholders' equity (parent)	32,888	32,863	36,731	35,117
Minority interests	266	286	277	256
Undated subordinated notes	1,764	1,764	1,764	1,764
Total equity	34,918	34,913	38,772	37,137
Subordinated debt	2,356	2,370	2,383	2,396
Debt securities issued	2,292	1,695	1,694	1,693
Other borrowed funds	7,301	6,832	7,542	7,027
Insurance and investment contracts				
- life insurance liabilities	121,203	125,106	127,523	129,051
- non-life insurance liabilities	7,417	7,773	7,329	7,813
- liabilities for life insurance for risk of policyholders	37,790	35,843	33,568	31,176
- investment contract liabilities	2,402	2,350	2,252	2,164
Customer deposits and other funds on deposit	15,945	16,182	15,803	15,598
Financial liabilities at fair value through profit or loss				
- non-trading derivatives	1,904	1,962	4,012	4,480
Liabilities held for sale	3,464	96	93	0
Deferred tax liabilities	4,817	4,712	6,329	5,185
Other liabilities	9,776	10,381	16,438	18,549
Total liabilities	216,667	215,302	224,966	225,132
Total equity and liabilities	251,585	250,215	263,738	262,269

1.2 TOTAL EQUITY

In EUR million	31 Dec 21	30 Jun 21	31 Dec 20	30 Jun 20
Share capital	38	38	39	38
Share premium	12,575	12,575	12,574	12,575
Revaluation reserve available-for sale investments Debt securities	8,193	9,328	12,720	12,113
Revaluation reserve available-for sale investments Equity securities	2,665	3,006	2,660	1,793
Revaluation reserve crediting to life policyholders	-5,306	-5,795	-7,167	-7,156
Other revaluations	33	34	35	36
Cashflow hedge reserve	8,837	9,148	12,220	12,547
Currency translation reserve	-181	-173	-97	-3
Net defined benefit asset/liability remeasurement reserve	-119	-119	-138	-145
Retained earnings and other reserves	6,153	4,821	3,885	3,319
Shareholders' equity (parent)	32,888	32,863	36,731	35,117
Minority interests	266	286	277	256
Undated subordinated notes	1,764	1,764	1,764	1,764
Total equity	34,918	34,913	38,772	37,137
Shares outstanding in the market (in million)	306	311	310	312

1.3 SHAREHOLDERS' EQUITY RECONCILIATION

At 31 December 2021

In EUR million

	(Allocated) Shareholders' equity ¹⁵⁾	Less: Revaluation reserves and other adjustments ⁴⁾	Plus: Minority interest	Adjusted (allocated) equity
Netherlands Life	25,493	13,077	190	12,606
Netherlands Non-life	1,560	359	62	1,263
Insurance Europe	2,838	431	0	2,407
Japan Life	2,322	525	0	1,796
Asset Management	372	1	12	384
Banking	847	-3	0	850
Other ⁵⁾	-607	473	2	-1,077
of which reinsurance business	419	60	0	360
of which other	-1,027	413	2	-1,437
NN Group excluding Japan Closed Block VA	32,824	14,862	267	18,229
Japan Closed Block VA	64	0	0	63
NN Group	32,888	14,862	267	18,292

1.4 CAPITAL BASE - SOLVENCY II

	31 Dec 21	30 Jun 21	31 Dec 20	30 Jun 20
In EUR million				
Solvency II ³⁾				
IFRS Shareholders' equity	32,888	32,863	36,731	35,117
Minority interest	267	287	277	256
Elimination of deferred acquisition costs and intangible assets	-2,149	-1,732	-1,669	-1,724
Valuation differences on assets	2,268	2,524	2,611	2,161
Valuation differences on liabilities, including insurance and investment contracts	-18,687	-19,541	-25,582	-22,416
Deferred tax effect on valuation differences	4,649	4,599	6,039	4,653
Difference in treatment of non-solvency II regulated entities	-951	-1,106	-1,082	-1,222
Excess of assets over liabilities	18,284	17,894	17,325	16,825
Deduction of participation in Bank	0	0	0	-992
Qualifying subordinated debt	4,383	4,426	4,498	4,495
Foreseeable dividends and distributions	-646	-700	-595	-817
Basic Own Funds	22,021	21,620	21,228	19,510
Non-available Own Funds	1,094	1,049	1,200	1,123
Non-eligible Own Funds	0	0	0	0
Eligible Own Funds (a)	20,927	20,571	20,028	18,388
of which Tier 1 Unrestricted	13,377	12,985	12,484	12,235
of which Tier 1 Restricted	1,875	1,908	1,927	1,938
of which Tier 2	2,422	2,432	2,484	2,470
of which Tier 3	848	899	733	500
of which non-solvency II regulated entities	2,404	2,347	2,400	1,244
Solvency Capital Requirement (b)	9,840	9,858	9,534	8,338
of which non-solvency II regulated entities	1,334	1,387	1,368	486
NN Group Solvency II ratio (a/b) ²⁵⁾	213%	209%	210%	221%

1.5 OPERATING CAPITAL GENERATION

In EUR million

	2H21	1H21	2H20	1H20	FY21	FY20
OCG by segment ¹⁾						
Netherlands Life	451	395	266	376	846	642
Netherlands Non-life	163	162	14	61	325	76
Insurance Europe	137	182	135	119	318	253
Japan Life	72	57	63	70	129	133
Asset Management	68	67	53	50	135	103
Banking	49	55	0	0	104	0
Other	-136	-136	-81	-133	-272	-214
Operating capital generation	804	780	450	543	1,584	993

	2H21	1H21	2H20	1H20	FY21	FY20
OCG by source ¹⁾						
Investment return	688	647	654	569	1,335	1,223
Life - UFR drag	-394	-431	-557	-421	-825	-978
Life - Risk margin release	196	204	225	215	400	440
Life - Experience variance	-21	3	-42	37	-18	-5
Life - New business	59	79	39	53	138	92
Non-life underwriting	125	129	49	43	254	92
Non-Solvency II entities (Asset Management, Japan Life, Banking, Other ²⁸⁾)	246	234	146	152	479	298
Holding expenses and debt costs	-143	-140	-136	-141	-283	-277
Change in SCR	48	55	73	35	103	108
Operating capital generation	804	780	450	543	1,584	993

1.6 CASH CAPITAL POSITION AT THE HOLDING COMPANY

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Cash capital position - beginning of period ⁶⁾	1,533	1,170	1,315	1,989	1,170	1,989
Remittances from subsidiaries ⁷⁾	856	978	592	718	1,835	1,310
Capital injections into subsidiaries ⁸⁾	-13	-6	-5	-52	-19	-56
Other ⁹⁾	-150	-194	26	-209	-344	-183
Free cash flow to the holding ¹⁰⁾	693	779	613	458	1,472	1,070
Cash divestment proceeds	76	0	0	0	76	0
Acquisitions	-358	0	0	-572	-358	-572
Capital flows from / (to) shareholders	-544	-416	-758	-260	-960	-1,017
Increase / (decrease) in debt and loans	597	0	0	-300	597	-300
Cash capital position - end of period	1,998	1,533	1,170	1,315	1,998	1,170

	2H21	1H21	2H20	1H20	FY21	FY20
Remittances from subsidiaries	856	978	592	718	1,835	1,310
Netherlands Life ⁷⁾	528	520	480	450	1,048	930
Netherlands Non-life ⁷⁾	38	85	19	43	123	62
Insurance Europe ^{7, 11)}	67	125	14	63	192	77
Japan Life	0	146	0	119	146	119
Asset Management	50	60	39	42	110	81
Banking ⁷⁾	125	13	1	1	138	1
Other	48	30	39	0	78	39
of which reinsurance business	30	30	30	0	60	30
of which other	18	0	9	0	18	9

1.7 INVESTMENTS PER ASSET TYPE

At 31 December 2021

In EUR million	Asset-backed securities	Financial institutions and Covered bonds	Corporate bonds	Government bonds	Total debt securities	Public equity	Real estate equity	Private equity	Other equity securities	Total equity securities	Real estate	Mortgages	Deposits and other Loans	Other	Investments for risk of policyholders	Total
IFRS classification																
Cash and cash equivalents	0	0	0	0	0	0	0	0	0	0	0	0	0	6,929	0	6,929
Financial assets at fair value through profit or loss																
- investments for risk of policyholders	0	0	0	0	0	0	0	0	0	0	0	0	0	39,261	0	39,261
- non-trading derivatives	0	0	0	0	0	0	0	0	0	0	0	0	6,419	0	0	6,419
- designated as at fair value through profit or loss	0	0	26	2	28	0	0	0	963	963	0	0	0	0	0	991
Available-for-sale investments																
- debt securities	3,449	10,454	20,427	61,587	95,917	0	0	0	0	0	0	0	0	0	0	95,917
- equity securities	0	0	0	0	0	6,406	2,415	546	2,599	11,966	0	0	0	0	0	11,966
Loans	281	0	0	0	281	0	0	0	0	0	0	59,270	8,649	0	0	68,200
Associates and joint ventures	0	0	0	0	0	0	0	671	0	671	5,612	0	616	20	0	6,919
Real estate investments	0	0	0	0	0	0	0	0	0	0	2,719	0	0	0	0	2,719
Other assets ¹⁴⁾	0	0	0	0	0	0	0	0	0	0	0	0	12,264	0	0	12,264
Total	3,730	10,454	20,453	61,589	96,226	6,406	2,415	1,217	3,562	13,600	8,331	59,270	9,265	25,632	39,261	251,585

1.8 EARNINGS PER ORDINARY SHARE

	2H21	1H21	2H20	1H20	FY21	FY20
Basic earnings per ordinary share ¹²⁾						
Net result (in EUR million)	1,864	1,414	1,317	587	3,278	1,904
Coupon on undated subordinated notes (in EUR million)	-29	-29	-29	-29	-58	-59
Basic earnings (in EUR million)	1,835	1,385	1,288	558	3,220	1,846
Weighted average number of ordinary shares (in million)	308.1	309.8	312.6	315.7	308.9	314.1
Basic earnings per ordinary share (in EUR)	5.96	4.47	4.12	1.77	10.42	5.88
Diluted earnings per ordinary share ¹³⁾						
Basic earnings (in EUR million)	1,835	1,385	1,288	558	3,220	1,846
Weighted average number of ordinary shares (in million)	308	310	313	316	309	314
Dilutive instruments: Stock option and share plans (in million)	0	0	1	0	0	1
Weighted average number of ordinary shares (including dilutive instruments in million)	308.5	310.2	313.0	316.1	309.3	314.6
Diluted earnings per ordinary share (in EUR)	5.95	4.47	4.11	1.76	10.41	5.87

1.9 NEW BUSINESS

In EUR million

	2H21	1H21	2H20	1H20	FY21	FY20
NN Group						
Value of new business	186	242	144	122	428	266
Present value of new business premiums	4,525	5,175	4,564	4,263	9,700	8,826
New business margin ¹⁷⁾	4.1%	4.7%	3.2%	2.9%	4.4%	3.0%
Netherlands Life						
Value of new business	6	15	-1	9	21	8
Present value of new business premiums	483	720	319	724	1,203	1,043
New business margin ¹⁷⁾	1.3%	2.1%	-0.2%	1.2%	1.8%	0.8%
Insurance Europe						
Value of new business	115	135	99	84	250	183
Present value of new business premiums	2,870	2,980	3,194	2,627	5,850	5,821
New business margin ¹⁷⁾	4.0%	4.5%	3.1%	3.2%	4.3%	3.1%
Japan Life						
Value of new business	64	92	46	29	156	75
Present value of new business premiums	1,172	1,475	1,051	911	2,647	1,962
New business margin ¹⁷⁾	5.5%	6.2%	4.3%	3.2%	5.9%	3.8%

2.1 ANALYSIS OF RESULTS: CONSOLIDATED RESULTS

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Analysis of results						
Netherlands Life	466	520	500	494	986	994
Netherlands Non-life	125	189	103	111	314	215
Insurance Europe	154	161	152	133	315	285
Japan Life	107	156	102	138	263	240
Asset Management	91	91	78	74	181	152
Banking	55	79	74	80	134	154
Other	-81	-76	-47	-104	-157	-151
Operating result ²⁾	917	1,119	963	926	2,036	1,889
Non-operating items	1,332	719	605	57	2,051	662
of which gains/losses and impairments	986	684	472	168	1,671	640
of which revaluations	445	40	170	167	485	337
of which market and other impacts	-99	-6	-36	-278	-105	-315
Special items	-56	-47	-155	-123	-103	-278
Acquisition intangibles and goodwill	-18	-11	-11	-13	-28	-24
Result on divestments	54	0	100	0	54	100
Result before tax	2,230	1,780	1,502	846	4,010	2,349
Taxation	357	355	172	250	712	422
Minority interests	9	11	13	9	19	22
Net result	1,864	1,414	1,317	587	3,278	1,904
Shares outstanding in the market (in million)	306	311	310	312	306	310
Basic earnings per ordinary share in EUR ¹²⁾	5.96	4.47	4.12	1.77	10.42	5.88
Diluted earnings per ordinary share in EUR ¹³⁾	5.95	4.47	4.11	1.76	10.41	5.87
New business						
Single premiums	1,022	1,070	867	795	2,093	1,662
Regular premiums	465	636	420	540	1,101	961
New sales life insurance (APE) ³¹⁾	568	743	507	620	1,311	1,127
Value of new business	186	242	144	122	428	266

2.1 ANALYSIS OF RESULTS: CONSOLIDATED RESULTS

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Key figures						
Operating capital generation ¹⁾	804	780	450	543	1,584	993
Gross premium income	6,242	8,070	6,071	7,751	14,312	13,822
Total administrative expenses	1,201	1,079	1,078	1,043	2,280	2,121
Combined ratio (Netherlands Non-life) ¹⁶⁾	95.1%	92.0%	95.7%	94.9%	93.5%	95.3%
Asset Management Assets under Management (in EUR billion, end of period)	301	298	300	285	301	300
Life general account invested assets (in EUR billion, end of period)	144	146	149	148	144	149
Total provisions for insurance and investment contracts (in EUR billion, end of period)	169	171	171	170	169	171
of which for risk policyholder (in EUR billion, end of period)	39	37	35	32	39	35
NN Group Solvency II ratio ^{3) 25)}	213%	209%	210%	221%	213%	210%
CET1 ratio ²⁴⁾	17.4%	18.6%	17.4%	16.7%	17.4%	17.4%
NN Life Solvency II ratio ³⁾	219%	213%	220%	226%	219%	220%
Total assets (in EUR billion, end of period)	252	250	264	262	252	264
Employees (internal FTEs, end of period)	15,158	14,787	14,845	14,884	15,158	14,845

2.1 ANALYSIS OF RESULTS: CONSOLIDATED RESULTS - EXCLUDING CURRENCY EFFECTS

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Analysis of results						
Netherlands Life	466	520	500	494	986	994
Netherlands Non-life	125	189	103	111	314	215
Insurance Europe	154	161	152	131	315	283
Japan Life	107	156	98	127	263	225
Asset Management	91	91	78	74	181	152
Banking	55	79	74	80	134	154
Other	-81	-76	-47	-104	-157	-150
Operating result ²⁾	917	1,119	959	913	2,036	1,872
Non-operating items	1,332	719	605	59	2,051	664
of which gains/losses and impairments	986	684	471	170	1,671	641
of which revaluations	445	41	170	168	485	338
of which market and other impacts	-99	-6	-36	-278	-105	-315
Special items	-56	-47	-155	-123	-103	-278
Acquisition intangibles and goodwill	-18	-11	-11	-13	-28	-24
Result on divestments	54	0	100	0	54	100
Result before tax	2,230	1,780	1,498	836	4,010	2,334
Taxation	357	355	171	247	712	418
Minority interests	9	11	13	9	19	22
Net result	1,864	1,414	1,314	580	3,278	1,894
Shares outstanding in the market (in million)	306	311	310	312	306	310
Basic earnings per ordinary share in EUR ¹²⁾	5.96	4.47	4.11	1.75	10.42	5.84
Diluted earnings per ordinary share in EUR ¹³⁾	5.95	4.47	4.10	1.74	10.41	5.84
New business						
New sales life insurance (APE) ³¹⁾	568	740	493	594	1,307	1,088
Key figures						
Gross premium income	6,242	8,068	6,012	7,592	14,311	13,604
Total administrative expenses	1,201	1,078	1,072	1,031	2,279	2,103
Total assets (in EUR billion, end of period)	252	250	263	261	252	263

2.2.1 ANALYSIS OF RESULTS: NETHERLANDS LIFE

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Analysis of results						
Investment margin	501	494	457	433	996	890
Fees and premium-based revenues	199	192	191	201	391	392
Technical margin	29	74	87	98	103	184
Operating income non-modelled business	0	0	0	0	0	0
Operating income	730	760	735	731	1,490	1,467
Administrative expenses	249	225	220	221	473	440
DAC amortisation and trail commissions	15	16	16	17	31	33
Total expenses	264	241	235	237	504	473
Operating result ²⁾	466	520	500	494	986	994
Non-operating items	1,286	661	531	149	1,946	680
of which gains/losses and impairments	957	661	409	211	1,618	620
of which revaluations	386	-7	159	212	379	371
of which market and other impacts	-58	7	-36	-274	-51	-310
Special items	-11	-6	-46	-32	-17	-77
Result on divestments	0	0	0	0	0	0
Result before tax	1,741	1,174	985	612	2,915	1,597
Taxation	226	204	138	192	431	330
Minority interests	-2	-2	0	7	-4	8
Net result	1,516	972	847	413	2,488	1,260
New business						
Single premiums	396	411	244	241	807	485
Regular premiums	30	127	17	153	158	170
New sales life insurance (APE) ^{19) 31)}	70	168	41	178	239	219
Value of new business	6	15	-1	9	21	8
Key figures						
Operating capital generation ¹⁾	451	395	266	376	846	642
Gross premium income	1,716	2,256	1,551	1,993	3,972	3,544
Administrative expenses	249	225	220	221	473	440
Life general account invested assets (in EUR billion, end of period)	113	112	113	113	113	113
Assets under Management DC Business Total (in EUR billion, end of period) ¹⁸⁾	29.9	27.4	24.6	22.3	29.9	24.6
Total provisions for insurance and investment contracts (in EUR billion, end of period)	118	117	117	116	118	117
of which for risk policyholder (in EUR billion, end of period)	28	26	24	22	28	24
NN Life Solvency II ratio ³⁾	219%	213%	220%	226%	219%	220%
Employees (internal FTEs, end of period)	2,058	2,089	2,172	2,234	2,058	2,172

2.2.2 NETHERLANDS LIFE - PROVISIONS FOR LIFE INSURANCE AND INVESTMENT CONTRACTS

In EUR billion	2H21	1H21	2H20	1H20	FY21	FY20
Provisions for life insurance and investment contracts for risk of company - roll forward						
Beginning of period	91.1	92.7	93.8	92.2	92.7	92.2
Deposits	0.8	1.6	1.5	1.2	2.4	2.6
Withdrawals / Benefits	-2.0	-2.3	-3.0	-2.0	-4.4	-5.0
Net production	-1.2	-0.8	-1.5	-0.8	-2.0	-2.4
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Market performance / Interest credited	0.5	-0.8	0.5	2.4	-0.3	2.9
FX impact and other	0.0	0.0	0.0	0.0	0.0	0.0
End of period	90.4	91.1	92.7	93.8	90.4	92.7
In EUR billion	2H21	1H21	2H20	1H20	FY21	FY20
Provisions for life insurance and investment contracts for risk of policyholders - roll forward						
Beginning of period	26.1	24.4	22.5	23.9	24.4	23.9
Deposits	0.9	0.8	0.7	0.8	1.7	1.5
Withdrawals / Benefits	-0.6	-1.2	-0.4	-1.7	-1.8	-2.1
Net production	0.3	-0.4	0.3	-0.9	-0.1	-0.6
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Market performance / Interest credited	1.4	2.2	1.6	-0.5	3.5	1.1
FX impact and other	0.0	0.0	0.0	0.0	0.0	0.0
End of period	27.8	26.1	24.4	22.5	27.8	24.4

2.3.1 ANALYSIS OF RESULTS: NETHERLANDS NON-LIFE

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Analysis of results						
Earned premiums	1,798	1,819	1,780	1,638	3,617	3,418
Investment income	64	64	48	50	128	98
Other income	-6	0	1	-2	-6	-1
Operating income	1,857	1,882	1,829	1,686	3,739	3,515
Claims incurred, net of reinsurance	1,219	1,205	1,212	1,137	2,424	2,350
Acquisition costs	330	330	338	291	660	630
Administrative expenses	189	168	183	157	357	340
Acquisition costs and administrative expenses	519	498	521	448	1,017	970
Expenditure	1,738	1,703	1,734	1,585	3,440	3,319
Operating result insurance businesses	119	180	95	101	299	196
Operating result non-insurance businesses	6	10	8	11	16	19
Total operating result ²⁾	125	189	103	111	314	215
Non-operating items	53	4	40	-36	57	3
of which gains/losses and impairments	24	9	24	-24	33	0
of which revaluations	29	-5	7	-16	24	-9
of which market and other impacts	0	0	9	4	0	12
Special items	-14	-21	-45	-35	-35	-79
Result on divestments	0	0	0	0	0	0
Result before tax	164	172	98	40	336	138
Taxation	33	37	21	10	71	31
Minority interests	7	9	11	0	16	11
Net result	124	126	67	30	250	97
Key figures						
Operating capital generation ¹⁾	163	162	14	61	325	76
Gross premium income	1,491	2,307	1,428	2,093	3,798	3,521
Total administrative expenses ²⁰⁾	272	224	249	202	496	451
Combined ratio ¹⁶⁾	95.1%	92.0%	95.7%	94.9%	93.5%	95.3%
of which Claims ratio ¹⁶⁾	66.2%	64.6%	66.4%	67.5%	65.4%	67.0%
of which Expense ratio ¹⁶⁾	28.9%	27.4%	29.3%	27.4%	28.1%	28.4%
Total insurance provisions (in EUR billion, end of period)	7	8	7	8	7	7
Employees (internal FTEs, end of period)	3,853	3,281	3,330	3,309	3,853	3,330

2.3.2 NETHERLANDS NON-LIFE - KEY FIGURES BY LINE OF BUSINESS

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Gross premium income by line of business						
Disability and Accident	294	822	263	788	1,116	1,051
Fire	492	639	472	563	1,132	1,035
Marine and Aviation	40	64	40	50	104	89
Motor	440	496	435	439	937	874
Miscellaneous	223	285	217	254	508	471
Indirect business	1	1	0	0	2	0
Property and Casualty	1,197	1,485	1,165	1,305	2,682	2,470
Total	1,491	2,307	1,428	2,093	3,798	3,521
In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Operating result by line of business						
Disability and Accident	-3	42	-10	-20	38	-30
Fire	66	102	104	60	168	164
Marine and Aviation	2	26	-1	7	28	6
Motor	41	15	2	47	56	49
Miscellaneous	10	-4	2	5	6	7
Indirect business	3	-1	-2	1	2	-1
Property and Casualty	122	138	105	120	260	226
Health business and broker business	6	10	8	11	16	19
Total	125	189	103	111	314	215
Combined ratios Disability and Accident, as well as Property and Casualty ¹⁶⁾						
Disability and Accident						
Combined ratio	103.6%	94.6%	102.0%	103.1%	99.0%	102.6%
of which Claims ratio	83.3%	75.1%	81.7%	83.4%	79.1%	82.6%
of which Expense ratio	20.2%	19.6%	20.3%	19.7%	19.9%	20.0%
Property and Casualty						
Combined ratio	91.4%	90.8%	93.0%	90.8%	91.1%	92.0%
of which Claims ratio	58.8%	60.0%	59.9%	59.7%	59.4%	59.8%
of which Expense ratio	32.6%	30.8%	33.2%	31.1%	31.7%	32.2%
Total						
Combined ratio	95.1%	92.0%	95.7%	94.9%	93.5%	95.3%
of which Claims ratio	66.2%	64.6%	66.4%	67.5%	65.4%	67.0%
of which Expense ratio	28.9%	27.4%	29.3%	27.4%	28.1%	28.4%

2.4.1 ANALYSIS OF RESULTS: INSURANCE EUROPE

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Analysis of results						
Investment margin	59	57	61	48	116	110
Fees and premium-based revenues	418	393	363	367	811	730
Technical margin	115	119	128	125	235	252
Operating income non-modelled business	1	0	0	1	1	1
Operating income Life Insurance	593	569	552	541	1,163	1,093
Administrative expenses	235	210	203	214	446	417
DAC amortisation and trail commissions	204	197	193	196	401	389
Expenses Life Insurance	439	407	396	410	847	806
Operating result Life Insurance	154	162	156	131	316	287
Operating result Non-life	0	-1	-4	2	-1	-3
Total operating result ²⁾	154	161	152	133	315	285
Non-operating items	29	19	11	-22	48	-11
of which gains/losses and impairments	1	1	5	-1	2	4
of which revaluations	31	15	2	-14	46	-12
of which market and other impacts	-2	2	3	-7	0	-4
Special items	-9	-5	-16	-13	-14	-29
Acquisition intangibles and goodwill	-7	0	0	0	-7	0
Result on divestments	54	0	-11	0	54	-11
Result before tax	222	175	136	98	396	234
Taxation	41	40	39	24	80	63
Minority interests	0	0	0	0	0	0
Net result	181	135	97	74	316	171
New business						
Single premiums	626	659	623	554	1,285	1,177
Regular premiums	285	314	264	263	599	527
New sales life insurance (APE) ³¹⁾	347	380	326	319	727	644
Value of new business	115	135	99	84	250	183
Key figures						
Operating capital generation ¹⁾	137	182	135	119	318	253
Gross premium income	1,558	1,569	1,489	1,512	3,127	3,001
Total administrative expenses (Life and Non-life)	242	216	212	220	458	432
Life general account invested assets (in EUR billion, end of period)	14	17	18	18	14	18
Total provisions for insurance and investment contracts (in EUR billion, end of period)	24	27	27	26	24	27
of which for risk policyholder (in EUR billion, end of period)	10	9	9	8	10	9
Assets under Management Pensions (in EUR billion, end of period) ²²⁾	25	25	22	20	25	22
Employees (internal FTEs, end of period)	4,652	4,846	4,820	4,952	4,652	4,820

2.4.1 ANALYSIS OF RESULTS: INSURANCE EUROPE - EXCLUDING CURRENCY EFFECTS

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Analysis of results						
Investment margin	59	57	61	47	116	108
Fees and premium-based revenues	418	391	360	358	809	719
Technical margin	115	119	128	123	235	251
Operating income non-modelled business	1	0	0	1	1	1
Operating income Life Insurance	593	567	549	530	1,161	1,079
Administrative expenses	235	209	201	209	444	409
DAC amortisation and trail commissions	204	196	193	192	400	385
Expenses Life Insurance	439	405	393	401	845	794
Operating result Life Insurance	154	162	156	129	316	285
Operating result Non-life	0	-1	-4	2	-1	-2
Total operating result ²⁾	154	161	152	131	315	283
Non-operating items	29	19	11	-22	48	-11
of which gains/losses and impairments	1	1	6	-1	2	4
of which revaluations	31	15	2	-14	46	-12
of which market and other impacts	-2	2	3	-7	0	-4
Special items	-9	-5	-16	-13	-14	-29
Acquisition intangibles and goodwill	-7	0	0	0	-7	0
Result on divestments	54	0	-11	0	54	-11
Result before tax	222	175	136	97	396	232
Taxation	41	40	39	24	80	63
Minority interests	0	0	0	0	0	0
Net result	181	135	97	73	316	170
New business						
New sales life insurance (APE) ³¹⁾	347	376	318	304	723	621
Key figures						
Gross premium income	1,558	1,567	1,486	1,494	3,125	2,979
Total administrative expenses (Life and Non-life)	242	215	209	214	456	424

2.4.2 INSURANCE EUROPE - KEY FIGURES BY COUNTRY

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Gross premium income by country						
Belgium	393	388	410	405	782	815
Poland	194	192	196	184	386	380
Spain	289	320	256	300	608	556
Other countries	682	669	627	623	1,351	1,250
Insurance Europe	1,558	1,569	1,489	1,512	3,127	3,001

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Operating result by country						
Belgium	32	30	46	19	61	65
Poland	31	38	36	44	69	81
Spain	19	16	19	14	35	32
Other countries	72	78	51	55	150	107
Insurance Europe	154	161	152	133	315	285

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
New sales (APE) by country						
Belgium	45	51	38	40	96	77
Poland	93	67	79	55	161	134
Spain	56	68	45	54	124	100
Other countries	152	194	164	170	346	333
Insurance Europe	347	380	326	319	727	644

2.4.2 INSURANCE EUROPE - KEY FIGURES BY COUNTRY - EXCLUDING CURRENCY EFFECTS

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Gross premium income by country						
Belgium	393	388	410	405	782	815
Poland	194	190	192	177	384	369
Spain	289	320	256	300	608	556
Other countries	682	668	628	611	1,350	1,239
Insurance Europe	1,558	1,567	1,486	1,494	3,125	2,979

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Operating result by country						
Belgium	32	30	46	19	61	65
Poland	31	38	36	43	69	79
Spain	19	16	19	14	35	32
Other countries	72	78	52	55	150	108
Insurance Europe	154	161	152	131	315	283

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
New sales (APE) by country						
Belgium	45	51	38	40	96	77
Poland	93	67	78	53	160	131
Spain	56	68	45	54	124	100
Other countries	152	191	157	157	343	314
Insurance Europe	347	376	318	304	723	621

2.4.3 INSURANCE EUROPE - PROVISIONS FOR LIFE INSURANCE AND INVESTMENT CONTRACTS AND ASSETS UNDER MANAGEMENT PENSIONS

In EUR billion	2H21	1H21	2H20	1H20	FY21	FY20
Provisions for life insurance and investment contracts for risk of company - roll forward						
Beginning of period	17.4	18.0	18.1	18.1	18.0	18.1
Deposits	0.7	0.6	0.8	0.6	1.3	1.4
Withdrawals / Benefits	-0.9	-0.8	-1.1	-1.0	-1.7	-2.0
Net production	-0.2	-0.2	-0.3	-0.4	-0.4	-0.7
Acquisition / Divestments / Transfers	-3.1	0.0	-0.1	0.0	-3.1	-0.1
Market performance / Interest credited	-0.1	-0.5	0.3	0.4	-0.5	0.8
FX impact and other	0.0	0.0	0.0	-0.1	0.0	-0.1
End of period	14.0	17.4	18.0	18.1	14.0	18.0
In EUR billion	2H21	1H21	2H20	1H20	FY21	FY20
Provisions for life insurance and investment contracts for risk of policyholders - roll forward						
Beginning of period	9.3	8.7	8.0	8.5	8.7	8.5
Deposits	0.7	0.6	0.7	0.5	1.2	1.2
Withdrawals / Benefits	-0.5	-0.5	-0.5	-0.4	-1.0	-0.9
Net production	0.1	0.1	0.2	0.0	0.2	0.2
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Market performance / Interest credited	0.3	0.5	0.5	-0.4	0.8	0.1
FX impact and other	0.0	0.1	0.0	-0.1	0.0	-0.2
End of period	9.7	9.3	8.7	8.0	9.7	8.7
In EUR billion	2H21	1H21	2H20	1H20	FY21	FY20
Assets under Management pensions - roll forward						
Beginning of period	24.6	21.7	19.6	21.9	21.7	21.9
Deposits	1.0	1.0	1.1	0.8	2.0	1.8
Withdrawals / Benefits	-0.5	-0.5	-0.4	-0.4	-1.0	-0.8
Net production	0.5	0.5	0.6	0.4	1.0	1.0
Acquisition / Divestments / Transfers	-1.0	0.0	0.0	0.0	-1.0	0.0
Market performance / Interest credited	1.0	2.3	1.7	-2.1	3.3	-0.4
FX impact and other	-0.4	0.0	-0.3	-0.6	-0.4	-0.9
End of period	24.6	24.6	21.7	19.6	24.6	21.7

2.5.1 ANALYSIS OF RESULTS: JAPAN LIFE

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Analysis of results						
Investment margin	-4	-8	-6	-8	-12	-14
Fees and premium-based revenues	271	339	275	364	610	639
Technical margin	9	21	10	8	30	17
Operating income non-modelled business	0	0	0	0	0	0
Operating income	276	352	279	364	628	642
Administrative expenses	71	64	73	71	135	144
DAC amortisation and trail commissions	99	132	103	155	230	258
Total expenses	169	196	176	226	365	402
Operating result ²⁾	107	156	102	138	263	240
Non-operating items	-1	2	5	-32	2	-27
of which gains/losses and impairments	0	4	10	-17	4	-7
of which revaluations	-1	-2	-4	-16	-2	-20
of which market and other impacts	0	0	0	0	0	0
Special items	-1	-1	-1	-2	-3	-3
Result on divestments	0	0	0	0	0	0
Result before tax	105	157	106	104	262	210
Taxation	30	44	28	29	74	57
Minority interests	0	0	0	0	0	0
Net result	74	113	78	75	188	152
New business						
Single premiums	0	0	0	0	0	0
Regular premiums	150	195	140	123	345	263
New sales life insurance (APE) ³¹⁾	150	195	140	123	345	263
Value of new business	64	92	46	29	156	75
Key figures						
Operating capital generation ¹⁾	72	57	63	70	129	133
Gross premium income	1,459	1,921	1,590	2,138	3,381	3,728
Administrative expenses	71	64	73	71	135	144
Life general account invested assets (in EUR billion, end of period)	17	17	17	18	17	17
Total provisions for insurance and investment contracts (in EUR billion, end of period)	18	17	17	18	18	17
of which for risk policyholder (in EUR billion, end of period)	0	0	0	0	0	0
Employees (internal FTEs, end of period)	859	859	855	848	859	855

2.5.1 ANALYSIS OF RESULTS: JAPAN LIFE - EXCLUDING CURRENCY EFFECTS

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Analysis of results						
Investment margin	-4	-8	-6	-7	-12	-13
Fees and premium-based revenues	271	339	264	334	610	598
Technical margin	9	20	9	7	30	16
Operating income non-modelled business	0	0	0	0	0	0
Operating income	276	352	267	334	628	601
Administrative expenses	71	64	70	65	135	135
DAC amortisation and trail commissions	99	132	99	142	230	241
Total expenses	169	196	169	207	365	376
Operating result ²⁾	107	156	98	127	263	225
Non-operating items	-1	2	5	-30	2	-25
of which gains/losses and impairments	0	4	9	-15	4	-6
of which revaluations	-1	-2	-4	-14	-2	-19
of which market and other impacts	0	0	0	0	0	0
Special items	-1	-1	-1	-2	-3	-3
Result on divestments	0	0	0	0	0	0
Result before tax	105	157	102	95	262	197
Taxation	30	44	27	27	74	54
Minority interests	0	0	0	0	0	0
Net result	74	113	75	69	188	143
New business						
New sales life insurance (APE) ³¹⁾	150	195	134	113	345	247
Key figures						
Gross premium income	1,459	1,919	1,524	1,962	3,379	3,486
Administrative expenses	71	64	70	65	135	135

2.5.2 JAPAN LIFE - PROVISIONS FOR LIFE INSURANCE AND INVESTMENT CONTRACTS

In EUR billion	2H21	1H21	2H20	1H20	FY21	FY20
Provisions for life insurance and investment contracts for risk of company - roll forward						
Beginning of period	17.1	17.2	17.5	16.8	17.2	16.8
Deposits	1.3	1.7	1.4	1.9	3.0	3.3
Withdrawals / Benefits	-1.2	-1.2	-1.1	-1.3	-2.4	-2.5
Net production	0.1	0.5	0.3	0.6	0.7	0.9
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Market performance / Interest credited	0.1	0.1	0.1	0.1	0.2	0.2
FX impact and other	0.1	-0.7	-0.7	0.1	-0.6	-0.6
End of period	17.4	17.1	17.2	17.5	17.4	17.2

2.6.1 ANALYSIS OF RESULTS: ASSET MANAGEMENT

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Analysis of results						
Investment income	-1	0	-2	-1	-1	-3
Fees	249	234	224	216	482	440
Operating income	248	233	222	215	481	438
Administrative expenses	157	143	144	141	300	286
Operating result ²⁾	91	91	78	74	181	152
Non-operating items	0	0	0	0	0	0
Special items	-3	-1	0	0	-4	0
Result on divestments	0	0	0	0	0	0
Result before tax	88	90	78	74	178	152
Taxation	22	22	18	19	43	37
Minority interests	4	3	2	2	7	4
Net result	62	65	58	53	127	111
Key figures						
Operating capital generation ¹⁾	68	67	53	50	135	103
Administrative expenses	157	143	144	141	300	286
Cost/income ratio (Administrative expenses/Operating income)	63.4%	61.2%	64.9%	65.6%	62.3%	65.2%
Fees/average Assets under Management (bps) ²⁶⁾	17	16	15	15	16	15
Net inflow Assets under Management (in EUR billion)	1	2	6	1	3	7
Assets under Management (in EUR billion, end of period)	301	298	300	285	301	300
Net operating result ²⁷⁾	67	68	60	55	136	115
Employees (internal FTEs, end of period)	952	943	955	943	952	955

2.6.2 ASSET MANAGEMENT - AUM AND AUA

In EUR billion

	31 Dec 21	30 Jun 21	31 Dec 20	30 Jun 20
Assets under Management (AuM) and Assets under Advice and Administration (AuA)				
Affiliates	191	190	198	197
Proprietary (general account assets)	159	161	170	172
Other affiliates business	32	29	28	26
Third parties	110	108	102	88
Institutional customers	59	58	56	48
Retail customers home markets	37	36	32	27
Retail customers others	14	14	14	12
Total Assets under Management	301	298	300	285
Assets under Advice and Administration	57	59	70	53

In EUR billion

	31 Dec 21	30 Jun 21	31 Dec 20	30 Jun 20
AuM by investment				
Equity	28	28	25	23
Fixed income	226	224	227	218
Multi asset	47	45	48	45
Total	301	298	300	285

Period 2H21

	Affiliates	Proprietary	Other	Third Parties	Institutional	Retail home markets	Retail Others	Total
In EUR billion								
AuM roll forward								
Beginning of period	190	161	29	108	58	36	14	298
Net inflow	-1	-2	1	1	1	0	0	1
Acquisition / Divestments / Transfers	0	0	0	0	0	0	0	0
Market performance (incl. FX Impact) and other	1	0	1	2	0	1	0	3
End of period	191	159	32	110	59	37	14	301

In EUR billion

	2H21	1H21	2H20	1H20	FY21	FY20
AuM roll forward						
Beginning of period	298	300	285	276	300	276
Net inflow	1	2	6	1	3	7
Acquisition / Divestments / Transfers	0	0	0	3	0	3
Market performance (incl. FX Impact) and other	3	-4	9	5	-2	14
End of period	301	298	300	285	301	300

2.7.1 ANALYSIS OF RESULTS: BANKING

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Analysis of results						
Interest result	141	139	141	140	280	280
Commission income	25	34	30	18	59	48
Total investment and other income	17	16	17	27	33	45
Operating income	183	189	187	185	372	373
Operating expenses	121	98	103	93	219	195
Regulatory levies	11	16	8	12	27	20
Addition to loan loss provision	-5	-4	3	0	-8	3
Total expenses	128	110	114	105	239	219
Operating result ²⁾	55	79	74	80	134	154
Non-operating items	-25	-1	27	1	-27	27
of which gains/losses and impairments	1	0	8	3	2	11
of which revaluations	0	0	0	0	0	0
of which market and other impacts	-27	-2	19	-2	-28	17
Special items	0	0	-7	-7	0	-14
Result before tax	29	77	93	73	106	167
Taxation	5	19	16	19	25	35
Minority interests	0	0	0	0	0	0
Net result	24	58	77	54	82	132
Key figures						
Operating capital generation ¹⁾	49	55	0	0	104	0
Total administrative expenses ²¹⁾	133	114	111	105	247	216
Cost/income ratio (Operating expenses/Operating income)	66.3%	51.9%	54.7%	50.1%	59.0%	52.4%
Net Interest Margin (NIM) ²⁹⁾	1.13%	1.12%	1.13%	1.11%		
Net operating ROE ²³⁾	9.2%	12.7%	12.8%	15.0%	11.0%	13.8%
CET1 ratio ²⁴⁾	17.4%	18.6%	17.4%	16.7%	17.4%	17.4%
Total Capital ratio ²⁴⁾	18.8%	20.0%	18.9%	18.1%	18.8%	18.9%
Risk Weighted Assets (RWA) (in EUR billion, end of period) ²⁴⁾	6	6	6	6	6	6
Savings and deposits (in EUR billion, end of period)	16	16	16	16	16	16
Mortgages (in EUR billion, end of period)	21	21	20	20	21	20
Total assets (in EUR billion, end of period)	24	25	25	25	24	25
Net operating result ²⁷⁾	41	59	55	60	100	115
Adjusted allocated equity (end of period) ²⁾	850	950	904	827	850	904
Employees (internal FTEs, end of period)	944	937	919	875	944	919

2.7.2 BANKING - SAVINGS AND DEPOSITS AND MORTGAGES

In EUR billion	2H21	1H21	2H20	1H20	FY21	FY20
Savings and Deposits - roll forward						
Beginning of period	16.1	15.7	15.5	15.1	15.7	15.1
Deposits	2.4	2.4	2.1	2.2	4.8	4.3
Withdrawals / Benefits	-2.7	-2.0	-1.9	-1.8	-4.7	-3.6
Net increase / decrease	-0.2	0.4	0.2	0.4	0.2	0.7
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0	0.0	0.0
End of period	15.9	16.1	15.7	15.5	15.9	15.7

In EUR billion	2H21	1H21	2H20	1H20	FY21	FY20
Mortgages - roll forward						
Beginning of period	20.6	20.1	20.0	19.4	20.1	19.4
Origination	5.5	4.4	3.8	4.4	9.9	8.2
Redemptions	-1.4	-1.2	-1.3	-1.1	-2.6	-2.3
Net increase / decrease	4.2	3.2	2.5	3.3	7.3	5.9
Acquisition / Divestments / Transfers	-3.9	-2.7	-2.5	-2.7	-6.6	-5.2
End of period	20.8	20.6	20.1	20.0	20.8	20.1

2.8 ANALYSIS OF RESULTS: OTHER

In EUR million	2H21	1H21	2H20	1H20	FY21	FY20
Analysis of results						
Interest on hybrids and debt ³⁰⁾	-55	-53	-54	-54	-108	-108
Investment income and fees	52	51	52	55	103	107
Holding expenses	-72	-89	-63	-79	-161	-142
Amortisation of intangible assets	0	0	0	0	0	0
Holding result	-75	-91	-65	-78	-166	-143
Operating result reinsurance business	-7	18	17	-25	11	-8
Other results	1	-4	1	-1	-3	0
Operating result ²⁾	-81	-76	-47	-104	-157	-151
Non-operating items	-10	35	-8	-2	25	-10
of which gains/losses and impairments	3	9	17	-5	12	12
of which revaluations	-1	40	6	1	39	7
of which market and other impacts	-12	-14	-31	1	-26	-29
Special items	-18	-13	-40	-35	-30	-75
Acquisition intangibles and goodwill	-11	-11	-11	-13	-21	-24
Result on divestments	0	0	111	0	0	111
Result before tax	-119	-65	6	-155	-184	-149
Taxation	0	-11	-88	-43	-11	-131
Minority interests	0	0	0	0	0	0
Net result	-118	-54	94	-112	-172	-18
Key figures						
Operating capital generation ¹⁾	-136	-136	-81	-133	-272	-214
Gross premium income	18	16	13	14	34	27
Total administrative expenses	78	93	70	83	172	153
of which reinsurance business	5	4	5	4	8	8
of which corporate/holding	74	90	65	79	163	144
Employees (internal FTEs, end of period)	1,840	1,832	1,794	1,722	1,840	1,794
Total provisions for insurance and investment contracts (in EUR billion, end of period)	2	2	2	3	2	2
Key figures Japan Closed Block VA						
Account value	1,591	1,633	1,691	1,691	1,591	1,691
Net Amount at Risk	9	10	20	78	9	20
Number of policies	15,615	16,686	17,888	19,105	15,615	17,888

NOTES

General notes:

- The Financial Supplement includes historical financial data and is published on a semi-annual basis.
- All figures are unaudited.
- Figures are calculated at historical foreign exchange rates, unless otherwise stated.
- The semi-annual figures of the previous periods, excluding currency effects, are the sum of the monthly figures calculated at the average rate of each individual month of the current half year.
- Rounding could cause some small differences.
- The segment 'Other' consists of the reinsurance business, the holding company and certain other entities.

Footnotes:

- 1) NN Group analyses the change in the excess of Solvency II Own Funds over the Solvency Capital Requirement ('SCR') in the following components: Operating Capital Generation, Market variance, Capital flows and Other. Operating Capital Generation is the movement in the solvency surplus (Own Funds before eligibility constraints over SCR at 100%) in the period due to operating items, including the impact of new business, expected investment returns in excess of the unwind of liabilities, release of the risk margin, operating variances, non-life underwriting result, contribution of non-Solvency II entities and holding expenses and debt costs and the change in the SCR. It excludes economic variances, economic assumption changes and non-operating expenses
- 2) Operating result and Adjusted allocated equity (as used in the calculation of Net operating ROE) are Alternative Performance Measures. These measures are derived from figures according to IFRS-EU. The operating result is derived by adjusting the reported result before tax to exclude the impact of result on divestments, amortisation of acquisition intangibles, discontinued operations and special items, gains/losses and impairments, revaluations and market and other impacts. The adjusted allocated equity is derived by adjusting the reported total equity to exclude revaluation reserves, undated subordinated notes classified as equity as well as goodwill and intangible assets recognised as a result of the Delta Lloyd acquisition. Alternative Performance Measures are non-IFRS-EU measures that have a relevant IFRS-EU equivalent. For definitions and explanations of the Alternative Performance Measures reference is made to the section 'Alternative Performance Measures (Non-GAAP measures)' in the NN Group N.V. 30 June 2021 Condensed consolidated interim financial information
- 3) The solvency ratios are not final until filed with the regulators. The Solvency II ratios for NN Group and NN Life are based on the partial internal model.
- 4) Revaluation reserves for debt securities, equity securities and property in own use, the cash flow hedge reserve, the related crediting to policyholders, the coupon on undated subordinated notes recognised in equity as well as the goodwill and intangible assets recognised as a result of the Delta Lloyd acquisition.
- 5) The segment 'Other' comprises the allocated equity of the reinsurance business and the cash capital position, other assets and debt of the holding company.
- 6) Cash capital is defined as net current assets available at the holding company.
- 7) Includes interest on subordinated loans provided to subsidiaries by the holding company.
- 8) Includes the change of subordinated loans provided to subsidiaries by the holding company.
- 9) Includes interest on subordinated loans and debt, holding company expenses and other cash flows.
- 10) Free cash flow to the holding company is defined as the change in cash capital position of the holding company over the period, excluding acquisitions, divestments and capital transactions with shareholders and debtholders.
- 11) Refers to Insurance Europe entities' consolidated totals excluding NN Czech Life insurance business (branch of NN Life)
- 12) Basic earnings per ordinary share is calculated as the net result, adjusted to reflect the deduction of the accrued coupon on undated subordinated notes classified in equity, divided by the weighted average number of ordinary shares outstanding (net of treasury shares).
- 13) Diluted earnings per share is calculated as if the share plans and warrants outstanding at the end of the period had been exercised at the beginning of the period and assuming that the cash received from exercised share plans and warrants was used to buy own shares against the average market price during the period. The net decrease in the number of shares results from the cancellation of shares following the share buy back programme
- 14) Other assets contain Reinsurance contracts, Property and equipment, Intangible assets, Deferred acquisition costs, Deferred tax assets and Other assets.
- 15) The adjusted allocated equity of Japan Life is adjusted for the impact of internal reinsurance ceded to NN Group's reinsurance business.
- 16) Excluding non-insurance businesses (health business and broker business).
- 17) Value of new business as a percentage of Present value of new business premiums.
- 18) Assets under Management (AuM) DC business total includes both the AuM DC business in accumulation phase and AuM DC business in decumulation phase. For the latter the IFRS insurance liabilities are used as a proxy for the AuM.
- 19) APE excludes the APE for the investment part of the DC business as of 2020
- 20) Including non-insurance businesses (health business and broker business).
- 21) Operating expenses plus regulatory levies.
- 22) The numbers shown under AuM are client balances which exclude IFRS shareholders' equity related to the respective pension businesses and include the assets under administration.
- 23) Net operating RoE is calculated as the (annualised) net operating result of the segment, divided by (average) adjusted allocated equity. Adjusted allocated equity is an Alternative Performance Measure. It is derived from IFRS equity by excluding revaluation reserves. Reference is made to the section 'Alternative Performance Measures (Non-GAAP measures)' in the NN Group N.V. 30 June 2021 Condensed consolidated interim financial information
- 24) The Common Equity Tier 1 (CET1) ratio, Total Capital ratio and Risk Weighted Assets (RWA) are not final until filed with the regulators.
- 25) NN Bank is included in the calculation of the NN Group Solvency II ratio as of the end of 2020.
- 26) Fees/average Assets under Management (bps) is calculated as the (annualised) fees, divided by average AuM at the beginning and end of the half-year reporting period.
- 27) Operating result after tax
- 28) Other comprises CEE pension funds as well as broker and services companies.
- 29) Four-quarter rolling average.
- 30) Does not include interest costs on subordinated debt treated as equity.
- 31) APE represents annualised premium equivalents sold in the period, with single premiums calculated at 1/10th of the single premium amounts.

IMPORTANT LEGAL INFORMATION

NN Group's Consolidated Annual Accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") and with Part 9 of Book 2 of the Dutch Civil Code. In preparing the financial information in this document, the same accounting principles are applied as in the NN Group N.V. Condensed consolidated interim financial information for the period ended 30 June 2021. The Annual Accounts for 2021 are in progress and may be subject to adjustments from subsequent events.

All figures in this document are unaudited. Small differences are possible in the tables due to rounding. Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation: (1) changes in general economic conditions, in particular economic conditions in NN Group's core markets, (2) the effects of the Covid-19 pandemic and related response measures, including lockdowns and travel restrictions, on economic conditions in countries in which NN Group operates, on NN Group's business and operations and on NN Group's employees, customers and counterparties (3) changes in performance of financial markets, including developing markets, (4) consequences of a potential (partial) break-up of the euro or European Union countries leaving the European Union, (5) changes in the availability of, and costs associated with, sources of liquidity as well as conditions in the credit markets generally, (6) the frequency and severity of insured loss events, (7) changes affecting mortality and morbidity levels and trends, (8) changes affecting persistency levels, (9) changes affecting interest rate levels, (10) changes affecting currency exchange rates, (11) changes in investor, customer and policyholder behaviour, (12) changes in general competitive factors, (13) changes in laws and regulations and the interpretation and application thereof, (14) changes in the policies and actions of governments and/or regulatory authorities, (15) conclusions with regard to accounting assumptions and methodologies, (16) changes in ownership that could affect the future availability to NN Group of net operating loss, net capital and built-in loss carry forwards, (17) changes in credit and financial strength ratings, (18) NN Group's ability to achieve projected operational synergies, (19) catastrophes and terrorist-related events, (20) adverse developments in legal and other proceedings and (21) the other risks and uncertainties contained in recent public disclosures made by NN Group.

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

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