Bewust Pensioen

A closer look at the LifeCycle

Data as per May 31, 2020





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Bewust Pensioen takes advantage of LifeCycle Investing by NN Investment Partners. With LifeCycle Investing, the experts at NN IP have developed a solution to achieve an optimal risk-return ratio. At a young age, one can afford to take a relatively high risk. If the value development of investments is negative, e.g. due to a drop in equity

prices, there is indeed still plenty of time to make up for the losses. As retirement approaches, however, there is increasingly less time to offset shocks in the financial markets. At that point, there will be more focus on safer investments and risks will be hedged.

LifeCycle Investing is therefore composed of two parts:

- Pension returns: by means of a single fund that typically invests in a broad basket of actively managed funds, with the aim to achieve attractive returns (NN First Class Return Fund).
- Pension matching: using three fixed income funds with passive characteristics and a duration profile, with the objective of limiting interest rate risks wherever possible (NN Liability Matching Funds M, L and XL).

LifeCycle Investing has three risk profiles: defensive, neutral and offensive. Based on of these profiles, we consecutively invest more and more in the return part. Consequently, the defensive profile has the lowest downside risk, compared to the neutral and offensive profiles.

Return (%) (Net)*	1 month	year to date	1 year	3 years ann.
35 years	4.0	0.4	12.8	7.0
45 years	3.8	0.1	11.5	6.3
55 years	1.8	2.9	11.2	6.2
67 years	0.5	5.1	10.6	6.4

* All figures are based on a pensionable age of 68 years and a neutral risk profile as calculated on the basis of the most recent LifeCycle model (2019-2020). Source: NN IP Performance Measurement Europe

The LifeCycle is exceptional thanks to the dynamic nature. This has a good reason: our world is changing faster than ever. All around the world there are economic developments with impact and in the Netherlands, laws and regulations regarding pensions are changing. Such changes may affect the course of the LifeCycle and consequently the expected pension at retirement. And so we find it a matter of course to evaluate and, if necessary, adjust the LifeCycle twice a year.

The spring evaluation focused on the impact of interest rates on stabilizing pension purchases through the NN Liability Matching Funds. Based on current interest rates, it has been reviewed what the optimal ratio is between the matching funds. The evaluation showed that it was necessary to adjust the weights of NN Liability Matching Funds a little. The adjustment was implemented in July 2019.



Bewust Pensioen (Defensive risk profile)

Data as per May 31, 2020

	•		•	•							
35 years old	1 month	1 month	Year to date	Year to date	1 year	1 year	3 years	3 years	3 years	3 years	
Net Return %	Return	Contribution	Return	Contribution	Return	Contribution	Return (ann)	Contribution (ann)	Return (cum)	Contribution (cum)	Weight*
Pension Returns											
NN First Class Return Fund II - N	4.7	3.6	-1.0	-0.1	11.8	9.6	6.5	5.3	20.7	17.0	80.0
Pension Matching											
NN Liability Matching Fund M	-0.1	0.0	0.6	0.0	0.6	0.1	0.9	0.1	2.7	0.3	11.0
NN Liability Matching Fund L	-0.8	0.0	11.1	0.0	17.7	0.0	10.8	0.0	36.1	0.0	0.0
NN Liability Matching Fund XL	-3.3	-0.4	28.2	1.9	47.3	4.2	23.1	2.1	86.6	6.8	9.0
TOTAL		3.2		1.8		13.8		7.5		24.2	100%
45 years old Net Return %	1 month Return	1 month Contribution	Year to date Return	Year to date Contribution	1 year Return	1 year Contribution	3 years Return (ann)	3 years Contribution (ann)	3 years Return (cum)	3 years Contribution (cum)	Weight*
Pension Returns											
NN First Class Return Fund II - N	4.7	3.4	-1.0	-0.1	11.8	9.0	6.5	4.9	20.7	15.7	75.0
Pension Matching											
NN Liability Matching Fund M	-0.1	0.0	0.6	0.1	0.6	0.1	0.9	0.2	2.7	0.5	19.0
NN Liability Matching Fund L	-0.8	0.0	11.1	0.0	17.7	0.0	10.8	0.0	36.1	0.0	0.0
NN Liability Matching Fund XL	-3.3	-0.3	28.2	1.2	47.3	2.9	23.1	1.5	86.6	4.8	7.0
TOTAL		3.1		1.2		12.0		6.6		21.0	100%
55 years old Net Return %	1 month Return	1 month Contribution	Year to date Return	Year to date Contribution	1 year Return	1 year Contribution	3 years Return (ann)	3 years Contribution (ann)	3 years Return (cum)	3 years Contribution (cum)	Weight*
Pension Returns											
NN First Class Return Fund II - N	4.7	1.9	-1.0	-0.2	11.8	4.9	6.5	2.6	20.7	8.5	41.0
Pension Matching											
NN Liability Matching Fund M	-0.1	0.0	0.6	0.2	0.6	0.2	0.9	0.4	2.7	1.1	38.0
NN Liability Matching Fund L	-0.8	-0.1	11.1	1.0	17.7	1.7	10.8	1.1	36.1	3.4	10.0
NN Liability Matching Fund XL	-3.3	-0.5	28.2	2.9	47.3	4.9	23.1	2.4	86.6	7.8	11.0
TOTAL		1.3		3.9		11.7		6.5		20.9	100%
C7 years ald											
67 years old Net Return %	1 month	1 month Contribution	Year to date Return	Year to date Contribution	1 year Return	1 year	3 years	3 years Contribution (ann)	3 years	3 years	Weight*
Pension Returns	Retuin	Sontribution	Netulli	Contribution	Return	Contribution	return (ulli)	Contribution (dilli)	Return (culli)	Contribution (culli)	Weight
NN First Class Return Fund II - N	4.7	0.9	-1.0	-0.1	11.8	2.3	6.5	1.3	20.7	4.1	20.0
Pension Matching	4./	0.9	=1.0	-0.1	11.0	۷.3	0.5	1.3	20.7	4.1	20.0
NN Liability Matching Fund M	-0.1	0.0	0.6	0.2	0.6	0.2	0.9	0.4	2.7	1.2	33.0
NN Liability Matching Fund L	-0.8	-0.4	11.1	5.1	17.7	8.0	10.8	4.7	36.1	15.0	47.0
NN Liability Matching Fund XL	-3.3	0.0	28.2	0.0	47.3	0.0	23.1	0.0	86.6	0.0	0.0
TOTAL	3.3	0.5	23.2	5.1	.7.5	10.6	20.1	6.4	20.0	20.3	100%

^{*} Over the years. the fund's weightings in the LifeCycle may change. The figures shown in the column 'weighting' are based on the most recent weighting of the LifeCycle. This means that the returns shown in the columns cannot exactly be derived from this report.

The contribution is the contribution to the total net return based on the current weights in the LifeCycle model (2019-2020) Source: NN IP Performance Measurement Europe



Bewust Pensioen (Neutral risk profile)

Data as per May 31, 2020

	•										
35 years old	1 month		Year to date	Year to date	1 year	1 year	3 years	3 years	3 years	3 years	
Net Return %	Return	Contribution	Return	Contribution	Return	Contribution	Return (ann)	Contribution (ann)	Return (cum)	Contribution (cum)	Weigh
Pension Returns											
NN First Class Return Fund II - N	4.7	4.2	-1.0	0.0	11.8	10.8	6.5	5.9	20.7	19.0	90.
Pension Matching											
NN Liability Matching Fund M	-0.1	0.0	0.6	0.0	0.6	0.0	0.9	0.0	2.7	0.2	5.
NN Liability Matching Fund L	-0.8	0.0	11.1	0.0	17.7	0.0	10.8	0.0	36.1	0.0	0.
NN Liability Matching Fund XL	-3.3	-0.2	28.2	0.4	47.3	2.0	23.1	1.0	86.6	3.3	5.
TOTAL		4.0		0.4		12.8		7.0		22.4	1009
45 years old Net Return %	1 month Return	1 month Contribution	Year to date Return	Year to date Contribution	1 year Return	1 year Contribution	3 years Return (ann)	3 years Contribution (ann)	3 years Return (cum)	3 years Contribution (cum)	Weight
Pension Returns											
NN First Class Return Fund II - N	4.7	4.0	-1.0	0.0	11.8	10.1	6.5	5.5	20.7	17.7	85.
Pension Matching											
NN Liability Matching Fund M	-0.1	0.0	0.6	0.0	0.6	0.1	0.9	0.1	2.7	0.3	12.
NN Liability Matching Fund L	-0.8	0.0	11.1	0.0	17.7	0.0	10.8	0.0	36.1	0.0	0.
NN Liability Matching Fund XL	-3.3	-0.1	28.2	0.1	47.3	1.3	23.1	0.7	86.6	2.1	3.
TOTAL		3.8		0.1		11.5		6.3		20.1	1009
55 years old Net Return %	1 month Return	1 month Contribution	Year to date Return	Year to date Contribution	1 year Return	1 year Contribution	3 years Return (ann)	3 years Contribution (ann)	3 years Return (cum)	3 years Contribution (cum)	Weight
Pension Returns											
NN First Class Return Fund II - N	4.7	2.3	-1.0				6.5	3.2	20.7	10.3	50.
		2.0	1.0	-0.2	11.8	5.9	0.0		20.7	10.5	
Pension Matching		2.3	1.0	-0.2	11.8	5.9	6.5		20.1	10.3	
Pension Matching NN Liability Matching Fund M	-0.1	0.0	0.6	0.2	0.6	0.2	0.9	0.3	2.7	1.0	34.
	-0.1 -0.8										
NN Liability Matching Fund M		0.0	0.6	0.2	0.6	0.2	0.9	0.3	2.7	1.0	34. 8. 8.
NN Liability Matching Fund M NN Liability Matching Fund L	-0.8	0.0	0.6	0.2	0.6 17.7	0.2	0.9 10.8	0.3	2.7 36.1	1.0 2.7	8.
NN Liability Matching Fund M NN Liability Matching Fund L NN Liability Matching Fund XL	-0.8 -3.3	0.0 -0.1 -0.4	0.6 11.1 28.2	0.2 0.8 2.1	0.6 17.7 47.3	0.2 1.4 3.7 11.2	0.9 10.8 23.1	0.3 0.9 1.8	2.7 36.1 86.6	1.0 2.7 5.9 19.9	8. 8.
NN Liability Matching Fund M NN Liability Matching Fund L NN Liability Matching Fund XL TOTAL 67 years old	-0.8 -3.3	0.0 -0.1 -0.4 1.8	0.6 11.1 28.2	0.2 0.8 2.1 2.9	0.6 17.7 47.3	0.2 1.4 3.7 11.2	0.9 10.8 23.1	0.3 0.9 1.8 6.2	2.7 36.1 86.6	1.0 2.7 5.9 19.9	8. 1009
NN Liability Matching Fund M NN Liability Matching Fund L NN Liability Matching Fund XL TOTAL 67 years old Net Return %	-0.8 -3.3	0.0 -0.1 -0.4 1.8	0.6 11.1 28.2	0.2 0.8 2.1 2.9	0.6 17.7 47.3	0.2 1.4 3.7 11.2	0.9 10.8 23.1	0.3 0.9 1.8 6.2	2.7 36.1 86.6	1.0 2.7 5.9 19.9	8. 8. 1009 Weight
NN Liability Matching Fund M NN Liability Matching Fund L NN Liability Matching Fund XL TOTAL 67 years old Net Return % Pension Returns	-0.8 -3.3 1 month Return	0.0 -0.1 -0.4 1.8 1 month Contribution	0.6 11.1 28.2 Year to date Return	0.2 0.8 2.1 2.9 Year to date Contribution	0.6 17.7 47.3 1 year Return	0.2 1.4 3.7 11.2 1 year Contribution	0.9 10.8 23.1 3 years Return (ann)	0.3 0.9 1.8 6.2 3 years Contribution (ann)	2.7 36.1 86.6 3 years Return (cum)	1.0 2.7 5.9 19.9 3 years Contribution (cum)	8. 8. 1009 Weight
NN Liability Matching Fund M NN Liability Matching Fund L NN Liability Matching Fund XL TOTAL 67 years old Net Return % Pension Returns NN First Class Return Fund II - N	-0.8 -3.3 1 month Return	0.0 -0.1 -0.4 1.8 1 month Contribution	0.6 11.1 28.2 Year to date Return	0.2 0.8 2.1 2.9 Year to date Contribution	0.6 17.7 47.3 1 year Return	0.2 1.4 3.7 11.2 1 year Contribution	0.9 10.8 23.1 3 years Return (ann)	0.3 0.9 1.8 6.2 3 years Contribution (ann)	2.7 36.1 86.6 3 years Return (cum)	1.0 2.7 5.9 19.9 3 years Contribution (cum)	8. 100% Weight
NN Liability Matching Fund M NN Liability Matching Fund L NN Liability Matching Fund XL TOTAL 67 years old Net Return % Pension Returns NN First Class Return Fund II - N Pension Matching	-0.8 -3.3 1 month Return	0.0 -0.1 -0.4 1.8 1 month Contribution	0.6 11.1 28.2 Year to date Return	0.2 0.8 2.1 2.9 Year to date Contribution -0.1	0.6 17.7 47.3 1 year Return	0.2 1.4 3.7 11.2 1 year Contribution	0.9 10.8 23.1 3 years Return (ann)	0.3 0.9 1.8 6.2 3 years Contribution (ann)	2.7 36.1 86.6 3 years Return (cum)	1.0 2.7 5.9 19.9 3 years Contribution (cum)	8. 8. 1009 Weight
NN Liability Matching Fund M NN Liability Matching Fund L NN Liability Matching Fund XL TOTAL 67 years old Net Return % Pension Returns NN First Class Return Fund II - N Pension Matching NN Liability Matching Fund M	-0.8 -3.3 1 month Return 4.7	0.0 -0.1 -0.4 1.8 1 month Contribution 0.9	0.6 11.1 28.2 Year to date Return -1.0	0.2 0.8 2.1 2.9 Year to date Contribution -0.1	0.6 17.7 47.3 1 year Return 11.8	0.2 1.4 3.7 11.2 1 year Contribution 2.3	0.9 10.8 23.1 3 years Return (ann) 6.5	0.3 0.9 1.8 6.2 3 years Contribution (ann)	2.7 36.1 86.6 3 years Return (cum) 20.7	1.0 2.7 5.9 19.9 3 years Contribution (cum)	8. 1009

^{*} Over the years, the fund's weightings in the LifeCycle may change. The figures shown in the column 'weighting' are based on the most recent weighting of the LifeCycle. This means that the returns shown in the columns cannot exactly be derived from this report.

The contribution is the contribution to the total net return based on the current weights in the LifeCycle model (2019-2020) Source: NN IP Performance Measurement Europe



Bewust Pensioen (Offensive risk profile)

Data as per May 31, 2020

Pension Returns Pension Metiturs Pension Meti		•			•							
Pension Returns Pension Methods Pension Me												
NN First Cless Return Fund II - N	Net Return %	Return	Contribution	Return	Contribution	Return	Contribution	Return (ann)	Contribution (ann)	Return (cum)	Contribution (cum)	Weight*
Persion Matching NN Licibility Matching Fund Marching F	Pension Returns											
NN Liability Matching Fund M	NN First Class Return Fund II - N	4.7	4.7	-1.0	-1.0	11.8	11.8	6.5	6.5	20.7	20.7	100.00
NN Liability Matching Fund L	Pension Matching											
NN Liability Marching Fund XL -3.3 0.0 28.2 0.0 47.3 0.0 23.1 0.0 86.6 0.0	NN Liability Matching Fund M	-0.1	0.0	0.6	0.0	0.6	0.0	0.9	0.0	2.7	0.0	0.00
A	NN Liability Matching Fund L	-0.8	0.0	11.1	0.0	17.7	0.0	10.8	0.0	36.1	0.0	0.00
45 years old	NN Liability Matching Fund XL	-3.3	0.0	28.2	0.0	47.3	0.0	23.1	0.0	86.6	0.0	0.00
Net Februm % Return Contribution Return Contribution Return Contribution Return Contribution	TOTAL		4.7		-1.0		11.8		6.5		20.7	100%
NN First Class Return Fund II - N 4,7 4,7 4,7 4,7 4,7 4,7 4,7 4,7 4,7 4,7												Weight*
Pension Matching NN Liability Matching Fund M	Pension Returns											
NN Liability Matching Fund M	NN First Class Return Fund II - N	4.7	4.7	-1.0	-1.0	11.8	11.8	6.5	6.5	20.7	20.7	100.0
NN Liability Matching Fund L -0.8 0.0 11.1 0.0 17.7 0.0 10.8 0.0 36.1 0.0 NN Liability Matching Fund XL -3.3 0.0 28.2 0.0 47.3 0.0 23.1 0.0 86.6 0.0 TOTAL 4.7 1.0 11.8 6.5 20.7 10 55 years old Return 6. Return Contribution Return Contribution Return (complete to the present of the present	Pension Matching											
NN Liability Matching Fund XL -3.3 0.0 28.2 0.0 47.3 0.0 23.1 0.0 86.6 0.0 TOTAL 4.7 -1.0 11.8 6.5 20.7 10 55 years old 1 month	NN Liability Matching Fund M	-0.1	0.0	0.6	0.0	0.6	0.0	0.9	0.0	2.7	0.0	0.0
TOTAL 1.0	NN Liability Matching Fund L	-0.8	0.0	11.1	0.0	17.7	0.0	10.8	0.0	36.1	0.0	0.0
The state of the	NN Liability Matching Fund XL	-3.3	0.0	28.2	0.0	47.3	0.0	23.1	0.0	86.6	0.0	0.0
Net Return % Return Contribution Return Contribution Return Contribution Return Contribution Return Contribution Cont	TOTAL		4.7		-1.0		11.8		6.5		20.7	100%
NN First Class Return Fund II - N	-											Weight*
Pension Matching NN Liability Matching Fund M -0.1 0.0 0.6 0.1 0.6 0.1 0.9 0.1 2.7 0.4	Pension Returns											
NN Liability Matching Fund M	NN First Class Return Fund II - N	4.7	3.2	-1.0	-0.1	11.8	8.4	6.5	4.6	20.7	14.7	70.0
NN Liability Matching Fund L	Pension Matching											
NN Liability Matching Fund XL -3.3 -0.3 28.2 1.6 47.3 3.2 23.1 1.6 86.6 5.1 TOTAL 2.8 2.3 13.2 7.2 23.3 10 67 years old 1 month 1 month 1 month Year to date Year to date Net Return Contribution Return Con	NN Liability Matching Fund M	-0.1	0.0	0.6	0.1	0.6	0.1	0.9	0.1	2.7	0.4	14.0
TOTAL 2.8 2.3 13.2 7.2 23.3 10 67 years old Net Return % 1 month Return Contribution 1 month Return Contribution Year to date Return Contribution 1 year Return Contribution 1 year Return Contribution 3 years Return (ann) Contribution (ann) Return (cum) Contribution (cum) 3 years Return Fund II - N 3 years Return Fund II - N 4.7 1.3 -1.0 -0.2 11.8 3.5 6.5 1.9 20.7 6.3 3 Pension Matching NN Liability Matching Fund M -0.1 0.0 0.6 0.1 0.6 0.2 0.9 0.2 2.7 0.8 2	NN Liability Matching Fund L	-0.8	-0.1	11.1	0.8	17.7	1.6	10.8	1.0	36.1	3.1	9.0
67 years old Net Return % 1 month Return Contribution 1 month Return Contribution Year to date Return Contribution 1 year Return Contribution 1 year Return Contribution 3 years Return (ann) Contribution (ann) Return (ann) Contribution (ann) Return (cum) Contribution (ann) Return (cum) Contribution (cum) Weintribution (ann) Return (cum) Contribution (ann) Return (cum) Contribution (cum) Weintribution Returns NN First Class Return Fund II - N 4.7 1.3 -1.0 -0.2 11.8 3.5 6.5 1.9 20.7 6.3 3 Pension Matching NN Liability Matching Fund M -0.1 0.0 0.6 0.1 0.6 0.2 0.9 0.2 2.7 0.8 2	NN Liability Matching Fund XL	-3.3	-0.3	28.2	1.6	47.3	3.2	23.1	1.6	86.6	5.1	7.0
Net Return % Return Contribution Return Contribution Return Contribution Return (ann) Contribution (ann) Return (cum) Contribution (ann) Return (cum) Contribution (ann) Wein Pension Returns NN First Class Return Fund II - N 4.7 1.3 -1.0 -0.2 11.8 3.5 6.5 1.9 20.7 6.3 3 Pension Matching NN Liability Matching Fund M -0.1 0.0 0.6 0.1 0.6 0.2 0.9 0.2 2.7 0.8 2	TOTAL		2.8		2.3		13.2		7.2		23.3	100%
NN First Class Return Fund II - N 4.7 1.3 -1.0 -0.2 11.8 3.5 6.5 1.9 20.7 6.3 3 Pension Matching NN Liability Matching Fund M -0.1 0.0 0.6 0.1 0.6 0.2 0.9 0.2 2.7 0.8 2									•		•	Weight*
Pension Matching NN Liability Matching Fund M -0.1 0.0 0.6 0.1 0.6 0.2 0.9 0.2 2.7 0.8 2	Pension Returns											
NN Liability Matching Fund M -0.1 0.0 0.6 0.1 0.6 0.2 0.9 0.2 2.7 0.8 2	NN First Class Return Fund II - N	4.7	1.3	-1.0	-0.2	11.8	3.5	6.5	1.9	20.7	6.3	30.0
	Pension Matching											
NN Liability Matching Fund L -0.8 -0.4 11.1 5.3 17.7 8.5 10.8 5.0 36.1 16.1 5	NN Liability Matching Fund M	-0.1	0.0	0.6	0.1	0.6	0.2	0.9	0.2	2.7	0.8	20.0
	NN Liability Matching Fund L	-0.8	-0.4	11.1	5.3	17.7	8.5	10.8	5.0	36.1	16.1	50.0

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47.3

0.0

12.2

23.1

0.0

5.2

The contribution is the contribution to the total net return based on the current weights in the LifeCycle model (2019-2020) Source: NN IP Performance Measurement Europe

28.2

0.0

0.9

-3.3

Disclaimer

NN Liability Matching Fund XL

TOTAL

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0.0

7.2

86.6

0.0

23.2

0.0

100%

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