

Employee Capital Plans (PPK)

with NN Investment Partners TFI



Employee Capital Plans

Agenda

1. About us
2. What is a PPK and why should you have one?
3. How does the PPK work?
4. Which funds will your savings in the PPK be invested in?
5. How can you monitor your PPK account?

1.

About us

NN Investment Partners: Profile

EUR 295 bln*
in Assets under Management



Over
1,000
employees



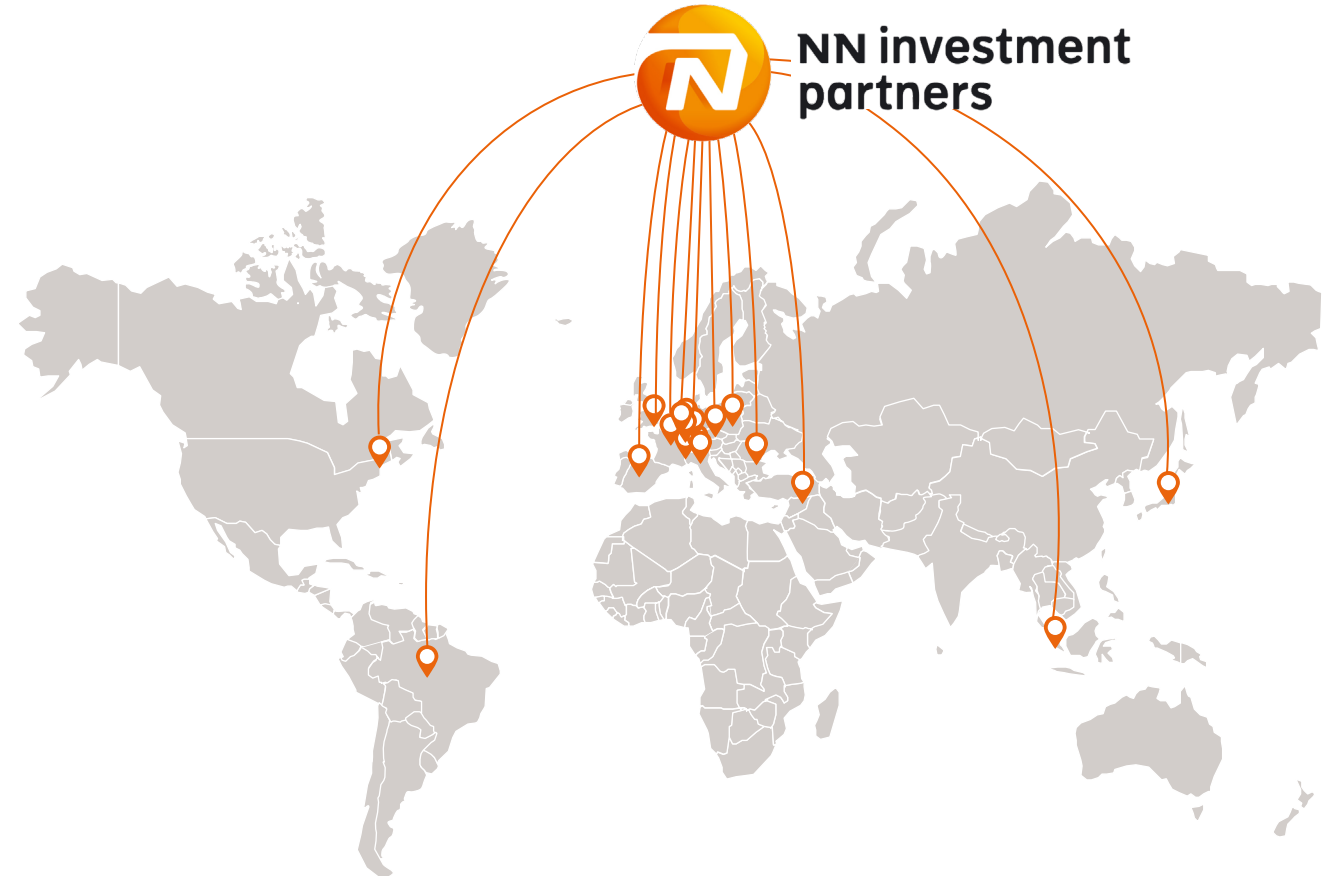
NN IP's investment history
dates back to
1845



NN Group, a publicly traded
Corporation listed on
Euronext



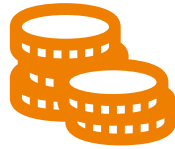
Active across Europe, U.S., Latin America, Asia and Middle East



Over 20 years of Experience in Asset Management in Poland



1997 - Beginning of activities in Poland



25.8 mld PLN - Assets under Management in mutual funds



2 - Market position in mutual funds on the Polish market



**NN investment
partners**

** Source: Analizy Online and NN IP TFI's data as of March 31, 2021*

NN IP TFI Experience in Management of DC Schemes

2001

First DC Scheme
Contract

2

Market position
in number of PPE
(First type of Employee Pension
Plans in Poland)

4 195
mln PLN

Assets under Management
in DC Schemes

>215
thous.

Number of Participants
in DC Schemes

>1200

DC Schemes under
management*

20
years

Experience in asset management of DC Schemes

NN Investment Partners TFI is one of the leaders in Employee Pension Programs (PPE) in Poland

Source: KNF and NN IP TFI's data as of March 31, 2021

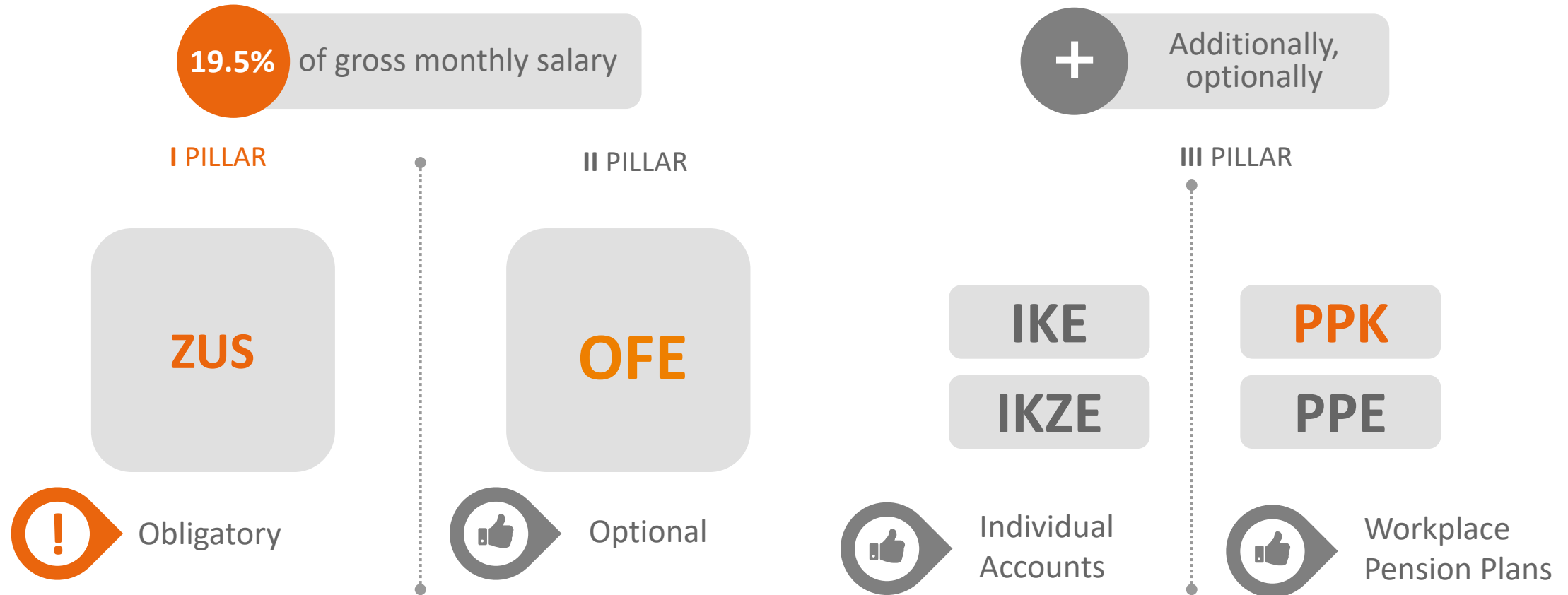
2.

What is a PPK

and why should you have one?

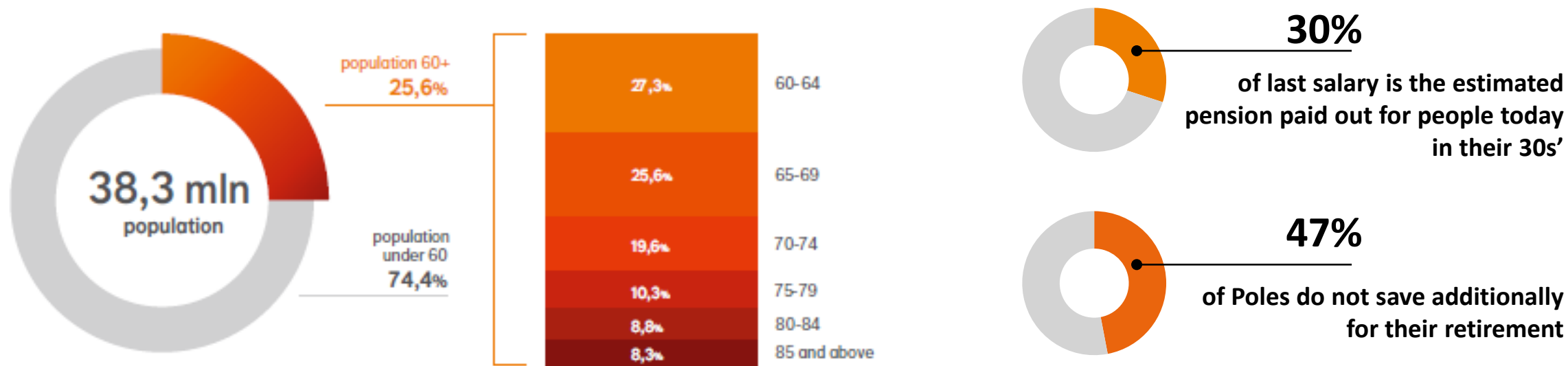
Do you know that thanks to the PPK your pension can be higher?

How does Polish pension system look like?



Why should we have additional savings?

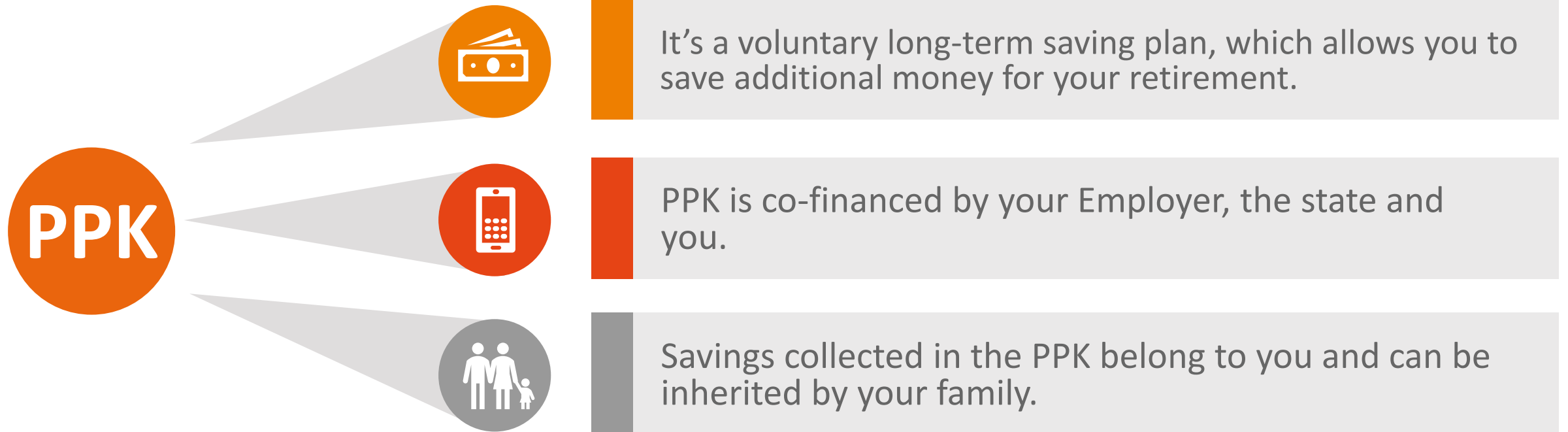
Population 60+ in Poland and its structure (2020)



Source: NN Investment Partners TFI based on data from Statistics Poland (GUS)

Źródło: OECD, Pensions at a Glance 2019, Insurance Europe, Barometr Finansowy ING 2019

What is an Employee Capital Plan (PPK)?



Why is it worth being a PPK Participant?



You gain additional savings for retirement co-financed by you, the Employer and the state.



You always have access to your money and you may decide to pay it out at any time.



Savings in the PPK belong to you and you can apply to pay them out without tax deduction after you reach the age of 60.



Your savings in the PPK can be inherited and they will not be taken away from you in case you pass away.

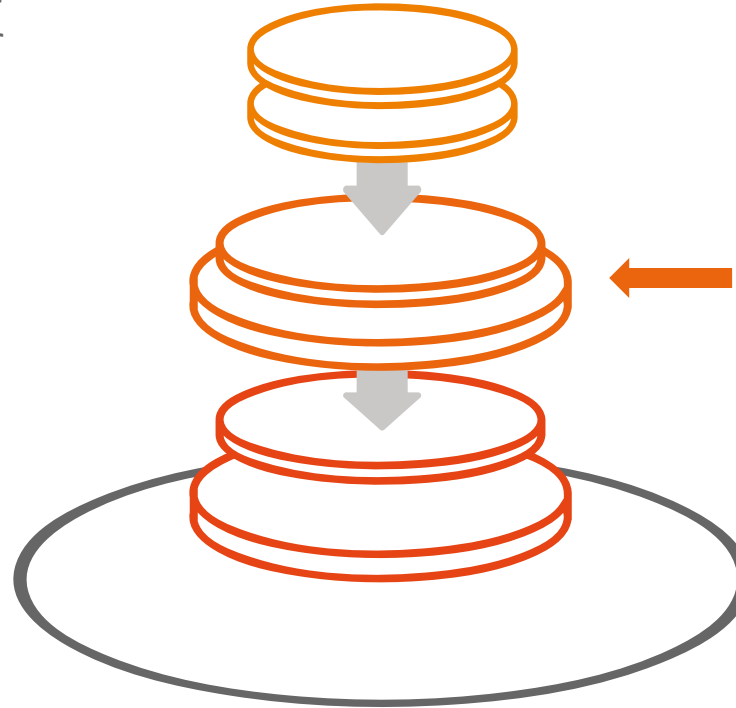
3.

How does

the Employee Capital Plan work?

Who contributes to your savings in the PPK?

- ✓ **EMPLOYER**
Every month the Employer contributes the amount of **1.5%** of your gross salary to your PPK account.
- ✓ **YOU**
Your basic contribution to the PPK amounts to **2%** of your gross salary and it is deducted from your net salary.
- ✓ **STATE**
The State finances the welcome premium of **PLN 250** and the annual premium of **PLN 240**.



Do you want to save more?

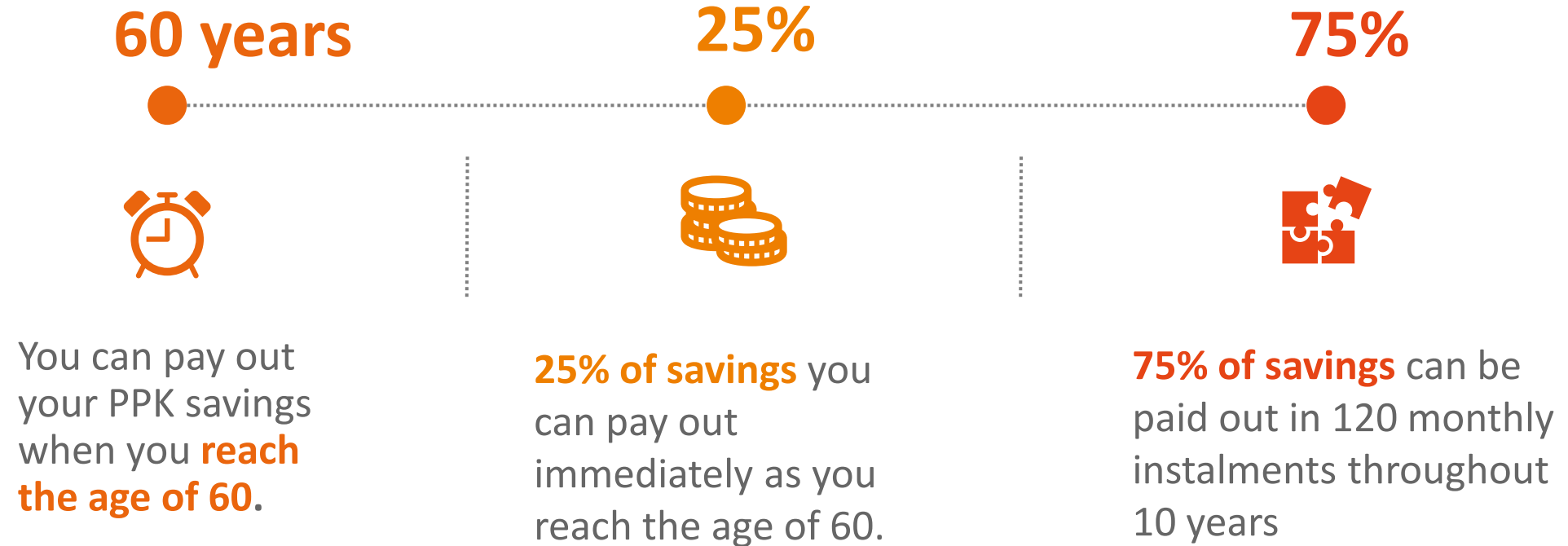
You may declare an additional contribution and save within the PPK up to **4%** of your salary.

How are contributions to the PPK calculated?

Your monthly gross salary	Your monthly net salary	Contribution financed by the Employer (1.5%)	Your contribution (2%)	Income tax (17%) deducted from your salary	Your net salary after tax and contribution deductions
3 000 PLN	2 157 PLN	45 PLN	60 PLN	8 PLN	2 089 PLN
4 500 PLN	3 202 PLN	68 PLN	90 PLN	12 PLN	3 100 PLN
5 000 PLN	3 550 PLN	75 PLN	100 PLN	13 PLN	3 437 PLN
7 000 PLN	4 944 PLN	105 PLN	140 PLN	18 PLN	4 786 PLN
Your monthly gross salary	Your monthly net salary	Contribution financed by the Employer (1.5%)	Your contribution (2%)	Income tax (32%) deducted from your salary	Your net salary after tax and contribution deductions
8 000 PLN	5 730 PLN	120 PLN	160 PLN	38 PLN	5 532 PLN
12 000 PLN	8 551 PLN	180 PLN	240 PLN	58 PLN	8 253 PLN

When can I pay out my savings from the PPK?

Pay out your savings with no taxation



Can I pay out my savings in the PPK before I reach the age of 60?

Yes!



**WITHDRAWAL DUE TO
A SERIOUS DISEASE**

25%

If you, your spouse or child goes down with a serious disease, you can withdraw up to 25% of your savings. You have no obligation to return the money.



**FUND YOUR OWN CONTRIBUTION
TO A LOAN**

100%

If you decide to build a house or buy a flat, you can withdraw up to 100% of your savings. To cover your own contribution to a loan. You should return the funds withdrawn within 15 years.

Can I pay out my funds from the PPK account at any time?

Yes, you can apply to **withdraw your funds**, so pay out your PPK savings before you reach the age of 60.

You can withdraw your savings **at any time**.

Please notice that if you decide to make the withdrawal:

You pay the Capital Gains Tax of 19%.



30% of the contributions paid into the PPK by the Employer will be transferred to ZUS (Polish Social Insurance Institution), to your individual ZUS account, as they were subject to tax exemption.



You have to return all premiums granted from the State



What happens to your PPK funds if you change the company?



PPK AUTOMATIC ENROLMENT

If you change the company and you've worked for 3 months at your new company, you'll be automatically enrolled to the PPK at your new firm.



TRANSFER OF FUNDS

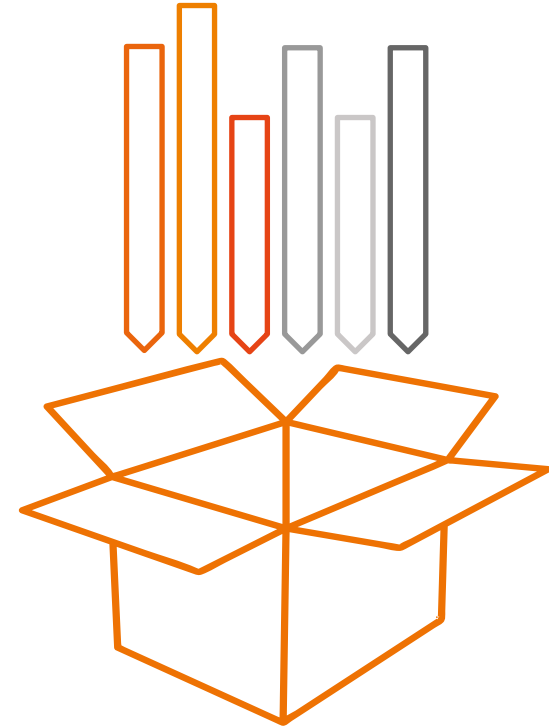
If you decide to participate in the PPK, your funds will be automatically transferred to your PPK account opened at your new company.



PPK AT YOUR PREVIOUS COMPANY

If you participated in the PPK at your previous company:

- You may collect savings at the new PPK account opened at your new company, or
- Leave our funds on your PPK account at your previous company, and collect savings at your new (next) PPK account.



Savings in the PPK belong to you and can be inherited



INHERITANCE OF FUNDS

If you pass away, the financial institution can make a transfer payment to PPK, IKE or PPE account of your beneficiary or heir

JOINT PROPERTY

In case you pass away and you were married, the financial institution will transfer the half of your savings to the PPK, IKE or PPE of your spouse.



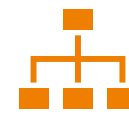
ENTITLED PERSONS

The second half of your savings will be transferred to beneficiaries indicated by you (as a transfer payment made to their PPK, IKE, PPE or in cash)



HEIRS

If you do not indicate any beneficiaries, your savings will be inherited by your heirs



4.

NN Investment Funds

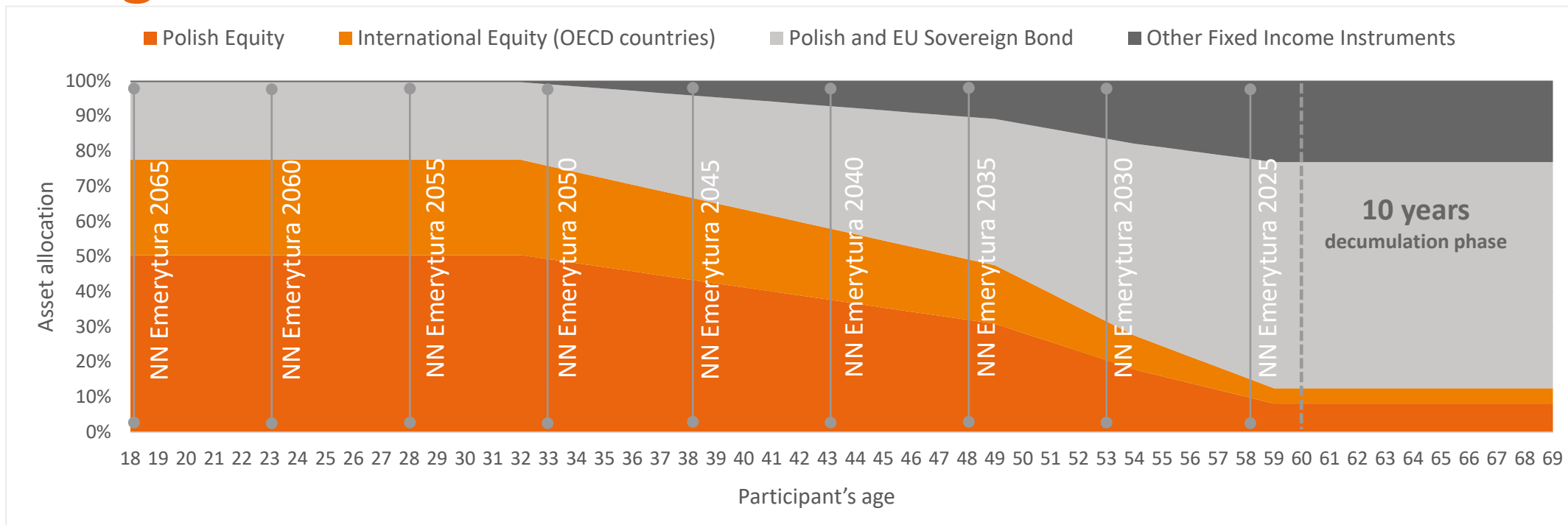
offered in the PPK

How your savings will be invested in the PPK?

Sub-fund	PPK Participant date of birth	
	From	To
NN Emerytura 2025	1963	1967
NN Emerytura 2030	1968	1972
NN Emerytura 2035	1973	1977
NN Emerytura 2040	1978	1982
NN Emerytura 2045	1983	1987
NN Emerytura 2050	1988	1992
NN Emerytura 2055	1993	1997
NN Emerytura 2060	1998	2002
NN Emerytura 2065	2003	2007

- Money accumulated in your PPK account will be invested in target-date funds, which change the risk level according to your age.
- You can choose **among 9 target-date subfunds**, but you will be automatically assigned to the sub-fund which correspond to your date of birth. You can change your sub-fund at any time.
- Sub-funds of NN Emerytura SFIO give you a **ready-made investment solutions** which invest in Poland and abroad.

NN Emerytura SFIO – ready-made solutions adjusted to your age



How do we invest in NN Emerytura SFIO?

- We systematically **reduce the investment risk** and **increase the security** of your savings as you approach the target date
- We invest **locally and abroad**

Over time, NN Emerytura SFIO subfunds automatically reduce the level of investment risk.

Which fees are related to investing in funds?



Investing in NN Emerytura SFIO sub-funds involves charging **a management fee**. The management fee covers the costs of company and fund operation.



The management fee is presented as a percentage collected from the assets invested in a year. It is calculated every day as $\frac{1}{365}$ of the annual fee.



The annual fee for management of the NN Emerytura SFIO sub-funds is max. 0.50%.

NN Emerytura SFIO – management fees

Fees decreasing in time

Annual management fees in the PPK

Sub-fund	NN Emerytura 2025	NN Emerytura 2030	NN Emerytura 2035	NN Emerytura 2040	NN Emerytura 2045	NN Emerytura 2050	NN Emerytura 2055	NN Emerytura 2060	NN Emerytura 2065
Calendar years									
2019-29	0,30%	0,35%	0,35%	0,40%	0,45%	0,50%	0,50%	0,50%	0,50%
2030-34	as above	0,30%	0,35%	0,40%	0,45%	0,45%	0,50%	0,50%	0,50%
2035-39	as above	as above	0,30%	0,35%	0,40%	0,45%	0,45%	0,50%	0,50%
2040-44	as above	as above	as above	0,30%	0,35%	0,40%	0,45%	0,45%	0,50%
2045-49	as above	as above	as above	as above	0,30%	0,35%	0,40%	0,45%	0,45%
2050-54	as above	as above	as above	as above	as above	0,30%	0,35%	0,40%	0,45%
2055-59	as above	as above	as above	as above	as above	as above	0,30%	0,35%	0,40%
2060-64	as above	as above	as above	as above	as above	as above	as above	0,30%	0,35%
2065-	as above	as above	as above	as above	as above	as above	as above	as above	0,30%

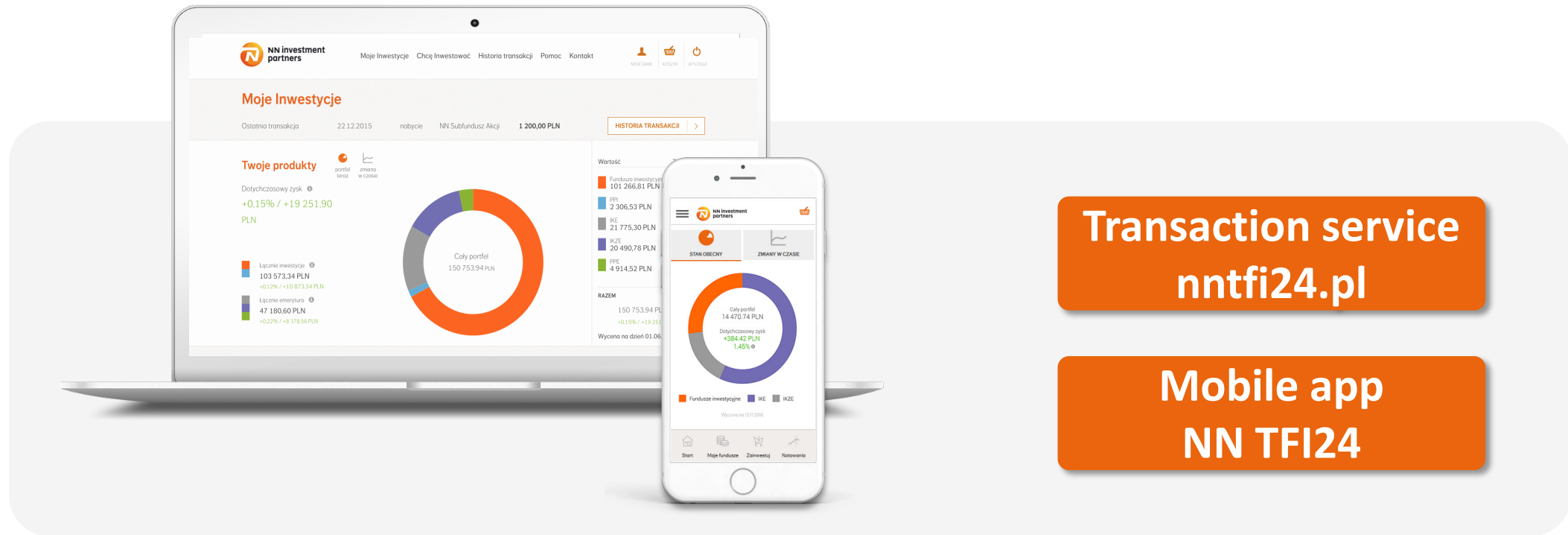
When managing the NN Emerytura SFIO subfunds, costs specified in art. 50 of the PPK Act are charged; Due to the exceeding of the so-called the limit of concentration of assets under management in the PPK in the capital group, from 1st October 2021. we are introducing a reduction in management fees, in accordance with Art. 49 sec. 5 of the PPK Act.

5.

**How can you monitor
your PPK account?**

Managing a PPK account with is simple

You can make changes without leaving your home



Transaction service
nntfi24.pl

Mobile app
NN TFI24

You can submit orders via NN TFI24 directly to the Funds

PAY OUT

if you reach the age of 60



SWITCH – change in the allocation of funds accumulated so far

Change to the number of instalments



CHANGE to the distribution of contributions (with effect on future contributions)

WITHDRAWAL

(before the age of 60)



Change to the bank account number

Change to the personal data



Indication/ change to Beneficiaries (required in paper form sent do the Funds as well)

Which orders related to the PPK have to be approved by your Company?

Resignation from making contributions
(signed document in paper required)



Declaration of resumption of making
contributions
(signed document in paper required)



Declaration of your additional contribution



Resignation from your additional contribution



Change to the amount of your additional
contribution

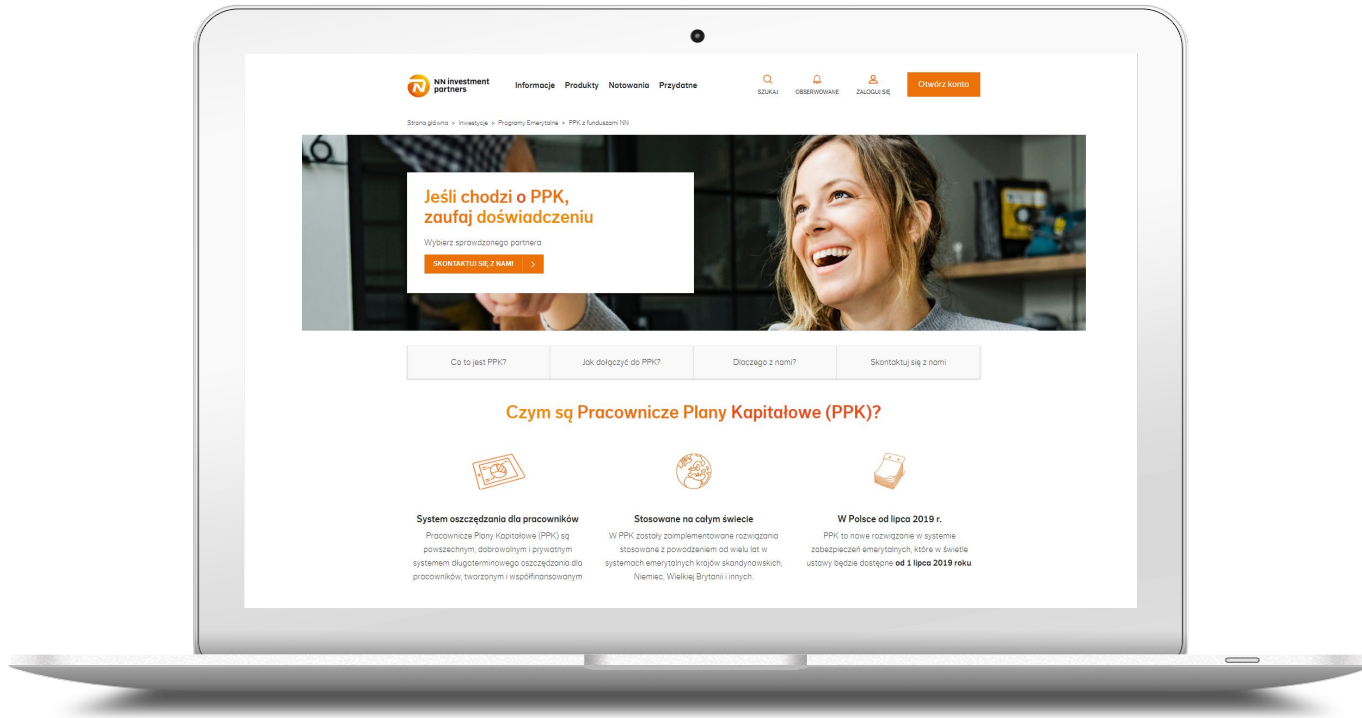
As a PPK Participant you will receive a Welcome Pack

Every PPK Participant will receive a **Welcome Pack** containing all necessary information on the PPK with NN Investment Partners TFI

[illegible]

You can also broaden the knowledge about investing

Visit **nntfi.pl** and find useful information about your investment



Fund Performance



General information on funds



Market commentary



Any questions?
We'll be happy to answer them



nntfi.pl



801 690 555; 22 541 75 11

The cost of the call is in line with your operator's rates.



Share your feedback!

opinie@nntfi.pl

Disclaimer

NN Investment Partners TFI S.A. (hereinafter referred to as NN IP TFI) hereby informs that it has entered into the Register of Employee Capital Plans (PPK). Information about funds and sub-funds in this material relates to NN Emerytura SFIO fund with distinct sub-funds, which has been established and registered in the Register of Investment Funds kept by the District Court in Warsaw.

Investing in Investment Funds managed by NN IP TFI is subject to investment risk and Participants must take into account the risk of losing some of the funds invested. Individual rate of return on investment is not the same as the investment performance of the Fund and it depends on the value of the participation unit at the time of sale and redemption by the Fund, and on the administration fees collected and taxes due. Fee Schedules are available at www.nntfi.pl. Information about NN Investment Funds and their investment risks is included in Informational Prospectuses which are available at the registered office of NN IP TFI and on www.nntfi.pl, as well as in Key Investor Information Documents which are available at the registered office of NN IP TFI, from Distributors, and at www.nntfi.pl.

Net asset value of NN Emerytura SFIO sub-funds can be characterized by high volatility. The investment goal of every NN Emerytura SFIO sub-fund and criteria of selecting deposits, diversification of deposits and specific investment limitations characteristic for every NN Emerytura SFIO sub-fund are included in Part II of the Articles of Association of NN Emerytura SFIO fund.

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