



NN Group Financial Economic Crime Statement

Anti-money laundering, combating the financing of terrorism and sanctions compliance

At NN Group, our purpose is to help people care for what matters most to them. We are committed to do business in a way that is consistent with our values: we care, we are clear, we commit. These values guide our interactions with all stakeholders, and they embody responsible business conduct and corporate citizenship.

As a corporate citizen and gatekeeper NN Group takes its duty to protect the integrity of the financial system seriously. This commitment is reflected in our FEC Policy. It sets out our approach to prevent and detect Financial Economic Crime (FEC) and is based on international, European and local standards, legislation and business practices.

The following are the key components of the NN FEC Control Framework:

Responsible Board Member: we have designated Board Members in all business units, who are responsible for the appropriate risk management of the identified FEC risks.

Money Laundering Reporting Officer (MLRO): we have designated MLROs in all business units. The MLROs assist management with appropriate risk management of the identified FEC risks.

Local FEC Standard: all NN entities implement and maintain a local FEC Standard that enables them to comply with applicable laws and regulations and the FEC Policy.

Risk based approach: we pursue a risk-based approach that allows us to identify the criteria to measure potential FEC risks and implement proportionate measures and controls to mitigate these risks. In order to do so all business units perform and maintain a FEC risk assessment.

Customer risk classification: we classify our customers in risk categories based on the FEC risk assessment taking into account customer, country, product, service or transaction and distribution channel risks.

Sanctions: we consider parties that are subject to local, Dutch, EU, UN or US sanctions unacceptable if and where a relationship violates applicable sanctions regimes and sanctions regimes determined by NN Group.

Ultra High Risk Countries: parties that have direct or indirect Ultra High Risk Country nexus are unacceptable. Currently, the following countries are considered Ultra High Risk: Cuba, Iran, Sudan, Syria and North Korea.

Screening process: we have implemented screening processes and procedures in order to identify unacceptable and high risk customers. The screening takes place before establishing the relationship, during the lifecycle of the customer, when material changes occur to the customer and/or before outpayment.

Customer Due Diligence (CDD): we have procedures in order to know who we do business with (KYC) and conduct customer due diligence measures when establishing a customer relationship, during the lifecycle of the relationship (periodical and trigger based), when a beneficiary has been identified and no later than before outpayment.

Enhanced due diligence: we apply Enhanced Due Diligence (EDD) measures when we identify high risk customers, including Politically Exposed Persons (PEPs) and parties based in high risk countries. Additional measures are in place when a customer is a PEP. These include acceptance by Senior management, taking reasonable measures to determine the source of wealth and source of funds that are used in the customer relationship, as well as subjecting the customer relationship to increased monitoring.

Customer activity monitoring: we have procedures in place in order to monitor our customer's activity to determine whether their behavior is consistent with the customer profile and the customer risk classification.

Customer review: we have procedures in place to be able to identify whether the customer risk classification is still actual, the frequency depending on the customer risk classification.

Exit/ringfencing: we have appropriate exit procedures in place for unacceptable customers. When local legislation does not permit to exit or reject a customer relationship, we ringfence or freeze a customer relationship or outpayment.

Regulatory reporting: we have procedures in place for proper identification and reporting of suspicious activity and sanctions breaches internally and to the appropriate authorities.

Training and awareness: we provide initial and regular training to all relevant employees to make them aware of their personal responsibilities and the procedures they have to adhere to in order to enable these employees to detect and report FEC risks.

Audit: the FEC framework in all business units is subject to regular internal and/or external audits.

NN Group N.V. is listed on the Euronext Amsterdam Stock Exchange and is a regulated entity under the supervision of the Dutch Central Bank ('DNB') and the Dutch Authority for the Financial Markets ('AFM').

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Jiska Pleunes, Chief Compliance Officer, NN Group N.V.