

Sustainable Procurement Statement

Purchasing responsibly in our business

At NN Group, our purpose is to help people care for what matters most to them. We do so guided by our values care, clear, commit, and our brand promise You matter. Our ambition is to become an industry leader, known for our customer engagement, talented people, and contribution to society.

We aim to create long-term value for our stakeholders. We recognize that NN Group, as a financial services organization, has a responsibility to protect the environment and contribute to an inclusive economy. The NN Sustainable Procurement Statement sets out our approach to address environmental impacts and human rights issues related to our purchasing decisions and our supply chain. In doing so, we create maximum value for NN and its customers through our interactions with suppliers.

Our commitment to our stakeholders

NN is committed to making sustainable procurement decisions, and encouraging our suppliers to do the same. We strive to reduce our impact on the environment, while addressing socio-economic issues. We do so to ensure we uphold our commitment to society through the products and services we purchase. We continually improve our relationships with suppliers and work together in a mutually beneficial way.

As a responsible insurer, investor and employer we make a particular contribution to the achievement of the following Sustainable Development Goals (SDGs), SDG 3 (Good health and well-being), SDG 8 (Decent work and economic growth), SDG 12 (Sustainable consumption and production) and SDG 13 (Climate action).

Our procurement approach

Our purchasing decisions do not only meet our organization's need for products and services, we aim to contribute to society and minimize environmental impact in doing so.

Our approach starts with assessing environmental, social and governmental (ESG) factors that can pose risks or *opportunities* for NN. We then incorporate appropriate evaluation criteria in our sourcing processes. We also challenge our suppliers to offer sustainable and innovative solutions. In making our purchasing decisions, we evaluate all costs associated with the product or service.

Our Procurement Policy governs our approach to sustainability risks in our supply chain and applies to all market in which we operate.

We have included our most important standards on our approach to the environmental and human rights in NN's Terms and Conditions, which our suppliers agree to when doing business with NN. On top of this, all suppliers above a spend threshold of EUR 100,000 are asked to commit to our Supplier Code of Conduct (SCC), which outlines social, ecological and ethical principles. This SCC sets out our expectations of the sustainability policies and practices of our suppliers.

Sustainable procurement principles

Principles of sustainable procurement guide organizations and help to integrate sustainability into the purchasing function. NN Procurement focuses on three main principles:

- *Accountability*, where NN Group is responsible for her own impact on society, the economy and the environment, with a life-cycle perspective on goods and services.
- *Innovative solutions*, where NN Group seeks solutions to address her sustainability objectives and encourage innovative procurement practices to promote more sustainable outcomes.
- *Analysis of all costs*, where NN Group considers the cost incurred over the life cycle, value for money achieved and the costs and benefits for society, the environment and the economy resulting from her procurement activities.

Respecting the environment in procurement

Our suppliers are asked to register to an innovative supplier qualification platform where they provide detailed information on the policies and processes they have in place to minimize environmental impact. In making purchasing decisions, environmental performance of suppliers is taken into account when the impact is deemed to be significant. During the course of a contract, we also engage actively with our suppliers to stimulate ongoing improvements.

Respecting human rights in procurement

For many of our suppliers, we are a relevant client and we aim to work together to drive socio-economic issues and inclusiveness through our supply chain. During the supplier qualification process, suppliers are asked to share details of their labour policy to ensure proper working conditions for their employees. We also mitigate human rights risks in our supply chain by asking suppliers to disclose measures taken to exclude modern slavery and human trafficking from their own business and in their supply chain.

Monitoring our performance

We monitor the effectiveness of our approach to sustainable procurement in various ways, including a periodic review of our adherence to our policies and standards, and ongoing dialogue with stakeholders. As an example, we request data from our key suppliers to measure their carbon footprint and challenge them to set targets for reduction.

Governance

This Sustainable Procurement Statement has been published on NN Group's website and is included in NN Group's Policy House. As head of the department, the Chief Procurement Officer is responsible for the ongoing development of this statement and for the overall approach to environmental, socioeconomic and human rights-related risks and opportunities. This statement will be reviewed regularly, and revised if necessary, to continue to ensure its relevance in the development of the financial services sector.