

NN Environmental Statement

We are committed to contributing to the well-being of people and the planet



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. Through our strategic commitments, we want to contribute to the well-being of people and the planet. We do business with the future in mind and aim to contribute to a world where people can thrive for generations to come. Furthermore, we aim to create sustainable long-term value for all our stakeholders. We believe that companies have a responsibility to protect the environment and bring positive change by investing in climate solutions that combat negative impacts of climate change.

The NN Environmental Statement sets out our approach to address environmental impacts across our business: our investments, our insurance and banking activities, our own operations and our supply chain.

Our commitment to the environment

NN recognises its responsibility to contribute to a healthy environment for all generations. Therefore, NN Group is committed to support the principles and standards that protect and promote the environment, as defined in the:

- OECD (Organisation for Economic Cooperation and Development) Guidelines for Multinational Enterprises
- United Nations Global Compact

Furthermore, we are committed to international general and sector-specific standards such as the:

- UN Environmental Programme Finance Initiative (UNEP FI)
- Principles for Responsible Investment (PRI)
- Principles for Sustainable Insurance (PSI)
- Finance for Biodiversity Pledge
- IFRS Foundation

NN implements (upcoming) regulations such as the Sustainable Finance Disclosure Regulation (SFDR), Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD).

We are committed to align our business activities with the goals of the Paris Agreement to help limit global warming to 1.5°C. We have set separate net-zero targets for our operations by 2040 and for our proprietary investments and insurance underwriting by 2050. To help us determine the direction and monitor the effectiveness of our net-zero approach, we have also set intermediate objectives and targets (see [NN Group - Taking climate action \(nn-group.com\)](#)).

NN uses methodology from the Platform for Carbon Accounting Financials (PCAF) for measuring the carbon footprint of our financed and insurance-associated emissions.

In addition, we signed up to the Paris Aligned Asset Owners (PAAO) where we use the Net-Zero Investment Framework of the Institutional Investors Group of Climate Change (IIGCC) to guide efforts to achieve net-zero emissions globally by 2050 or sooner. For our insurance activities, NN is a member of the Forum for Insurance Transition to Net Zero (FIT), a UN led multistakeholder forum to support the acceleration and scaling up of voluntary climate action by the insurance industry and key stakeholders. Finally, we support the Sustainable Development Goals (SDGs) which came into force in January 2016.

As a signatory of the Finance for Biodiversity Pledge, we are committed to contributing to the conservation and restoration of biodiversity through our proprietary investment portfolio. While integrating biodiversity in investment strategies is a relatively new field, we are exploring synergies in engagement, impact measurement, and ESG integration to promote biodiversity across our investments. The pledge will also assist us on exploring steps on embedding biodiversity in our insurance underwriting activities. We recognise the existence of dependencies on the development of new methodologies, data availability and technology to achieve objectives.

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Our approach

The basis of our approach to environmental risks and opportunities is embedded in the [NN statement of Living our Values](#), which provides the foundation on which we do business. We aim to avoid or responsibly manage negative impacts our business activities may have on people or the environment and seek positive change in society.

Reference to Environment in our policies

Our approach is further supported by specific policies described in this document that help with our day-to-day operations and our due diligence processes. Through these policies, standards, regulations, and related due diligence, NN Group seeks to implement our responsibility to care for the environment. These responsibilities relate to our own operations, supply chain, insurance and investment activities.

Governance

The Executive Board is responsible for the formulation and execution of the company's strategy, consistent with its position on sustainable long-term value creation. In 2023, NN refined our five strategic commitments which reflects our focus on transforming our business. The strategy remains aligned with long-term trends including sustainability matters and we see increased demand from customers for sustainable products and services.

The strategy pursued by the Executive Board is supervised by the Supervisory Board. Each Supervisory Board Committee covers sustainability matters that fall within its responsibilities and area of expertise. Reporting the main points of discussion and recommendations to the Supervisory Board safeguards an integrated approach with regard to sustainability matters at Supervisory Board level.

The Management Board is entrusted with the day-to-day management and overall strategic direction of NN Group. This includes the setting and achievement of the company's objectives, and any sustainability matters it deems relevant.

Within the Management Board, the Chief People, Communications, and Sustainability Officer (CPCSO), who reports to the CEO, has Sustainability and Social Impact in her portfolio. The CPCSO is the sponsor of topics related to sustainability, climate, responsible investment and responsible insurance underwriting discussed by the Management Board.

The CRO, also a member of the Management Board, and reporting to the CEO, has day-to-day responsibility for NN Group's Risk Management function. The CRO is tasked with ensuring both the Management Board and Supervisory Board are informed of and understand at all times the material risks NN Group is exposed to, which also includes sustainability risks.

The General Counsel, also a member of the Management Board, ensures that both the Management Board and Supervisory Board are informed and understand the legal and compliance risks related to sustainability matters.

The CRO is also the sponsor of the NN Group annual Own Risk & Solvency Assessment (ORSA), where we evaluate outcomes of scenario analyses, including climate change. To ensure NN Group adheres to ESG-related regulations, the Risk and Compliance functions are tasked with overseeing proper implementation and monitoring ongoing compliance. In addition, each of our other Management

Board members is responsible for promoting and integrating sustainability into their respective businesses or functions as relevant. For more information about NN's governance, please visit our corporate website nn-group.com.

Reducing our direct environmental footprint

As a financial services provider, NN's direct environmental impact is limited as we mainly operate in an office environment. Nevertheless, we have a responsibility to approach the environment with care and inform and strengthen engagement with our stakeholders. In addition, managing our direct footprint is a business imperative. We believe it contributes to saving costs, employee engagement, and better decision-making and business results.

Our aim is to minimise our operational footprint by focusing on the avoidance or reduction of GHG emissions to achieve a sustainable and net-zero emissions business by 2040. To make steps towards our goal, we focus on improving our energy efficiency and use of renewable electricity in our buildings, and reducing our business travel. To reduce business travel, NN encourages hybrid working and promotes the use of public transport to reduce employees' commutes and use of private vehicles. To reduce emissions related to business air travel, we introduced an updated business travel policy beginning of 2024. The Global Business Travel Guideline sets out NN's expectations and guidelines for business travel abroad, including the requirement to assess the necessity to travel, if so to choose the most GHG efficient means of travel. Moreover, the policy states that air travel for distances less than 700 kilometres is not permitted, and Economy Class flights are the default

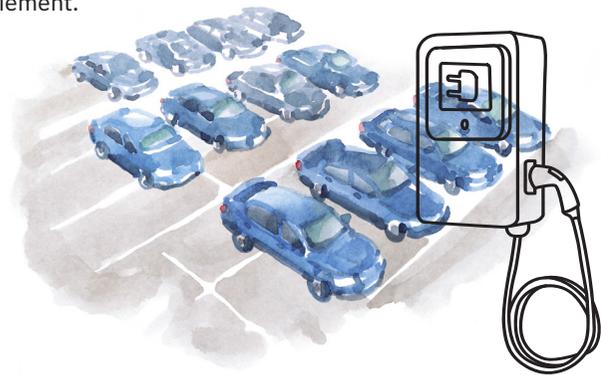
choice. NN also engages in voluntary GHG offsetting programmes that compensates the remaining scope 1 and 2, and part of scope 3 emissions.

Furthermore, our (work) environment in the Netherlands is reflected by a circular and sustainable design where we use sustainable materials, and reuse materials from renovations and rebuilds where possible. Next to that, we aim for zero-waste offices where garbage is separated and recycled sustainably.



Respecting the environment in procurement

NN is committed to making sustainable procurement decisions, and we encourage our suppliers to do the same. Our approach starts with assessing ESG factors that can pose risks or opportunities for NN. We then incorporate appropriate evaluation criteria in our sourcing processes and challenge our suppliers to offer sustainable and innovative solutions. Costs associated with the product or service contribute to the purchase decision. Where relevant, the supplier environmental performance is also a decision element.



Our Procurement Policy governs our approach to sustainability risks in our supply chain. This approach is further detailed in the NN Group Sustainable Procurement Statement (see [NN Group - Sustainable Procurement](#)) and applies to markets in which we operate.

NN's Terms and Conditions include our most important standards on our approach to the environment.

This document is an integral part of our contracting template and must be accepted by the supplier prior to doing business with NN. In addition, all suppliers above a spending threshold are asked to commit to our Supplier Code of Conduct (SCC) (see [NN Group - Sustainable Procurement](#)). This document outlines social, ecological, and ethical principles and sets out our minimum expectations of the sustainability policies and practices of our suppliers. Both the NN's Terms and Conditions and Supplier Code of Conduct were revised in 2024 to reflect the latest guidelines.

Our suppliers are invited to register on a supplier qualification platform. In this platform, the suppliers provide detailed information on the policies and processes that they have in place to limit their environmental impact. In 2024, NN has launched a Supplier ESG Engagement Programme. This program is being rolled out for our most important suppliers and it has two main objectives:

- assess the maturity of the supplier on environmental topics; and
- inspire the suppliers to improve their efforts, so that they can achieve the next maturity level.

Respecting environmental standards as an investor

As a large insurance company, NN maintains a globally diverse investment portfolio with a long-term horizon. We believe that as a long-term investor we have a duty to act in the best interest of our stakeholders and the world we live in.

The long-term value of our investments is dependent on many environmental and climate change related risks and opportunities; environmental degradation, climate change impacts, and the transition to a net-zero global economy. Therefore, it is particularly important to have a good understanding of our investment portfolio's overall exposure to environmental factors (climate change, air pollution, animal welfare, water pollution, scarcity of fresh water, land contamination, biodiversity loss and deforestation among others) to make well-informed investment decisions. For further information on NN's approach to the environment and how we apply due diligence in our role as an investor, we refer to our Investment Guidance paper on the Environment document found on our [website](#).

We recognise the urgent need to combat the impacts of global warming and consider climate change to be a topic that warrants specific attention. Therefore, in 2020, we announced our ambition to transition our proprietary investment portfolio to net-zero GHG emissions by 2050. For the implementation of our net-zero commitment, NN Group is developing asset class specific strategies, objectives and targets in a step-by-step manner (see [NN Group- Our climate approach: investments](#)).

Through our responsible investment practices, we aim to limit the impact of our investments and to avoid causing harm by systematically incorporating ESG and climate factors into our investment decisions, policies, and strategies as described in [NN's Responsible Investment \(RI\) Framework Policy](#) (see [NN Group - Responsible investment \(nn-group.com\)](#)).

NN's Responsible Investment (RI) Framework Policy outlines our expectations of, and processes for, assessing ESG and climate change related risks and opportunities that can impact the value of our investments. As part of our approach to Responsible Investing, where possible and feasible, we aim to mitigate adverse impacts from our investments that can occur in different areas, such as related to environmental matters. To mitigate identified adverse impacts, we apply a combination of engagement, voting and restrictions; a combination that differs depending on the topic, asset class or investment product.

The implementation of the RI Framework Policy and Paris alignment strategy is supported by detailed guidelines and position papers, and outreach and training activities to bring awareness and successful implementation within our investment activities. This includes an Investment Guidance Paper on the Environment, with an Environmental Sector Risk Matrix, which enables investment portfolio managers to understand and systematically analyse environmental risks across the various sectors we invest in.

As an active investor, we aim to reduce our risks and contribute to a low-carbon economy by engaging with our investee companies to request them to adopt environmentally responsible business practices. These engagements are guided by NN Group but primarily conducted by our external asset managers which engage either individually or in collaboration. We further support initiatives from organisations such as the IFRS Foundation (TCFD) and CDP, requesting for improved climate-related information of the companies we invest in.

NN Group seeks to improve transparency about our environmental and carbon footprint and continues to make commitments to reduce its impact. For example, in 2022, we updated our coal phase-out policy (See the [NN's Responsible Investment \(RI\) Framework Policy](#)). We also believe that transparency in our carbon footprint and setting decarbonisation reference objectives helps us explain to our stakeholders how we address climate change in our investments. Target setting and reporting across asset classes are ongoing and our strategies and policies will continue to evolve, as data availability and reporting standards improve.



¹ Please refer to the latest version of our [Climate Action Plan](#) for specifications.

Respecting the environment as insurer

In our products and services, we seek to identify and minimise negative impacts on the environment. Additionally we aim to identify opportunities to improve positive impacts on the environment and accelerate the transition to a low-carbon economy.

Addressing environment in our non-life business

We aim to achieve net-zero for our non-life portfolio in 2050 by enabling and influencing change in the real economy. To achieve this ambition, we set intermediate targets for NN Non-life for 2030 in threefold: (i) decarbonisation for our underwriting portfolio, (ii) engagement in the value chain and (iii) insuring the transition. NN published its Responsible Insurance Underwriting (RIU) Policy in 2024. The RIU Policy provides direction on the integration of sustainability matters in insurance underwriting and product development. It is intended to support NN Group to incorporate sustainability matters into insurance activities.

In 2023, we published first intermediate targets that built upon our calculated Insured Associated Emission (IAE). We analysed our IAE in relation to specific sectoral GHG-reduction pathways for commercial lines at NN Non-life¹.

Guiding small and medium enterprises (SME) to net-zero

We aim to achieve our decarbonisation target for our underwriting portfolio by:

- **Engagement in the value chain:** NN Group engages with clients and intermediaries to create real-world impact and steer the reduction pathways of their commercial line portfolios. We educate and inform advisors through portals, newsletters, and partnerships, and seek active engagement with clients to help them develop their own transition plan.

- **Insuring the transition:** NN Group is using their insurance knowledge to accelerate the transition to a net-zero economy in their commercial lines. We have a dedicated underwriting team for new sustainability-related risks and research new technologies for products and services yearly. We focus on selective growth in low-emission sectors and aim to encourage customers to adopt new technologies.

Moreover, we also adapted existing features in our insurance offerings and provide insurance products that protect against physical climate-change related impacts, such as severe weather events. Within our property and casualty (P&C) business, NN helps customers take precautionary measures, with the aim of preventing and minimising claims caused by events such as windstorms or fires.

Addressing the environment as a pensions provider

Within NN Life & Pensions and BeFrank, we believe it's important that pension participants and employers can choose a pension product that fits their needs and preferences. Within NN Life & Pensions, a specific ESG policy, in line with the NN Group Responsible Investment (RI) policy, is tuned to the product characteristics and client needs of the Defined Contribution pension products. To raise awareness around climate change, we provide our customers with an overview of sustainability impact of their invested premiums. We are actively working towards defining net zero pathways for selected asset classes in our products, where possible.

We believe that creating awareness around climate change will encourage actions needed for the transition. The NN Life & Pensions online platform Human Capital Planner (HCP), provides employers and pension advisors with relevant insights and tools. The HCP shows the sustainability impact of invested premiums and the impact of lifecycle investments in terms of CO₂ reductions, water savings and waste reductions.

Addressing environmental risks and opportunities as a bank

NN Bank is a retail bank in the Netherlands that offers mortgages, savings, insurance and investment products. Furthermore, as a fully owned subsidiary of NN Group N.V., we service mortgage origination, administration, and management services to other NN Group entities and NN Group institutional investors.

We focus on two key topics that will have a profound impact on the lives of our customers and the way they make financial decisions:

- **Customer empowerment:** we want to provide customers with the tools and resources needed to make better informed financial choices and exercise greater control over their personal financial situation including reducing individual housing and energy costs by providing insights and facilitate solutions.
- **Climate change & environment:** we steer our banking product portfolio towards net-zero by 2050, or sooner, to become aligned with the Paris agreement 1.5°C pathway.

We measure the carbon footprint of our mortgage portfolio periodically and take reduction actions accordingly. We are working together with industry peers in the Energy-Efficient Mortgages (EEM) Netherlands Hub, and the PCAF for investments to develop standards and frameworks for energy efficient mortgages and carbon footprint measurement.

We encourage our customers to reduce their GHG emissions wherever possible. To better serve them we aim to develop products and services that support our customers through the transition, for example with propositions and services such as our Woonnu label.

NN Bank established its Green Bond Framework, enabling the bank to issue green bonds to finance and/or refinance mortgages for energy-efficient residential properties in the Netherlands.



Addressing biodiversity risks and opportunities

We recognise that addressing adverse impacts on the environment is not only about reducing our GHG emissions, but also about preserving and restoring our ecosystems, biodiversity and much more.

As an insurer, we seek solutions that address biodiversity. For example, as one of the leading marine insurers in the Netherlands, NN aims to limit negative impacts to the oceans' ecosystems; not only from climate change but also from pollution and overfishing. To underscore our intentions, NN signed the Marine Insurance Statement to fight pirate fishing.

We are dedicated to integrating biodiversity into our responsible investment strategy, building upon the foundational work we have established in ESG integration, active ownership, and impact. In 2024, we plan to set our first targets for our corporate investment portfolio aimed at protecting and restoring biodiversity. We aim to report these targets by 2025 at the latest. As per Finance for Biodiversity recommendations, we will gradually expand our focus to other asset classes.

Within our Active Ownership approach, which is one of the key elements of NN Group's responsible investment strategy, we have placed a high priority on expanding our engagement initiatives in biodiversity, including the Nature Action 100 engagement effort, which can be considered the biodiversity equivalent of the well-known Climate Action 100+ initiative. Additionally, we have joined several other collaborative engagement efforts.

Another important milestone was the ENCORE assessment of the impacts and dependencies on nature of our corporate investment portfolio. By leveraging these insights, we will improve the integration of biodiversity in our risk management and ESG practices. Furthermore, these insights will be instrumental in setting targets to reduce our impact on biodiversity loss.

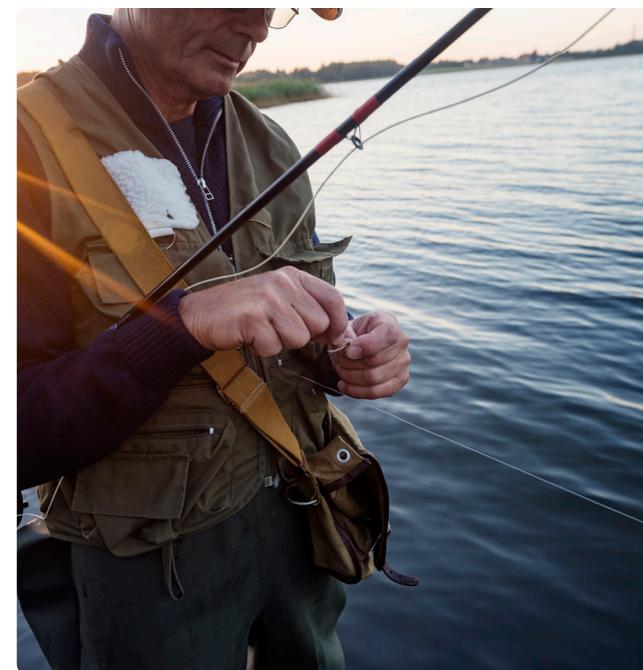
NN Group's strategy on biodiversity will continue to evolve as data, reporting, and standardisation improve.

Advocacy and memberships

We recognise climate change poses a significant threat to the livelihoods and wellbeing of societies. However, no stakeholder can succeed alone in solving the challenges of climate change. As the majority of NN's environmental impact is indirect through its investments, we are highly dependent on the actions of others, in particular corporate investees, homeowners and real estate tenants, and governments to disclose their emissions, set targets and demonstrate climate action and environmental stewardship. Therefore, close cooperation with policymakers and other stakeholders is needed to reach our goals in the transition.

For an overview of our memberships and endorsements, please visit our [website](#).

Next to this, we participate in (sector) initiatives that help to further develop methodologies and undertake other activities that support us in realising these goals. For example, in the IIGCC Paris Aligned Investment Initiative, we help to further develop the Net-Zero Investment Framework which enables investors to align their investment portfolios with the goals of the Paris Agreement. As participating member in the Platform Carbon Accounting Financials (PCAF) we work on developing methodologies to measure the carbon footprint of our financed and insurance-associated emissions. We are also a supporter of initiatives such as Climate Action 100+ which encourages the largest corporate GHG emitters to take necessary action on climate change.



Monitoring and disclosing our performance

We monitor the effectiveness of our approach to environmental care in many ways, including a periodic review of our adherence to our policies and standards and ongoing dialogue with stakeholders. We measure the GHG emissions of our own operations and resource use for our business units on an annual basis. Next to that, we measure the carbon footprint of our investments and our insurance-associated emissions. We have set objectives, targets and actions for the reduction of our GHG emissions (for more information visit [NN Group - Taking climate action \(nn-group.com\)](https://www.nn-group.com)), and we disclose our progress in our Annual Report.

We are committed to being as open and transparent as possible about the way we do business. We communicate proactively with stakeholders and offer a range of channels for them to engage and enter into dialogue with us. We seek to understand their perspective on our products and services, our business performance, our role in society and other topics. This input is used to define our strategy and our decision-making processes, and tells us how we can best align the interests of our businesses with the needs and expectations of our stakeholders.

Complaints mechanism

Having processes in place for our stakeholders to express their concerns related to our environmental performance is key to effective stakeholder engagement. This includes complaints mechanisms for employees, customers, businesses, suppliers, and societal organisations in local languages and ensures confidentiality by providing report access to only authorised NN staff.

Employees can raise concerns through our normal reporting channels or anonymously via the NN Group Whistleblower Policy. An authorised Reporting Officer will handle the complaint and communicate with the reporter. Other stakeholders, such as suppliers and third parties, can also report concerns in a work-related context with NN. Customer complaints are dealt with in line with the relevant Privacy statement and Complaints Management Policy and can be submitted anonymously via our website. We aim to offer an accessible mechanism to handle complaints on NN Group activities in a systematic way and ensure that stakeholders are made aware of the procedure and how it works.

Stakeholders that identify particularly serious or recurring issues are fast-tracked to our Corporate Relations department. We provide named senior contacts for each of our key stakeholder groups and publish the process for complaints on our Customer Support pages.

Disclosure

We communicate and report on our approach to stakeholder engagement, together with the key issues raised and actions taken, in our Annual Report. In addition, we disclose our performance to CDP on an annual basis.

Approval

The Management Board of NN Group has approved this updated statement in February 2025. The Management Board is responsible for the ongoing development of this statement and for the overall approach to environmental and climate-related risks and opportunities.

This statement will be reviewed regularly, and revised, if necessary, to continue to ensure its relevance in the course of time.

The Hague, February 2025

Important legal information

This document is not intended to be relied upon by any third party.

The guidelines may be subject to change at any time.

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