

1. RESPONSIBILITIES

- 1.1 The Audit Committee shall assist the Supervisory Board with the performance of its duties as indicated below. To that effect it shall prepare the discussion and the decision-making within the Supervisory Board by monitoring, reviewing, assessing and/or discussing the relevant items, report its findings and recommend any actions to be taken by the Supervisory Board.

Risk Management and finance

- 1.2 The Audit Committee shall assist the Supervisory Board with the performance of its duties pursuant to articles 1.4(d)(i)-(iv) and (vi) and 1.4(e) of the Supervisory Board Charter. To that effect the Audit Committee shall in any event, to the extent relating to financial reporting, monitor, review, assess and/or discuss:

- (a) the Company's risk profile and risk appetite;
- (b) the main organisational structure of the Company;
- (c) the design, operation and effectiveness of the internal risk-management and control systems of the Company, including compliance with relevant legislation and regulation and the operation of codes of conduct; the Audit Committee shall take into account the findings of the Risk Committee with respect thereto;
- (d) the operation and effectiveness of the internal risk management and control systems of the Company with the External Auditor;
- (e) any major failings in the internal risk management and control systems which have been observed in the financial year and any (significant) changes (to be) made to these systems and any major improvements planned;
- (f) the Company's financial policies (*beleid*) and the risks inherent to the Company's business activities and the funding of the Company;
- (g) the items to be reported on to the Supervisory Board as included in article 1.4(e) of the Charter of the Supervisory Board, taking into account the findings of the Risk Committee with respect thereto.

Reporting

- 1.3 The Audit Committee shall assist the Supervisory Board with the performance of its duties pursuant to articles 1.4(f) and 1.4(h)-(k) of the Supervisory Board Charter. To that effect the Audit Committee shall in any event, to the extent relating to financial reporting, monitor, review, assess and/or discuss:

- (a) the integrity and quality of the financial reporting process, focusing on, among other things, the application of information and communication technology of the Company and its Group Companies, including risks related to cybersecurity, and the internal controls and procedures as referred to in article 1.4(g) of the Charter of the Executive Board;
- (b) the Periodic Reports, including the review report of the External Auditor with respect to the

¹ Any defined terms in this Charter shall have the meaning ascribed to them in Annex 1 (List of definitions) to the Charter of the Supervisory Board of NN Group N.V.

Annual Report and the Annual Supervisory Board Report, and related press releases to be disclosed, as well as the underlying accounting and presentation policies and practices and any proposed changes therein; the Audit Committee shall report its findings to the Supervisory Board prior to the Company's release of the Periodic Reports, unless decided otherwise by the Supervisory Board;

- (c) the public disclosure of any ad hoc financial information and/or other (inside) information required to be disclosed in accordance with the Market Abuse Regulation or other applicable laws or regulations;
- (d) the findings and outcomes of the audit work on the Annual Accounts and/or the management letter, based also on the documents from which the audit plan was developed and the most important items of discussion between the External Auditor and the Executive Board as reported by the Executive Board to the Supervisory Board.

1.4 In performing these tasks, the Audit Committee shall in any event devote special attention to:

- (a) the applicable accounting standards and the Company's compliance therewith;
- (b) significant judgmental areas;
- (c) significant financial risk exposures;
- (d) significant adjustments resulting from audit;
- (e) the funding of the Company and its Group Companies;
- (f) compliance with statutory and applicable legal requirements and regulations and policies and procedures of the Company;
- (g) legal, tax policy and tax planning matters with a material impact on the financial statements; and
- (h) detection of fraud, misuse of funds and other illegal acts.

CAS

1.5 The Audit Committee shall assist the Supervisory Board with the performance of its duties pursuant to articles 1.4(n)-(r) of the Supervisory Board Charter. In performing these tasks, the Audit Committee shall in any event:

- (a) maintain regular contact with the (general) manager of CAS;
- (b) make recommendations for decisions by the Executive Board regarding the appointment, re-appointment or removal from office as well as the remuneration package of the general manager of CAS, after being consulted by the Executive Board in this respect;
- (c) evaluate the results of the self-administered quality review and the external quality assessments of CAS;
- (d) provide its opinion on the functioning and performance of CAS and its general manager to the Executive Board and approves the assessment by the CEO of the performance of the general manager of CAS;
- (e) evaluate the consolidated NN Group report of CAS regarding governance, risk management and internal control observations;

- (f) make recommendations to the Supervisory Board with respect to the (changes to the) Internal Audit Charter NN Group Corporate Audit Services which includes the code of ethics of CAS;
- (g) be involved by CAS with respect to the draft audit plan drawn up by CAS and any (subsequent) amendments thereto, including the scope and budget of CAS, and make a recommendation to the Supervisory Board with respect thereto and monitor progress versus planned audit activities; and
- (h) monitor the relationship of the Executive Board with CAS and compliance with the recommendations and comments of CAS.

External Auditor

1.6 The Audit Committee shall assist the Supervisory Board with the performance of its duties pursuant to articles 1.4(s)(i)-(iii) and (v)-(viii) and 1.4(t) of the Supervisory Board Charter, giving due consideration to the observations of the Executive Board and the criteria prescribed by the Audit Regulation. In performing these tasks, the Audit Committee shall in any event:

- (a) be the principal contact for the External Auditor in reporting his findings regarding the Periodic Reports, whereby contact between the Supervisory Board and the External Auditor shall in principle be through the chair of the Audit Committee;
- (b) prepare a proposal for the engagement, including remuneration, of the External Auditor (i) to audit the Annual Accounts, paying attention to the scope and materiality of the audit, and (ii) to what extent the External Auditor will be involved in the financial reports other than the Annual Accounts;
- (c) pre-approve the services to be provided by the External Auditor to the Company and its Subsidiaries in accordance with the Company's policy on external auditor independence as applicable to the Company from time to time;
- (d) establish a procedure for the selection and the recommendation for (re)appointment by the Supervisory Board of the External Auditor;
- (e) make recommendations to the Supervisory Board regarding the (nomination for) appointment or reappointment of the External Auditor and, if necessary, its dismissal, taking into account the advice of the Executive Board and the reports referred to in article 1.6(g)(iv); at least once every four years;
- (f) discuss the draft audit plan, and any (subsequent) amendments thereto, with the External Auditor after such draft was discussed with the Executive Board, paying attention to the scope and materiality of the audit plan and the principal risks of the annual reporting identified by the External Auditor in the audit plan; at least annually;
- (g) evaluate and monitor the functioning, performance and independence of the External Auditor and the audit process performed by:
 - (i) monitoring and evaluating the scope of the audit(s) (to be) performed;
 - (ii) ensure the rotation of the lead (or co-ordinating) audit partner having primary responsibility for the audit, the audit partner responsible for reviewing the audit and any other partner if applicable, as required by law or other applicable rules;
 - (iii) taking into account any recommendations of a supervisory authority, to the extent required, including but not limited to recommendations with respect to the design of

the internal quality control system of the audit firm;

- (iv) taking into account the periodic report from the External Auditor as well as the annual reports on the dealings of the Executive Board and the Audit Committee with the External Auditor, which reports shall be submitted to the Supervisory Board; at least annually;
 - (v) discussing any threats to the External Auditor's independence and the safeguards applied to mitigate those threats with the External Auditor;
 - (vi) approving the changes to the policy on external auditor independence as applicable to the Company from time to time;
 - (vii) giving the External Auditor a general idea of the content of the reports relating to their functioning and, if and when applicable, recommending his replacement;
 - (viii) managing (potential) conflicts of interests between the Company or its Subsidiaries and the External Auditor;
- (h) monitor the relationship of the Executive Board with the External Auditor and compliance with the recommendations and comments of the External Auditor.

Misconduct and irregularities

1.7 The Audit Committee shall assist the Supervisory Board with the performance of its duties pursuant to article 1.4(mm) of the Supervisory Board Charter. In performing this task, the Audit Committee shall in any event:

- (a) see to it that the Company establishes procedures for reporting actual or suspected misconduct or irregularities, including receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential submission by employees of concerns regarding questionable accounting or auditing matters;
- (b) monitor any signs of suspected material misconduct or irregularities within the Company, appropriate and independent investigations and follow-up with respect thereto.

1.8 The Audit Committee shall review and assess any significant report or other communication raising material issues with respect to any of the matters mentioned in article 1.2 through 1.4, and the response to such report or communication, to or from regulators or governmental agencies, the Executive Board or one of its members, CAS or the External Auditor.

Other responsibilities

1.9 The Audit Committee shall furthermore assist the Supervisory Board with the performance of its duties pursuant to articles 1.4(ff) and (gg) of the Supervisory Board Charter, being:

- (a) the Company's corporate structure;
- (b) compliance with legislation and regulations applicable to the Company and its Subsidiaries;

and such other tasks as the Supervisory Board may assign to the Audit Committee on an ad-hoc basis.

1.10 The Audit Committee shall annually review and assess the adequacy of this Charter.

1.11 In the performance of its tasks, the Audit Committee may in its sole discretion:

- (a) gather information or seek advice from the Executive Board, the Company's staff departments and/or external advisors;
- (b) carry out any investigation which it determines to be necessary or desirable to carry out its duties and may inspect or cause to be inspected any books and records (whether in written or electronic form) of the Company; and
- (c) appoint independent counsel and other advisors, as it determines necessary to carry out its duties.

1.12 Any and all expenses reasonably incurred by the Audit Committee, by any outside counsel or other advisors appointed by the Audit Committee and any and all costs and expenses in connection with any investigation conducted by the Audit Committee shall be borne by the Company.

2. REPORTING RESPONSIBILITIES

2.1 The chair of the Audit Committee shall report orally on the deliberations and findings of the Committee in the next meeting of the Supervisory Board. Minutes of meetings of the Audit Committee shall be sent to all members of the Audit Committee, as well as to the Supervisory Board and the Executive Board.

2.2 The Audit Committee reports at least annually to the Supervisory Board regarding its activities, deliberations and findings, including but not limited to:

- (i) the execution of the Audit Committee's duties and responsibilities;
- (ii) the result of the audit of the Annual Accounts, highlighting in which manner the audit has attributed to the integrity of the financial reporting and the role of the Audit Committee;
- (iii) the independence of the External Auditor;
- (iv) material considerations regarding financial reporting;
- (v) the methods used to assess the effectiveness of the design and operation of the internal risk management and control systems relating to financial reporting;
- (vi) the methods used to assess the effectiveness of the internal and external audit process;
- (vii) the manner in which material risks and uncertainties relevant to the expectation of the Company's continuity for the period of twelve months after preparation of the Management Report have been analysed and discussed, along with a description of the Audit Committee's most important findings; and
- (viii) the functioning of, and developments in, the relationship with the External Auditor.

3. MEETINGS

3.1 The Audit Committee shall meet as often as it determines, but at least quarterly before the publication of the Annual Report, the Interim Financial Information and the Interim Accounts for the first and third quarter of each financial year respectively. Meetings can also take place when the chair of the Audit Committee deems it necessary or upon request of the Supervisory Board or the CEO.

- 3.2 Meetings of the Audit Committee shall be convened at least three calendar days before the meeting, save in urgent cases to be determined by the chair of the Audit Committee or when all members of the Audit Committee consent to a shorter notice period.
- 3.3 For every meeting of the Audit Committee at least half of its members need to be present to constitute a valid quorum.
- 3.4 To the extent that the Audit Committee does not determine otherwise, the following persons will be invited and attend the meetings of the Audit Committee:
- (i) the chair of the Risk Committee, if not being the chair or a member of the Audit Committee;
 - (ii) the CEO, the CFO, if applicable, any other members of the Executive Board, and the CRO;
 - (iii) the External Auditor, in any event the meetings at which (the report of the External Auditor with respect to) the Annual Accounts and Interim Accounts are discussed and at which the Annual Accounts are to be approved in order to be submitted to the General Meeting;
 - (iv) the general manager of CAS;
 - (v) the general manager(s) responsible for risk control and financial accounting;
 - (vi) the General Counsel & Head of Compliance.
- 3.5 The Audit Committee may invite other members of the Supervisory Board, and any other person who can contribute to the discussion.
- 3.6 CAS shall have free access to the Audit Committee and the chair of the Audit Committee shall have periodic bilateral consultation with the general manager of CAS. Records should be kept of how the Audit Committee is informed by CAS.
- 3.7 The Company shall make a secretary available to the Audit Committee, who, among other things, will take minutes of every meeting.
- Closed Session*
- 3.8 The Audit Committee may, at its sole discretion and as often as it determines, meet in Closed Session, with the External Auditor and/or the general manager of CAS.
- 3.9 The Audit Committee shall meet at least once a year with the External Auditor in Closed Session without the CEO being present.
- 3.10 The Audit Committee may invite other persons than the members of the Audit Committee or the CEO, as applicable, to attend its meetings in Closed Session who can contribute to the discussion.

4. COMPOSITION

- 4.1 The Audit Committee shall be comprised of at least three members.
- 4.2 The composition of the Audit Committee shall be in such a way so as to make sure that specific business know-how, financial accounting and related financial management expertise relating to the activities of the Company and its Group Companies and the sector in which the Company and its Group Companies are active and, if possible legal and information technology knowledge, is available.

- 4.3 At least one member of the Audit Committee has competence in the preparation and auditing of the Annual Accounts.
- 4.4 More than half of the members of the Audit Committee shall be independent within the meaning of the Dutch Corporate Governance Code. The chair of the Audit Committee shall be independent within the meaning of the Dutch Corporate Governance Code and shall not be the Chair or a former Executive Board member.
- 4.5 The composition of the Audit Committee is published on the Company's website www.nn-group.com.

Effective as of 27 November 2017.
