

## **Statement of Aegon Pensii S.A.F.P.P. S.A. Board of Directors regarding the conclusions of the evaluation on risk management system efficiency**

The Board of Directors is responsible for the risk management process and the internal control system. The mentioned processes and the procedures applicable to them are reviewed annually.

The risk and internal control procedures are properly communicated within the company.

Risk management for the Board of Directors is an ongoing process and is focused on the evaluation, management and monitoring the significant risks identify within company's activity.

The Board of Directors is periodically informed about the significant risks identified, and about their evolution.

The review of significant risks, risk management and internal control activities is performed annually.

A structured risk management process has been implemented to ensure the consolidation of the portfolio of the pension funds managed for the benefit of our clients, for the efficiency of the processes carried out in the company, as well as for the development of human capital, in order to increase the operational and financial excellence.

The risks identified within the company are analyzed quarterly or semi-annually, a particular category being the investment risks that appear in the course of the asset management activity for managed pension funds.

In order to minimize the risks, the risks related to the important processes were identified, evaluated and monitored, as well as the application of the controls related to them.

Existing controls consist in the implementation of working procedures and instructions, which include elements regarding: reporting lines, separation of employee duties, establishing the approval frameworks for transactions, financial reporting and monitoring of process indicators, which provide information on the evolution of the activity over time.

## **Declaratia Consiliului de Administratie al Aegon Pensii S.A.F.P.P. S.A. privind concluziile evaluării eficienței sistemului de administrare riscurilor**

Consiliul de administrație este responsabil pentru procesul de administrare a riscurilor si sistemul intern de control intern.

Procesele mentionate si procedurile aplicabile acestora sunt revizuite anual. Procedurile de risc si control intern sunt comunicate adecvat in cadrul societatii.

Gestionarea riscurilor in Consiliul de Administratie este un proces continuu si este axat pe evaluarea, gestionarea si monitorizarea riscurilor semnificative din activitatea societatii.

Consiliul de Administratie este informat periodic despre riscurile semnificative identificate in cadrul societatii, si despre evolutia acestora.

Revizuirea riscurilor semnificative, a activitatilor de administrare a riscurilor si de control intern se efectueaza anual.

Un proces structurat de gestionare a riscurilor a fost implementat pentru a asigura consolidarea portofoliilor fondurilor de pensii administrate in beneficiul clientilor nostrii, pentru eficientizarea proceselor derulate in societate, precum si pentru dezvoltarea capitalului uman, in vederea cresterii excelentei operationale si financiare.

Sunt analizate trimestrial sau semestrial riscurile identificate in societate, o categorie aparte fiind riscurile investitionale care apar in cadrul derularii activitatii fondurilor de pensii administrate.

Pentru minimizarea riscurilor din cadrul activitatii societatii s-au identificat, evaluat si monitorizat riscurile aferente proceselor importante, precum si aplicarea controalele aferente acestora.

Controalele existente constau in implementarea de proceduri si instructiuni de lucru, care cuprind elemente privind: linii de raportare, separarea responsabilitatilor angajatilor, stabilirea cadrelor de aprobare a tranzactiilor efectuate, raportari financiare si monitorizarea indicatorilor de procese, care ofera informatii despre evolutia in timp a activitatii societatii.

The investment risks that are identified in the activity of trading, evaluating and asset management are analyzed by both Investment Direction and the Risk Department through procedures that ensure the separation of the two activities and increasing the efficiency of the controls implemented.

The internal procedures ensure efficient and timely management of any conflict of interest situations that may arise during the course of the activity.

The procedures related to business continuity are reviewed with half-yearly reports, and the tests have shown the efficiency of these procedures.

During the second half of 2019, both medium risks and no risk events have been identified that could increase the value of the risks, or lead to the implementation of additional controls.

In the internal control missions, carried out during the same period, no deficiencies were identified that would lead to the identification of new risks.

Considering that, all identified risks have values that fall within the risk tolerance established at the company level and no new risk mitigation controls have been implemented. It is concluded that the risk management activity has been carried out effectively.

Riscurile investitionale care se identifica in activitatea de tranzactionare, evaluare si gestionare a activelor din portofoliile de fonduri administrate sunt analizate atat de Directia Investitii, cat si de Departamentul Risc prin proceduri care asigura separarea celor doua activitati, crescand eficienta controalelor implementate.

Procedurile interne implementate asigura gestionarea eficienta si in timp a oricaror situatii de conflict de interese care pot aparea in cursul desfasurarii activitatii.

Sunt revizuite cu periodicitate semestriala procedurile referitoare la continuarea activitatii societatii, si desfasurarea testelor de continuitate a demonstrat eficienta acestor proceduri.

In cursul semestrului II 2019 sunt identificate in cadrul societati riscuri de valoare medie, nu au fost identificate evenimente de risc care sa duca la cresterea valorii riscurilor, sau sa duca la implementarea de controale suplimentare.

In activitatea de control intern, derulata in aceeasi perioada, in cadrul misiunilor de control intern nu au fost identificate deficiente care sa conduca la identificarea de riscuri noi.

Tinandu-se cont de faptul ca toate riscurile identificate au valori care se incadreaza in toleranta de risc stabilita la nivelul societatii si nu s-au implementat controale noi de mitigare a riscurilor, se concluzioneaza ca activitatea de management a riscurilor s-a desfasurat in mod eficient.

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