

**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 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 monthly, 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 within the company's activity, the ones related to the important processes were identified, evaluated and monitored and the application of the controls related to them was followed.

Existing controls consist in the implementation of working procedures and instructions, which include elements regarding: reporting lines, separation of employee's 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. The investment risks that are identified in the activity of trading, evaluating and asset management are analyzed by both Investments 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 implemented 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

**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 de control intern.

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, precum si 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 nostri, pentru eficientizarea proceselor derulate in societate, precum si pentru dezvoltarea capitalului uman, in vederea cresterii excelentei operationale si financiare.

Sunt analizate cu frecventa lunara, trimestriala si semestriala riscurile identificate in societate, o categorie aparte fiind reprezentata de 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 si s-a urmarit aplicarea controalelor 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. 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

efficiency of these procedures. In the current situation, the business continuity plan has been revised by renouncing the mandatory work scenarios to be applied by the Company depending on the rate of new Covid-19 infections, once the pandemic situation ended, as well as by including the Milliman actuarial application in the business continuity plan, in the list of important IT systems to be reconnected in the same terms as the other important IT applications (H1 2023). The hybrid work scenarios were successfully implemented, their application ensuring the security and safety of the company's employees.

In H1 2023 the revision of the internal regulation framework took place, in the sense of the introduction of specific valuations of the initial investment and the continuous monitoring of private equity instruments, the harmonization of additional quarterly controls regarding the liquidity of the Pension Administrator, as well as the establishment of a plan of active measures in order to correct a situation of passive breach of the credit rating requirements, in the case of a bonds series issued by a foreign non-governmental entity.

In H1 2023 took place the review of the operational risks of the company generated by the IT systems (March 2023), as well as the reassessment of the operational risks related to the processes carried out by the company (June 2023). During the first half of 2023, no risk events were identified that would lead to the emergence of new risks. During the period, the favorable resolution of the Romanian Financial Authority regarding the change of the majority shareholder of the Company from May 2023 was taken into account, which creates the premises for clearer strategic directions, in this sense a series of business risks (strategy execution, governance) being reevaluated positively at the level of vulnerability. Due to the more and more limited impact of the Covid-19 pandemic and the armed conflict in Ukraine that began in February 2022 on the Company's activity, there was no further need of an increase in the scores associated with the business continuity plan or personnel risk. Thus, there was no need for the implementation of additional controls (KRIs). In the mentioned processes, only low and medium value risks were identified, and the risk profile remained unchanged and is medium, at the level of H1 2023.

The internal training on anti-bribery and corruption (ABC) related risks, carried out online by The Risk Department, which was properly assessed by all Company's staff, was completed in H2 2022.

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

desfasurarea testelor de continuitate a activitatii a demonstrat eficienta acestor proceduri. In contextul actual, planul de continuare a afacerii a fost revizuit, prin renuntarea la scenariile de munca obligatoriu a fi aplicate de Societate in functie de rata imbolnavirilor cu Covid-19, odata cu incetarea starii pandemice, precum si prin includerea aplicatiei Milliman de actuarial in cadrul planurilor de reluare a activitatii, in lista sistemelor informatice importante obligatoriu de a fi reconectate in aceeasi termeni ca si celelalte aplicatii informatice importante (semestrul I 2023). Scenariile de munca hibrid au fost aplicate cu succes, asigurand securitatea si siguranta angajatilor societatii.

In semestrul I 2023 a avut loc revizuirea cadrului procedural intern, in sensul introducerii de evaluari specifice investitiei initiale si monitorizarii continue a instrumentelor de private equity, armonizarii controalelor trimestriale suplimentare privind lichiditatea Administratorului de pensii, precum si instituirea unui plan de masuri active in vederea corectarii unei situatii de abatere pasiva de la cerintele de rating, in cazul unor obligatiuni emise de organisme straine neguvernamentale.

Tot in semestrul I 2023 a avut loc revizuirea riscurilor operationale ale societatii generate de sistemele IT (martie 2023), precum si si riscurile operationale aferente proceselor desfasurate de societate (iunie 2023). In cursul semestrului I 2023 nu au fost identificate evenimente de risc care sa conduca la aparitia de riscuri noi. In cursul perioadei analizate s-a tinut cont de rezolutia favorabila a ASF cu privire la schimbarea actionarului majoritar al Societatii din mai 2023, care creeaza premisele unor directii strategice mai clare, in acest sens o serie de riscuri de afacere (executare strategie, guvernanta) fiind reevaluate in scadere la nivel de vulnerabilitate. Impactul tot mai limitat al pandemiei Covid-19 si a conflictului armat din Ucraina care a debutat in februarie 2022 asupra activitatii Societatii, nu a mai condus la o crestere a scorurilor asociate planului de continuare a activitatii sau a riscului de personal. Astfel, nu a fost nevoie de implementarea unor KRI suplimentari. Masurile de control care se concentreaza pe grupe de riscuri nu au necesitat sa fie modificate. Au fost identificate doar riscuri de valoare mica si medie, iar Profilul de risc a ramas neschimbat, fiind mediu, la nivelul semestrului I 2023.

Trainingul intern privind constientizarea riscului de mita si coruptie, s-a desfasurat online de catre Departamentul Risc, si a fost insusit de catre angajatii Societatii, in cursul semestrului II 2022.

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.

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.

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.

Date: 26.07.2023