

## CONFLICT OF INTEREST POLICY: SUMMARY

Summary of the main elements of the conflict of interest policy of NN Belgium.

### Article 1 - Objective

NN Belgium must take those measures which are required to perform its activities in an honest and fair way and in accordance with the interests of its Clients. One of the ways to achieve this objective is to be continually attentive to any conflicts of interest which could hamper the optimal provision of services. Pursuant to Belgian law, NN Belgium is obliged to take all the required and administrative measures to identify, prevent and manage conflicts of interest. Below you will find a summary of the conflict of interest policy of NN Belgium as well as the information required to educate the Client on what measures are being taken by NN Belgium to offer maximum protection to the interests of their Clients.

### Article 2 - What is a conflict of interest?

A conflict of interest is a conflict that occurs when the interests of two or more persons or entities are incompatible with one another and could lead to detrimental consequences for the Client.

Possible conflicts of interest can also arise due to the interaction of the various responsibilities taken on by NN Belgium (insurer, distributor, claims manager, subsidiary of NN Group, etc.).

This type of conflict could arise, for example, between any of the following parties:

- Client(s);
- NN Insurance Belgium (insurer);
- NN Insurance Services Belgium (insurer, distributor and claims manager);
- employee(s) of NN Belgium;
- NN Group;
- unaffiliated intermediaries.

### Article 3 - Potential conflicts of interest, including a few examples

The management team of NN Belgium has identified potential conflicts of interest or sources of conflicts that could harm the interests of the Client(s) and included them in a conflict of interest register. This register will be updated further to changes within departments or to include incidents as they occur.

The following is a (non-exhaustive) list of examples in which a conflict of interest could arise:

- Representatives of NN Belgium could use confidential information obtained from one Client to the detriment of another Client and/or for the benefit of a few select Clients.
- When administrative staff and/or managers of NN Belgium receive gifts (including non-monetary gifts) which in turn influence their behaviour (i.e. the granting of preferential treatment to one or more Clients and/or group(s) of Clients).
- Receiving an inducement in the form of cash, goods or services from someone other than the Client for a service performed for the Client which differs from the fee or payment usually provided for this service.

#### **Article 4 - What measures is NN Belgium taking to prevent conflicts of interest?**

NN Belgium has taken the measures which are necessary to manage each of the conflicts identified and to prevent the potential negative consequences of these conflicts from affecting their Clients. These measures are specifically tailored to address the type of problems that might occur.

For each individual conflict of interest, one or (if necessary) more of the following solutions are offered:

##### **1. Internal policy/procedures concerning conflicts of interest**

An internal policy intended for employees as well as procedures required for resolving conflicts of interest have been implemented within NN Belgium.

##### **2. Protection of the confidentiality of data**

The employment regulations of NN Belgium prohibit all employees from abusing their positions when intervening in matters which concern - either directly or indirectly - their own interests or those of their relatives.

Organisational measures have been taken by NN Belgium in order to ensure the confidential handling of sensitive information. These measures provide for the physically separate handling of information (also known as 'Chinese Walls').

##### **3. Disclosure of conflicts of interest**

If it appears that the measures taken are inadequate to protect the interests of a Client with a reasonable degree of certainty, this Client shall be provided with explicit and detailed information regarding the general nature or cause of these conflicts of interest so that it is able to make a well-informed decision.

##### **4. Explicit agreement of the Client**

If NN Belgium enters into a verbal agreement with the Client regarding the settlement of a possible conflict of interest, they will keep a record of this agreement.

##### **5. Maintaining a conflict of interest register**

Conflicts of interest that have actually arisen and which pose a real risk of harming the interests of one or more Clients are listed in a conflict of interest register and communicated to the Client in question. The required changes will be made to procedures in order to improve the management of the risk.

#### **Article 6 - Inducements received by NN Belgium**

##### **6.1 Branch 23 Investment-linked insurance**

###### **Retrocessions**

When a purchase is made of a Branch 23 fund from NN Investment Partners, NN Insurance Belgium receives retrocessions. This fee forms part of the management fee. The percentage of the retrocession varies depending on the sub-fund of the Branch 23 fund. The percentage of the retrocession is within a range of the percentage of the management fee: between 40% and 75%.

Investors will find the percentage of the management fee for each sub-fund in the prospectus for the Branch 23 fund (full or summary prospectus). This document is available at [www.nn.be](http://www.nn.be).

The retrocession received by NN Insurance Belgium corresponds to a percentage of the management fee as agreed upon with ING Investment Management and is multiplied by the total average assets held in the fund for the relevant period by the clients of NN Insurance Belgium.

NN Insurance Belgium receives this retrocession because the service offered to the Client does not end following the sale of a Branch 23 fund: throughout the entire life of a Branch 23 fund, NN Insurance Belgium continues to provide the Client with information on the product. These services could include:

- **Information and calculation** on the net asset value or the progress thereof;
- updating the **sales sheets** of the funds offered for sale;
- **tracking information** on corporate actions (dividend payments, mergers, etc.);
- drawing up an **economic scenario** and an **investment strategy**;
- **internal risk analysis** of the Branch 23 fund;
- **disclosure** of information via the internet;
- **answers** to questions from Clients.

#### **Article 7 - Inducements paid by NN Belgium**

Clients wishing to obtain further information on the inducements paid by NN Belgium can contact their insurance intermediary.

#### **Article 8 - Additional information**

Clients wishing to obtain additional information on the Conflict of Interest policy can contact their insurance intermediary and request the detailed Policy of NN Belgium concerning the prevention/management of conflicts of interest with Clients.

Additional information will be provided to the Client upon first request. Clients may direct such requests to the NN Belgium contact center - tel.: +32 2 407 7000.

#### **What is understood by...?**

- **NN Belgium:** NN Insurance Belgium NV/SA & NN Insurance Services Belgium NV/SA
- **NN Insurance Belgium:** NN Insurance Belgium NV/SA
- **NN Insurance Services Belgium :** NN Insurance Services Belgium NV/SA