

Statement regarding IT Audit in the Nykredit Group

30.11.2021

The role of the audit function in relation to IT Security is governed by the Executive Order on Auditing Financial Undertakings etc. as well as Financial Groups according to which external auditors must in their long form audit report in connection with the annual financial reporting issue an audit opinion as to whether the company's overall systems, data and operational stability are adequate and function adequately. The audit opinion and the long form audit report are submitted to the Nykredit Group's Board of Directors each financial year in connection with the annual financial reporting.

Data Security is in this respect the result of the policies, business procedures and controls that are to secure, reliable and confidential registration, storage and use of data and that change, deletion, physical or logical access to or use of data are approved and documented.

This implies that the Nykredit Group must exercise both effective governance and control internally as well as in case of outsourcing.

The Nykredit Group performs internal audits of areas involving operational, compliance or financial risks. This implies that audits are performed on an ongoing basis of processes, areas and systems that are relevant to such risks, including audit of compliance with the General Data Protection Regulation. The audit plan is prepared and executed by the Nykredit Group's Internal Audit unit. The audit comprises 1st Line as well as 2nd Line audits.

Audit of the Nykredit Group's IT application and IT security is conducted in accordance with ISO 27001 standard, which is considered an industry standard in relation to IT audits.

Since the Nykredit Group's primary suppliers in relation to IT development and operations (JN Data and BEC Financial Technologies) are subject to the Danish Executive Order on Systems Audit, these suppliers are obliged to perform sufficient systems audits.

The Nykredit Group's Internal Audit unit submits requests to the systems audits of JN Data and BEC Financial Technologies. This includes inputs as to which sub-suppliers are important to the Nykredit Group's IT application. Every year, the Nykredit Group receives an ISAE3402 auditor-certified assurance report from JN Data and BEC Financial Technologies, respectively, which includes a statement as to whether systems, data and operational security are adequate. These reports are included in the general audit processes and are part of the long form audit report submitted to the Nykredit Group's Board of Directors.

Date	Version	Description
11-08-2021	1.0	First version of the statement.

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investering?**

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