**Policy on Responsible Investments and Active Ownership**

**Date of approval:** 5 November 2026

**Administrator:** Responsible Investments

## 1. Introduction and objectives

Velliv, Pension & Livsforsikring A/S ('**Velliv**') manages pension savings on behalf of more than 400,000 customers. The savings are invested in a broad variety of asset classes, while seeking a global market exposure. This investment strategy aims to give Velliv's customers the best possible long-term return of their pension savings.

The purpose of this policy is to describe the framework for Velliv's approach to responsible investments and active ownership. The policy is applicable whenever Velliv manages pension funds. The policy therefore applies to both internally and externally managed investments made by Velliv, and to both actively and passively managed investments across the asset classes, which Velliv invests in. Conversely, the policy is not applicable for products, where customers allocate their own investments, including non-balanced funds in LinkPension.

The policy applies to all employees of Velliv and can be found on Velliv's website and in VelRisk. The Executive Leadership is responsible for implementing the policy for responsible investments and active ownership and must ensure that adequate business procedures, function descriptions, manuals and contingency plans as well as necessary monitoring, reporting and documentation are in place and relevant committees appointed.

## 2. Policy

The policy contains the Board of Director's overall strategic objectives for the area, including the identification and scope of the risks, Velliv is willing to assume as well as a description of how the strategic objectives are to be achieved.

### 2.1. Strategic objectives and principles for the integration of sustainability

Velliv's strategic objective is to responsibly protect the value of customers' pensions savings and ensure as high returns as possible given the risk and conditions otherwise presented to the customers.

Velliv believes that responsibility and returns go hand in hand. It is therefore a strategic choice to assess sustainability on equal footing with financial considerations. Velliv believes that value creation of the individual companies and assets in Velliv's portfolio depends on the health and robustness of the systems upon which economic activities rest, e.g. climate, environment and societal structures. The purpose of Velliv's work on responsible investments is therefore to:

1) integrate sustainability considerations in investment decisions, including sustainability risks and the principal adverse impacts on sustainability factors;
2) promote sustainable development and value creation in the companies and assets, which Velliv invest in, and of the underlying society, environment and climate on which the value creation of those assets depends.

Velliv supports a number of international (UN) agreements promoting sustainable development: the Paris Agreement to limit global temperature increase to well below 2 degrees Celsius, the Kunming-Montreal Biodiversity Framework and the Sustainable Development Goals.

Velliv commits to respecting a number of international standards and principles for responsible behaviour, including the UN Guiding Principles on Business and Human Rights (UNGP), OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and the UN Global Compact (UNGC).

## 2.2. Risks within the area

Velliv is broadly exposed to the global financial markets as well as various asset classes, sectors, geographies and companies. As such, Velliv is also broadly exposed to risks and opportunities related to sustainability concerns, which can affect investment return and which Velliv must therefore take into consideration. Sustainability Risks means an environmental, social or governance event or condition that, if it occurs, can have a negative material impact on the value of the investment.

Sustainability risks can be specific to an individual asset, e.g. concern the handling of employee relations by the corporate management team. Often, sustainability risks present as a form of market risk, which systematically affects investment assets across asset classes, geographies and sectors, e.g. increasing regulatory demands to transitioning to a low emissions economy.

Additionally, sustainability risks can be systemic and carry the risk of collapse of other systems. Climate change can, for example, in a worst case scenario undermine profitable insurance business and, thus, destabilise the financial system. The systemic character of sustainability risks highlights that the value creation of assets in Velliv's investment portfolio depends on the robustness of the systems upon which economic activity rests, e.g. climate, environment and society.

The most material risks to Velliv's investment portfolio are climate risk, biodiversity risk and social and government risks, which are described in further detail below.

### 2.2.1 Climate risks

The climate is a complex, global system, which has multifaceted effects on our society and economy. Climate change also has varied effects on our society and economy. At the same time, climate change involves significant uncertainties with respect to time horizons and the extent of individual changes and their interactions.

Climate risk involves two types of risk:

1. Physical risks, which e.g. can arise from extreme weather events or rising sea levels. Velliv's real estate investments are, for example, exposed to physical climate risks. More severe and frequent extreme weather events can affect the market value of a real estate investment, if the property is located in an area, which is particularly exposed to extreme weather events (e.g. flooding).

2. Transition risks, which follow from the practical and regulatory requirements of the green transition and which can result in significant risks in the value and supply chains and, thus, affect opportunities for production and delivery of products and services, if necessary, measures are not in place.

   An example of a transition risk in Velliv's investment portfolio is companies in $CO_2$-heavy emitting industries, which have business models misaligned with a low emissions economy. These industries risk being subjected to taxes, which cannot be transferred to the end client, or which can contribute to competing

companies, industries or technologies becoming more attractive. This can e.g. be companies in the fossil fuel sector, which risk being outcompeted by alternatives, such as renewable energy.

Climate change therefore carries systemic risks, that is, they can cause a collapse of other systems, e.g. ecosystems or the financial system. This is due to the comprehensive nature of climate change, which is global and affects all sectors of the economy in different ways, while the individual elements are interconnected and can reinforce each other, e.g. rising temperatures, which contribute towards higher frequencies of extreme weather events etc. Thus, climate change contributes to increased market risk in the form of damage to society's infrastructure, more costly supply chains etc.

At the same time, climate change also involves idiosyncratic or asset-specific risks. The concrete impact of climate change on the business model and operations of a company differs according to the location of the company's assets and the markets and sectors in which companies operate, how companies handle climate risks etc.

### 2.2.2. Biodiversity risks

Biodiversity risks involve the deterioration or loss of nature and biodiversity, that is, animals, plants and microorganisms; this deterioration or loss can have significant financial consequences for Velliv's investments, because these to varying degrees are dependent on the resources, they obtain from nature.

Nature degradation and loss of biodiversity also carries systemic risks as the loss of ecosystems can destabilise society or the economy. At the same time, nature degradation represents market risks, where e.g. weakening ecosystems reduce the availability of resources or where the loss or risk of loss of biodiversity result in regulation, which alters the terms of doing business. Biodiversity risks can also be specific to an asset, since the impact on a company's operations or business model depends on the location of the company's assets, which sector it operates in, how it handles its impact and dependence on biodiversity etc.

Velliv invests in companies, which depend on nature to produce their goods. Some companies are e.g. dependent on water, agricultural land, timber or pollination of certain crops. The loss of species and habitats can disrupt supply chains or cause shortage of resources from nature. Reduced access to nature's resources and services can curtail opportunities for production and, thus, negatively impact revenue and market value.

### 2.2.3. Social and governance risks

Social risks include, among other things, workers' and human rights. Governance risks refer to e.g. conflicts of interest, corruption and unethical business conduct, including tax avoidance.

As with climate and biodiversity risks, social and governance risk can take different forms. Increasing inequality is often characterised as a systemic risk, for example, because it can result in loss of trust in public or political institutions and ultimately lead to sudden societal changes. Other social risks represent market risks, as they broadly affect a whole sector or all companies, e.g. inadequate enforcement of labour rights in emerging markets. Governance risks are often company specific risks, which reflect how corporate governance is structured and affect the company. Governance risk can, however, also be market risks, e.g. when they arise from inadequate regulation of governance practices in a market.

Social risks can also arise at the asset level, e.g. where Velliv is invested directly or indirectly in a production company, which does not ensure minimum wage for workers in their value chain or breaches labour rights. Such conditions can result in dissatisfaction or strike among workers of the company, which in turn can impact company operations negatively. Additionally, the company risks fines and other regulatory interventions. Such developments

can cause financial losses to the company, which negatively affect market value and, thus, the value of Velliv's investment.

Governance risk can be particularly relevant for sovereign bonds. A change in government can e.g. result in dramatic changes to economic policy, which reduce (or increases) the likelihood that growth and tax prognoses are realised, which in turn affect a sovereign's ability to repay their debt.

#### 2.2.4. Other attendant risks in the sustainability area

*Compliance risks*

Compliance risks encompass the risk that Velliv does not comply with the sustainability regulations in connection with its investments. For example, if Velliv fails to maintain the minimum share of Sustainable Investments (as defined in section 2.3.2.3), which the company has committed to. Failure to comply with the sustainability regulations can result in enforcement actions from the supervisory authorities.

*Operational risks*

Operational risks are risks that Velliv's investment operations do not have the necessary processes and business procedures to comply with the company's obligations as a responsible investor. This could be in relation to meeting requirements set out in applicable regulations, as well as insufficient processes, business procedures and resources to achieve the strategic objectives that Velliv has for responsible investments. The consequences may be a failure to comply with the sustainability regulations, and a failure to achieve Velliv's strategic objectives in the area.

*Reputational risks*

Velliv is also exposed to reputational risks through its work with sustainability. Reputational risks can, for example, arise as the world's (including customers', partners', politicians', etc.) expectations of Velliv as a responsible investor increase. If Velliv does not meet expectations to a satisfactory degree – e.g. if Velliv's investments do not positively impact sustainability factors to the expected extent – it can be considered a result of Velliv not delivering on its commitments. The consequences of this might include declining customer satisfaction and potential customer loss.

## 2.3. Methods and overall processes

As a responsible investor, Velliv commits to take sustainability factors into account in investment processes. Sustainability factors mean environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Velliv's consideration of sustainability risk and the principal adverse impacts on sustainability factors of investments starts from a mapping of the sustainability characteristics of the investment portfolio. The mapping identifies material sustainability risks and principal adverse impacts on sustainability factors and forms the basis for prioritising efforts based on an assessment of the proportionality and potential effect of the possible measures. Velliv's work on responsible investments and sustainability in the investment process relies on data from recognised, external data providers.

The exposure to sustainability risks and impact on sustainability factors transcends asset classes, geographies and sectors. Therefore, risks and impacts are assessed at portfolio level with consideration for conditions specific to individual asset classes, including data availability and quality.

The methods and processes described below, in principle, applies to both internally and externally managed investments made by Velliv, as well as for actively and passively managed investments across the asset classes,

which Velliv invests in, as per section 1. As part of Velliv's investment management, investments are done in derivative products, which e.g. give exposure to broad market indices. With this type of investment, the exposure to the underlying assets is indirect. Therefore, Velliv does not assess sustainability risks or impacts on sustainability factors.

### *2.3.1 Assessment of the impact of investments on sustainability factors*

Velliv continuously monitors material impacts of Velliv's investments on sustainability factors, positive and negative. Based on this, Velliv evaluates the need for efforts to mitigate principal adverse impacts on sustainability factors or for strengthening the positive impacts on sustainability factors of the investment portfolio.

Monitoring of the investment portfolios principal adverse impacts follow the definition hereof, also known as PAI, in the Sustainable Finance Disclosure Regulation (SFDR). The monitoring helps ensure that Velliv takes action, when identifying inappropriate negative impacts on sustainability factors. Velliv can e.g. enter into dialogue with a portfolio company independently or through an external service provider, or assess whether divestment is necessary, as described in section 2.3.2 and 2.3.3.

Additionally, Velliv monitors the impact on sustainability factors of the investment portfolio in order to evaluate the efforts to meet the strategic objective for responsible investment. This evaluation starts from Velliv's commitments and concrete goals, which underpin the purpose of Velliv's responsible investment and active ownership efforts as set out in section 2.1. Concrete goals for responsible conduct, climate and nature and biodiversity are set out in Velliv's strategy for responsible investment. The focus areas of this are briefly described below.

If monitoring indicates that the investment portfolio's impact on sustainability factors works against the strategic objective for responsible investments, corrective measures will be evaluated, including opportunities to alter the investment portfolio, see further in section 2.3.2, as well as stewardship opportunities, see further in section 2.3.3.

*Social and governance concerns*

Velliv believes that responsible conduct and management of material sustainability factors, including risks and opportunities, contribute to value creation in portfolio companies. At the same time, Velliv believes that this is a precondition for the robustness and health of the economic, social, climate and environmental systems upon which the value creation of portfolio companies depend. As an active owner, Velliv therefore works to ensure that portfolio companies comply with the in section 2.1 listed international standards and guidelines for environmental consideration, labour and human rights as well as corporate governance.

*Climate*

Velliv has set climate related goals for the investment portfolio through Science Based Targets initiative (SBTi) with a view to contributing towards the Paris Agreements' goal of limiting global temperature increases to well below 2 degrees Celsius. Through alignment with SBTi, Velliv commits to achieving a net zero investment portfolio no later than 2050.[1] Velliv's responsible investment strategy sets near term goals related to climate, which underpins Velliv's ongoing efforts towards achieving the long-term ambition.

*Nature and biodiversity*

Velliv is a signatory to Finance for Biodiversity Pledge (FfB Pledge) and, therefore, seeks to contribute to the protection and regeneration of biodiversity through our investment activity. Velliv, therefore, seeks to ensure that portfolio companies increasingly take into account their impact on nature and biodiversity.

[1] SBTi commitment applies to equities, corporate bonds, real estate, private equity, illiquid credit and Danish mortgage bonds.

### *2.3.2 Sustainability considerations in portfolio construction*

Velliv works with three primary tools to implement sustainability considerations in investment processes: (1) integration of sustainability risks, (2) exclusions, and (3) selection of assets based on sustainability criteria. The three tools and Velliv's use thereof is described in the following sections.

#### 2.3.2.1 Integration of sustainability risk in investment processes

Sustainability risks are risks on par with other financial risks, e.g. interest rate or exchange rate risks, and are integrated in investment processes with a view to balancing risk and return potential. As such, the work on sustainability risks underpins Velliv's strategic objective to protect the value of customers' pensions savings and ensure as high investment returns as possible given the risk and conditions otherwise communicated to the customer, as per section 2.1.

Sustainability risks cannot be removed from the investment portfolio, but diversification can contribute with robustness and should be sought in so far as possible. Additionally, Velliv seeks to manage the sustainability risks, which the investment portfolio is exposed to through measures taken in the investment process, as described in this section, as well as through active ownership, as described in section 2.3.3.

The level of exposure to Sustainability Risks is set for Velliv's investment portfolios on an annual basis. Spanning the investment portfolios' exposure to environmental, social and governance risks, the level is re-evaluated every year. The level is based on the characteristics specific to the asset class, including how and to what extent the market prices in sustainability risks, so it will vary across and within asset classes, depending on the construction of the portfolio. For example, tolerance for social and governance risks will be higher for government bonds issued by growth markets than for government bonds issued by developed markets, as these risks are essentially known and priced by the market.

Velliv monitors the investment portfolios exposure to sustainability risk on an ongoing basis and continuously assesses the relevance of adjusting exposures to sustainability risk relative to the annually set levels.

VækstPension Aftryk, Velliv's defined contribution scheme with enhanced sustainability characteristics, seeks to have the best possible environmental and social footprint while ensuring a competitive return, given the enhanced sustainability criteria. Consequently, stricter assessment of sustainability risks applies to VækstPension Aftryk's equities portfolio, and the evaluation is done at the asset level. Velliv reviews the management of each material sustainability risk, which the portfolio company is exposed to.

#### *2.3.2.2 Exclusions*

Velliv use exclusions to reduce the sustainability risk exposure of the portfolio as well as its principal adverse impacts on sustainability factors.

Potential investments are screen for the following activities, because Velliv deems the activities – if they exceed a set threshold – to incur unacceptably high sustainability risk or negative impact on sustainability factors. Current thresholds can be found on Velliv's website.

- **Controversial weapons:** Velliv supports UN treaties and conventions regarding controversial weapons and do not invest in companies that produce controversial weapons.
- **Tobacco**: Velliv believes that tobacco has significant detrimental consequences for public health. Velliv does not wish to support these negative impacts and does not invest in companies that produce tobacco.

- **Fossil fuels:** Velliv believes that a transition from black to green energy is necessary to reach the goals of the Paris Agreement. At the same time, as the world transitions from black to green energy, this sector also involves significant transition risks. Therefore, Velliv excludes investments within selected activities in the fossil value chain or in utility companies that generate electricity using fossil fuels, unless Velliv assesses that the company is undergoing a transition that aligns with a low-carbon economy.
- **Sovereign bonds in countries where Velliv assesses the approach to governance to be unsatisfactory:** Velliv does not wish to invest in sovereign bonds issued by countries, which Velliv assesses as having an unsatisfactory approach to governance. This assessment considers the country's government stability, ability to ensure human security and protect human rights, efficacy of the regulatory system and judiciary, as well as levels of corruption. In addition, Velliv does not invest in countries that appear on UN or EU sanction lists.
- **Good governance:** Velliv excludes companies on the basis of breaches to international standards and guidelines for good corporate governance (UNGC, UNGP and OCED Guidelines for Multinational Enterprises). Exclusions related to corporate governance are based on the severity of the breach and the effect of dialogues with the portfolio company regarding the breach. Companies, which are assessed as breaching the listed international principles for good corporate governance are excluded if the breach is assessed to be of such a character that it constitutes the most severe negative impact on environment and/or society or implies material financial risk to the company.

Investments in VækstPension Aftryk, Velliv's defined contribution scheme with enhanced sustainability characteristics, are screened for further range of activities. VækstPension Aftryk does not invest, where the assets exposure to one of these activities exceeds set thresholds. The thresholds represent levels at which Velliv considers the activity to incur inappropriate levels of sustainability risk or negative impacts on sustainability factors given the enhanced sustainability characteristics of the product. Current thresholds can be found on Velliv's website. Implementation of the product specific exclusion criteria is adapted to the characteristics of each asset class.

In addition to the above-described screening criteria, Velliv can opt to exclude individual assets based on the exposure to sustainability risk of the given asset. Decisions to exclude and divest from individual assets are based on clear evaluation criteria and an assessment of the effect of divestment relative to other responsible investment tools, such as dialogue with the portfolio company.

Efforts must be made to divest as soon as possible, considering the characteristics of the asset class, if an investment is in breach of Velliv's exclusion criteria. If an investment in breach of exclusion criteria is through an external manager, Velliv will enter into dialogue with the external manager about appropriate steps to take.

#### *2.3.2.3 Investment selection*

Velliv seeks to identify investment opportunities, which can support the purpose of promoting sustainable development and value creation by the companies and assets in which Velliv invests, as well as the wider society, environment and climate upon which the value creation of companies depend, as per section 2.1.

Velliv undertakes "Sustainable Investments", that is, investments in economic activities, which fulfil the following criteria, as defined in SFDR:

1. The investment must pursue economic activities that make a material positive contribution to environmental and/or social objectives,

2. The investment must not pursue economic activities that significantly harm these environmental or social objectives, and
3. For investment in companies, these must apply good governance practices.

For bonds, Velliv seeks opportunities to invest in labelled bonds, that is, bonds for which the proceeds are earmarked for green, social or other sustainability related purposes. For real assets, Velliv seeks opportunities to invest in certified forestry or infrastructure, which supports the transition to a low carbon economy.

### 2.3.3 Active Ownership and stewardship

Active ownership is a key tool in Velliv's management of sustainability risk and material impacts on sustainability factors. This applies to investments in individual portfolio companies as well as investments made through external managers, as well as for the purpose of promoting sustainable development and value creation in wider society, environment and climate upon which the value creation of portfolio companies depends, as per section 2.1.

The prioritisation of active ownership efforts is based on the concrete goals and commitments, which Velliv has identified for social and governance matters, climate and nature and biodiversity as central to meet the strategic objectives for responsible investments, as set out in section 2.3.1.

Active ownership involves efforts such as voting at general meetings, dialogue with portfolio companies and external managers, monitoring of external managers and stewardship more broadly.

#### *2.3.3.1. Voting at general meetings*

Velliv votes at the general meetings of listed companies through an external advisor granted power of attorney to vote on behalf of Velliv ('Proxy voting'). Votes are cast at the general meetings of all companies in actively managed mandates where Velliv is entitled to vote. In passively managed mandates, votes are cast where Vellivs holdings are assessed to be material. Velliv's voting policy applies to all investment products and set voting criteria that broadly concern various sustainability-related issues.

Velliv's voting actions aim to mitigate sustainability risks by, for example, voting against board candidates who have failed to adequately manage sustainability risks, and set requirements for pay and governance structures to reduce risks. Velliv also promotes positive impact on sustainability factors, as well as mitigation of negative impacts, by voting for new initiatives in the sustainability area. This could, for example, be corporate $CO_2$-reduction targets aligned with the Paris Agreement or initiatives to increase transparency through reporting on efforts and risks related to human rights.

Every year, Velliv monitors a sample of the votes at portfolio companies in VækstPension Aktiv and VækstPension Index based on selected categories that can be altered as required to ensure insight into trends, and observance of the voting policy. Categories can include largest holdings as well as the world's most heavily CO2-emitting companies. For investments in VækstPension Aftryk, all votes are monitored. Velliv can at any time depart from the voting policy, if that is considered appropriate based on a concrete assessment, for Velliv to achieve its strategic objectives as mentioned in section 2.1.

The voting policy is available on Velliv's voting portal, where Velliv's voting activities are regularly made available as general assemblies are held.

### *2.3.3.2. Dialogues with portfolio companies*

*Proactive dialogues*

Velliv engages in proactive dialogues with companies in the investment portfolio to support sustainable development and value creation in the companies, Velliv invests in, as per section 2.1. Companies are identified via continuous portfolio monitoring and/or analysis of data, supplied by external data providers, or publicly available data that highlights improvement points, which Velliv wishes to address through active ownership.

Velliv generally prioritises dialogues based on an overall assessment of available data and materiality to Velliv's portfolio and Velliv's strategic objective, as per section 2.1, and the strategy for responsible investment, see section 2.3.1. An assessment is also made as to whether dialogue with a company is appropriate in terms of the likelihood of achieving the desired goals.

In addition to having specific goals for each dialogue, dialogues are also valuable owing to the knowledge Velliv obtains on both company-specific and general challenges with accommodating Velliv's asks of the portfolio companies. These insights contribute to Velliv's ongoing management of sustainability concerns and wider stewardship efforts, as per section 2.3.3.5.

*Reactive dialogues*

Velliv's portfolio companies are continuously monitored by an external service provider to ensure compliance with the international principles concerning social and environmental matters as well as corporate governance mentioned in section 2.1. This involves, for instance, compliance with the 10 principles of the UN Global Compact (UNGC), including topics such as labour rights and corruption.

As part of our active ownership, the external service provider pursues dialogues with companies, where monitoring results in the documentation of events in which companies systematically and severely breach these international principles. Incidents are evaluated according to, among other things, their extent, frequency and the duration of the potentially negative impacts on sustainability factors. The purpose of reactive dialogues is to ensure that portfolio companies implement the necessary measures avoid similar events reoccurring.

On topics for which the external service provider, does not monitor portfolio companies' behaviour and activities, Velliv conducts its own research. Where Velliv finds sufficient objective and timely documentation that portfolio companies are in breach of the international principles for responsible business conduct and governance, as per section 2.1, Velliv will initiate dialogue with the portfolio companies.

### *2.3.3.3 Escalation*

It may be necessary to escalate active ownership, if initial measures do not lead to the desired results. Escalation must be proportional to the purpose of the dialogue or other active ownership activity and can involve different escalation tools, such as, voting against re-election of board members at general meetings, filing shareholder resolutions, signing investor declarations or other forms of collaboration with other investors. For dialogues pursued by Velliv, the possible steps of escalation must be evaluated in light of the severity of the issue, its scale and materiality to Velliv.

Velliv's reactive dialogues follow documented breaches of international standards for responsible business conduct and corporate governance, as per section 2.1. The purpose of these dialogues is for the company to implement the necessary measures to ensure that similar incidents do not happen in the future. If this goal is not achieved within a set period, the company will be excluded.

#### *2.3.3.4. External asset managers*

When selecting external managers, Velliv evaluates the external managers approach to responsibility and sustainability in investment decisions. Velliv among other things review the managers overall approach to responsible investing and sustainability, its organisation of responsible investment and integration of sustainability risks and factors into investment processes. Where relevant, Velliv evaluates whether the external managers' definition of sustainable investment aligns with Velliv's approach.

The assessment of the external managers ensures that these meet the expectations following from Velliv's strategic objective for responsible investment, as per section 2.1, and that the manager complies with the sustainability characteristics, which Velliv has presented to the customers for their chosen investment product. The assessment is based on internal and external documentation as well as dialogue with the external manager.

When entering into agreement with Velliv, the selected external managers must acknowledge familiarity with Velliv's Policy for Responsible Investment and Active Ownership, and that they will comply with Velliv's exclusion criteria. Velliv cannot require compliance with Velliv's exclusion list for externally managed funds in listed assets, if Velliv does not have controlling influence over the fund. For externally managed investments in unlisted assets, the external manager must, when entering into agreement with Velliv, acknowledge that Velliv can be excused from potential investments, which are in breach of Velliv's exclusion criteria at the time of the investment. When updating Velliv's exclusion criteria, Velliv cannot require new or heightened criteria in existing fund investments for unlisted assets.

Velliv monitors external managers to ensure that they comply with Velliv's expectations of responsible investment and sustainability practices. Assessments are made annually as a minimum on the basis of information gather from the asset manager as well as through ongoing dialogue. If the assessment reveals the external manager to be non-compliant with Velliv's expectations, Velliv will review the relationship with the asset manager overall and decide on conditions for further collaboration or potentially end the relationship.

As part of the ongoing dialogue with the external managers, Velliv seeks insight into which companies, the asset managers are in dialogue with, which issues and goals are being discussed, and the reason for selecting these particular companies. Velliv can use this information to avoid overlaps in prioritised companies. Velliv can also enter into dialogue with external managers to exchange views on portfolio companies approaches to sustainability related themes.

#### *2.3.3.5. Broader stewardship activities*

To underpin the purpose of promoting sustainable development and value creation in the companies and assets, which Velliv invests in, as per section 2.1, Velliv also works with broader stewardship activities, including through collaboration.

A key focus area, therefore, is to contribute to the ongoing advancement of norms, standards and regulatory frameworks for responsible business conduct through Velliv's external communication and signalling of expectations to other stakeholders, including authorities, service providers and other financial market participants as well as portfolio companies etc.

*Investor collaborations*

Velliv participates in a range of investor initiatives and campaigns through which investors work together to promote responsible conduct and sustainable development, and where Velliv assesses the initiative to contribute towards the strategic objective for responsible investment set out in section 2.1 and the strategy for responsible investment as per section 2.3.1.

Velliv can reinforce its influence vis-à-vis portfolio companies through collaboration, thereby efficiently contributing to achieving desired improvements at portfolio company level. The initiatives Velliv participates in are listed on Velliv's website. Velliv regularly reviews whether memberships are appropriate based on their purpose and contribution to Velliv's strategic objective and strategy for responsible investments, as per section 2.1 and 2.3.1, respectively.

#### *2.3.3.6. Conflicts of interest*

Velliv is aware, that conflict of interest can arise in connection with exercising active ownership. This could be in relation to employees at Velliv, competitors or customers.

Velliv has no restrictions on activities or efforts directed at portfolio companies that are also customers of Velliv, as active ownership is exercised without insight into Velliv's customer relationships and there is adequate separation of functions in the management of Velliv's customer relationships.

All employees at Velliv must continually consider whether the specific processes and work tasks they perform or participate in give rise to actual or potential conflicts of interest. Procedures have been established to ensure that persons who participate in the execution of Velliv's strategies and policies understand where conflicts of interest can arise and how these conflicts should be handled. Established procedures should ensure a reassuring handling of such conflicts if conflicts of interest cannot be avoided.

### 2.3.4 Reporting

Velliv annually reports on its work on responsible investment and active ownership. Reporting contains, among other things, monitoring of the investment portfolios exposure to climate and biodiversity related risks, which Velliv assesses to be the most material sustainability risks to which Velliv is exposed through investments. The reporting also contains Velliv's active ownership. Latest reports are available on Velliv's website.

Additionally, Velliv publishes the disclosures required by SFDR, including the annual statement on principal adverse impacts (PAI statement), which is available on Velliv's website. Periodic disclosures for Velliv's investment products, which report on efforts related to the principal adverse impacts of the products, are also available on Velliv's website.

## 3. Effective date and updates

At its meeting on 5 November 2026, the Board of Directors adopted this policy, which replaces the policy for responsible investments and active ownership of 28 May 2026.

The policy is reviewed regularly and whenever any material changes occur, though at least once a year.

## 4. References

| | |
|---|---|
| Legislation etc. | - The Danish Insurance Business Act no. 718 of 13 June 2023.<br>- Executive Order No. 1723 of 16 December 2015 on Management and Control of Insurance Companies etc.<br>- Regulation 2019/2988 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the '**SFDR'**).<br>- Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (the '**Taxonomy Regulation'**).<br>- Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of do no significant harm, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in precontractual documents, on websites and in periodic reports (the '**Delegated Disclosure Regulation'**). |
| References to other management documents | - Corporate social responsibility policy and guidelines<br>- Investment policy and related governance documents<br>- Investment strategy<br>- Guidelines for responsible investment and active ownership<br>- Strategy for responsible investment and active ownership<br>- Policy and guidelines for risk management<br>- Policy and guidelines for products<br>- Policy and guidelines for anti-bribery and anti-corruption<br>- Rules of procedure of the Board of Directors. |