

1. Introduction and objectives

Velliv's corporate sustainability is driven by the company's values of Care, Optimism and Integrity. In order to be our customers' preferred pension provider, Velliv aims to provide high-quality pension savings and life insurance as well as responsible advisory services to help customers get more out of life. As a customer-owned pension provider, Velliv has a particular responsibility for its impact on society. Velliv aims to run a sound business, to create the best prerequisites for generating attractive risk-adjusted returns for its customers, and to conduct its business activities in a responsible manner. We consider the opportunities that exist for creating long-term sustainable development as well as for contributing to financial stability and solid returns.

Velliv accepts responsibility for the impacts we have on people, the environment and society as a consequence of our business activities, including investing, providing insurance cover and our operations as a company. At the same time, we see opportunities in assuming an active responsibility that benefits customers, employees and society. The objective of our Policy and guidelines for corporate sustainability is to ensure that Velliv is run in a responsible manner, that it incorporates environmental, social and governance (ESG) considerations into its strategy, governance, business activities and reporting, and also ensures consideration of the expectations and needs of our stakeholders. A precondition for this is Velliv respecting national and international legislative frameworks and conventions.

The policy and guidelines apply to all employees of Velliv and can be found on Velnet (Velliv's intranet) and in VelRisk (Velliv's risk-management system).

2. Policy

The policy contains the Board of Directors' overall strategic objectives for the area, including the identification and extent of the risks Velliv is prepared to assume as well as a description of how the strategic objectives are achieved.

Strategic objectives

The strategic objectives are to ensure the active practice of social responsibility, to strengthen Velliv's overall competitiveness, and to contribute to creating sustainable change in society that benefits customers, other stakeholders and future generations. This includes identifying, preventing and addressing, to the extent possible, the current and potential impacts that Velliv's business activities have on people, the environment and society. At the same time, Velliv aims to identify, prevent and address material financial risks and to capitalise on the opportunities the sustainable transition represents.

Velliv actively works to create healthier lives with access to social security and financial peace of mind. Together with its partners, Velliv aims to actively influence the health and security of Danes in a positive direction. Velliv wants to promote diversity, equity and inclusion (DEI), and sees potential in the variation this brings to customers and employees. Velliv recognises and respects human rights as stated in the UN International Bill of Human Rights and also the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work, including the eradication of all forms of human trafficking, forced labour and child labour. This undertaking is operationalised through our company operations and through our partnerships, and is underpinned by the UN Guiding Principles on Business and Human Rights as well as the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

Velliv is committed to contributing to the Paris Agreement's goal of limiting the increase in global temperatures to 1.5 °C and to achieving net zero by 2050. Mitigating and adjusting to climate change is continually incorporated into Velliv's business activities. Velliv's climate goals are realised i.a. through Velliv's operations, through active ownership in our portfolio companies and in our collaboration with suppliers and asset managers, with whom we engage in dialogue to define goals and transition plans for aligning CO₂ reductions with the Paris Agreement, etc. Our work with the environment and climate is based on the OECD Guidelines, EU Taxonomy Regulation, Science Based Targets initiative (SBTi) and the UN Global Compact. Velliv subscribes to a prudent approach to environmental challenges, supports initiatives to promote greater environmental responsibility, and encourages the development and spreading of environmentally friendly technologies, including energy efficiency and renewable energy.

Velliv commits to being an ethically responsible and trustworthy adviser for our customers, both business and personal, and for our partners. Our starting point is our customer's needs, and we adhere to the legislation, professional and independent advisory independence, regardless of any pressure. We are open and transparent about our business activities and do not participate in any form of bribery, corruption or fraud. And we expect the same from our partners.

Based on a materiality approach, Velliv expects that its partners, including suppliers, also implement the processes necessary to identify, mitigate and address current and potential impacts on human rights, the environment and climate as well as anti-corruption and bribery.

Area-related risks

There is a risk that Velliv's investments, partners and business operations could have an adverse impact on either society or Velliv. There is potentially a risk of Velliv causing, contributing to or being linked to material impacts on human rights, the environment or corporate conduct.

Adverse social impacts occurring could also give rise to reputational risks that may have consequences for the company's potential to attract and retain customers and employees and to enter partnerships.

The purpose of this policy is to define the framework for how these risks can be contained with the help of strategic choices and operational processes relating to investments, insurance cover and company operations, both outwardly in relation to customers and partners and inwardly in relation to employees.

Methods and processes

Velliv integrates social responsibility and sustainability into its governance, business strategy, management systems and company operations. Velliv operationalises social responsibility and sustainability via an ESG due diligence process across Velliv. The ESG due diligence process covers investments, suppliers, customers and employees and involves the following elements:

1. Integration into policies and strategies
2. Identification and assessment of current and potential ESG impacts, risks and opportunities
3. Prevention and mitigation of potential impacts
4. Stopping current adverse impacts and minimising the extent of impact
5. Establishing and maintaining a complaints mechanism
6. Monitoring the effectiveness of the ESG due diligence process
7. External communication and reporting on the results of the ESG due diligence process to stakeholders

A key element of the ESG due diligence process is maintaining an ongoing and meaningful dialogue with Velliv's stakeholders.

3. Guidelines

The guidelines form the framework for the decisions the Executive Board may take in the area covered by the Policy and guidelines for corporate sustainability and – where relevant – the limits the Executive Board is subject to in the area, including in relation to risk taking. They also lay down rules for monitoring and reporting to the

Board of Directors to ensure that the risk assumed and the decisions taken by the Executive Board fall within the risk appetite of the Board of Directors.

Framework

The Policy and guidelines for corporate sustainability apply to all employees of Velliv. Leaders have a particular responsibility to set a good example and to ensure that all employees in their area of responsibility know and adhere to the policy and guidelines.

The Executive Board is responsible for implementing the Policy and guidelines for corporate sustainability and must ensure that adequate business procedures, function descriptions, manuals and contingency plans are in place and relevant committees appointed.

The Executive Board and the social responsibility committee are tasked with executing the strategy, including prioritising our work with social responsibility. The Executive Board also has overall responsibility for Velliv establishing relevant business procedures and processes for the implementation of the policy and guidelines.

Likewise, the Executive Board is responsible for ensuring that the relevant business units are tasked with integrating social responsibility into day-to-day operations and with implementing prioritised initiatives.

Monitoring and controls

The responsible business areas prepare business procedures that describe processes and indicators for the monitoring and control of those parts of the corporate sustainability policy that each business area is responsible for implementing.

The Executive Board is responsible for ensuring that established business procedures result in the monitoring and control of all material risk-bearing tasks in the area being carried out at appropriate intervals.

Reporting

Velliv is obliged to report on social responsibility (ESG) in accordance with the Executive Order on Financial Reports for Insurance Companies and Multi-employer Occupational Pension Funds. Velliv reports annually on social responsibility (ESG) as part of the company's integrated annual reporting. This reporting also functions as the foundation for Velliv's CSRD (Corporate Sustainability Reporting Directive) reporting and its annual COP (Communication on Progress) report to the UN Global Compact.

Finally, the Board of Directors is updated at least once a year on Velliv's work with social responsibility, typically in connection with approving the mandatory social responsibility report.

4. Effective date and updates

At its meeting on 29 August 2024, Velliv's Board of Directors approved this Policy and guidelines for corporate sustainability, which replace the Policy for corporate sustainability of 31 August 2023.

The Policy and guidelines for corporate sustainability are reviewed regularly and whenever any material changes occur, though at least once a year. The Policy and guidelines for corporate sustainability are communicated internally and externally and are available on Velliv's website.

5. References

Legislation and international principles and standards

Legislation:

- The Danish Insurance Business Act - including the Executive Order on Financial Reports for Insurance Companies and Multi-employer Occupational Pension Funds
- The Corporate Sustainability Reporting Directive (CSRD)
- The Sustainable Finance Disclosure Regulation (SFDR)
- The EU Taxonomy regulation

International principles and standards for the operationalisation of social responsibility:

- The UN Global Compact's 10 principles (UNGC)
- The UN Guiding Principles on Business and Human Rights (UNGP)
- The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
- The UN Principles for Responsible Investment (PRI)
- UN 17 Sustainable Development Goals
- The Task Force on Climate-related Financial Disclosures (TCFD)
- The Paris Aligned Investment Initiative
- The Finance for Biodiversity Pledge

References to other policies and guidelines

Policy for investment
 Policy on Responsible Investments and Active Ownership
 Diversity, Equity and Inclusion Policy
 Policy on remuneration
 Press policy and guidelines
 Tax Management and Reporting Policy
 Anti-Bribery and Anti-Corruption Policy
 Anti-Money Laundering and Counter Terrorist Financing
 Product Policy
 Insurance Risk Policy
 Data Ethics Policy
 Risk Management Policy
 Compliance Policy
 Policy and guidelines for IT security and risk management
 Policy and guidelines for data protection