

Sustainability-related disclosures

- VækstPension Aftryk Low Risk (excl. DinKapital)

Summary

The ambition with VækstPension Aftryk is to provide the best possible environmental and social footprint while ensuring an attractive financial return. The financial product promotes environmental or social characteristics but does not have sustainable investment as its objective.

The pension savings product aims to promote the following environmental and social characteristics:

- The pension savings product promotes the best possible environmental and social footprint by including at least 50% sustainable investments.
- The pension savings product includes investee companies that are undergoing an evident transition.
- The pension savings product includes investments that enable or responsibly contribute to other actors being able to continue their development or achieve their transition.
- The pension savings product promotes responsible and sustainable corporate practices through voting at company general meetings and by engaging in dialogue with companies, for example when breaches of international principles for responsible business conduct are observed.
- The pension savings product excludes investments that in Velliv's view are not aligned with the aim of contributing to a more sustainable world.

The contribution to the pension savings product's environmental and social characteristics is attained through the product's investment strategy, which is based on four investment categories:

1. **Leaders:** Investments making a particularly positive contribution to people and planet. For example, by contributing to better public health, renewable energy or new, innovative technologies.
2. **Transitioners:** Investments undergoing an evident transition considered beneficial to people and planet. The transition is driven by a clear plan with specific targets and initiatives.
3. **Enablers:** Investments enabling or responsibly facilitating the continued development or successful transition of other actors. For example, by supplying necessary technology, infrastructure, financing or minerals.
4. **ESG best-in-class:** Investments considered among the best in their field at addressing environmental (E), social (S) and governance (G) considerations. They represent various sectors and are included to create the necessary robustness and diversification in VækstPension Aftryk.

The product also works to influence companies towards improving relevant sustainability-related factors through our active ownership. With respect to our externally managed investments, we set the bar high for asset managers in relation to their work with sustainability factors. Furthermore,

companies and countries that are not aligned with the aim of contributing to a more sustainable world are excluded from the product's investment universe.

Investment decisions in VækstPension Aftryk are guided by Velliv's policy for responsible investments and active ownership, which is based on international principles and guidelines, including the UN Global Compact, the UN Guiding Principles on Business and Human Rights, as well as the OECD's Guidelines for Multinational Enterprises. Moreover, we measure principle adverse impacts (PAIs) in connection with both the investment selection process and the ongoing monitoring of our investments. The principle adverse impacts of investment decisions on sustainability factors are reported annually.

With VækstPension Aftryk, our ambition is to balance the highest possible return against the best possible environmental and social impact. The strategy therefore ensures a broad spectrum of investment possibilities, such as listed and unlisted equities, corporate debt and property, while maintaining a balance between return and investment risk as well as compliance with the product's characteristics as a life-cycle product.

The planned proportion of investments that promote environmental and social characteristics is 95%, with at least 50% being sustainable investments.

With VækstPension Aftryk, investments are made both in-house and through external asset managers. To ensure that the selection of external asset managers is in accordance with Velliv's views and policies on the area, regular assessments are made of the asset managers' qualities, methods and processes.

At Velliv, we continually monitor whether investments comply with our policy for responsible investments and active ownership. If the data, analyses or screening show non-compliance, we generally engage in dialogue with the company. Should the company exhibit neither will nor desire for change, exclusion may be a necessary last resort.

The product's environmental and social characteristics are monitored by sourcing ESG data from external data providers. Data is processed in-house using recognised and tested systems and in compliance with the business and work procedures that apply to the area.

The scope and quality of available sustainability data vary – a natural result of the implementation timetable for the regulations that aim to secure available data on the area. Velliv currently has access mainly to data on listed companies and to a lesser extent unlisted investments.

The available data, the methods determined by Velliv, and the implemented system support ensure that we can continually monitor and assess the promotion of environmental and social characteristics as well as developments in the proportion of sustainable investments. Hence, the limitations do not affect the fulfilment of the prospective sustainability characteristics that we present the customer with.