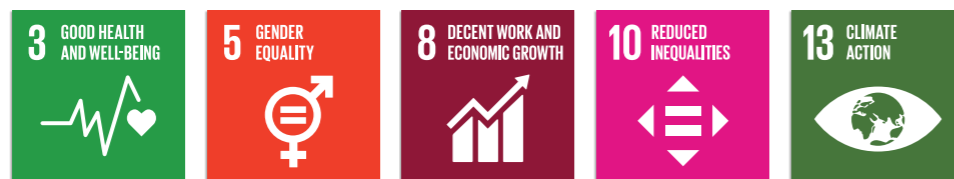


Sustainability report 2020

Sustainability report

The digital development enables new ways of working, greater transparency, more personalised products and services, and huge opportunities to build a more sustainable society. Our responsibility, as an insurance company focusing on pensions and insurance cover for life and health, is to contribute to a more sustainable development, both from a collective and individual perspective. The starting point for Movestic's sustainability efforts are five of the Sustainable Development Goals from the UN.



The pension industry is committed to fighting climate change by providing sustainable investment options. By investing in operations and industries that work towards a more sustainable future, we promote a development towards more sustainable solutions to the big, existential questions, like our future energy supply and food security.

To help our policyholders identify savings products that have the right level and approach to sustainability for them, we assess and rate all funds included in Movestic's offering on an ongoing basis. We are also working to broaden our fund offering by including funds that in novel ways contribute to a more sustainable society. At the end of 2020, 8 out of 10 funds in Movestic's offering were sustainable according to our traffic light model.

Movestic's sustainability efforts also focus on the individual person in a sustainable society, and on our customers' financial security, now and in the future. In an increasingly individualistic society, we as an insurance company have a responsibility for making sure that the insurance cover we provide becomes more and more tailored to the needs of the individual. We also have a responsibility to communicate in a simple and transparent way, to enable our customers to absorb the information and make well-informed decisions, to make advisory services generally available, and to make sure that more people get access to independent advice, free from conflicts of interest. It is also our responsibility to continuously monitor areas where conflicts of interest may arise.

Focus on the individual also involves focusing on our employees and on how we can create the conditions required for a long and sustainable working life, with focus on health, wellbeing, and work-life balance. We do this by offering health promotion, rehabilitation where needed, ongoing involvement in the development of the organisation, equality targets, and a focus on diversity. In 2020, the year of the pandemic, a lot of effort has been made to improve the working environment for employees working remotely, a practice which involves a number of new challenges. One example is the need to ensure that all employees feel included, and not isolated. We also do our best to ensure that our employees have the ability to adapt to new working practices for the longer term, by providing further training in emerging areas, such as new technology, thereby contributing to the long-term development not only of the individual, but of the company, industry, and society as a whole.

Movestic's sustainability work covers three areas:

1. **Responsible investments** with focus on the long-term sustainability of our society
2. **Financial security** for our customers, now and in the future
3. A long-term **sustainable working life** for our employees and for society as a whole

SUSTAINABILITY RISKS

Movestic operates in an industry based on confidence, where security and value-generation for our customers, both today and in the future, are vitally important. Everything we do has an impact on the trust of our customers and other stakeholders, which is why our efforts to apply a high level of integrity in both the implementation of regulatory frameworks and governance are given high priority. Our work to encourage responsible investments, a sustainable working life, and financially secure customers is governed by clear policies and guidelines, and we continuously work to adapt to new conditions in the world around us.

Despite our high ambitions, there is a risk that we are unable to meet our customers' expectations, or our own high demands, in relation to the climate impact of our investment products, for example due to a lack of information, and this must always be taken into account. Other important risk areas for Movestic include compliance and corruption. This is why we work ceaselessly to ensure compliance with all legal requirements, and to prevent all instances of corruption. We also work proactively to identify any conflicts of interest. Compliance also in-

volves a sustainability risk, which relates to the way in which we manage personal data. Secure and correct management of personal data will be a key issue for any operation handling large amounts of data, and is vital if we are to retain the trust of our customers. To safeguard the personal integrity of our customers by managing the data they have entrusted us with in a responsible way is a natural part of Movestic's administrative work, and something that will always be a priority.

SUSTAINABLE INVESTMENTS

The sustainability area is constantly changing. The requirements placed on us as a company, and the requirements we in turn place on the fund companies included in our offering, are constantly increasing.

Movestic's way of looking at sustainable investments is that a focus on sustainability issues, including the environment, ethics, human rights and good business ethics, bring long-term added value to savers. Sustainability is an integrated part of Movestic's investment analysis, and permeates our development of new products and services.

Sustainability matters are a standing item on the agenda when Movestic meets fund managers. We continuously monitor and try to



Responsible investments

Investments with focus on long-term sustainability for the individual and for society



Sustainable working life

A working life that is sustainable in the longer term for both employees and society as a whole



Financially secure customers

Genuine concern for our customers to provide financial security today and in the future

influence the funds included in our offering. We are actively trying to convince the fund companies to use their power to influence the companies in which they have invested, to:

- ▶ Ensure that the board of directors, management team, and the company as a whole are characterised by diversity,
- ▶ Be active at AGMs and use the vote their ownership entitles them to,
- ▶ Hold a proactive sustainability dialogue with the companies in which they invest,
- ▶ Follow international norms relating to environmental protection, human rights, working conditions, and anti-corruption,
- ▶ Sign the UN's Principles for Responsible Investments, UN PRI.

The field of sustainability is constantly evolving, both when it comes to which areas the term covers and what should be regarded as sustainable within each area. The financial industry keeps being subjected to new requirements to contribute towards a sustainable development. In 2021, new EU regulations on sustainable investments will come into force. The implementation of the taxonomy and disclosure regulation is aimed at increasing transparency. It will become easier for consumers to identify and compare environmentally sustainable investments. We have noted that some fund companies have already adapted in preparation for the new regulations, and look forward to following these developments.

MOVESTIC'S SUSTAINABILITY REVIEW

2020 became the fourth consecutive year of Movestic's review of the fund companies included on the Movestic fund platform. The results are published as an overview, aimed at making it easier for savers to make well-informed choices, and to enable them to combine saving for the future with having a positive impact on the environment and our society. During the year, the fund offering was extended to make it easier for our customers to create diversified savings portfolios. The fund offering includes equity funds, fixed-income funds, and hedge funds. Each category contains both actively and passively managed funds, with focus on different regions and sectors. In 2020, additional funds with a sustainability focus were added to the offering.

This year's overview covers the 117 funds included in Movestic's fund offering*.

*As per the 30 November 2020

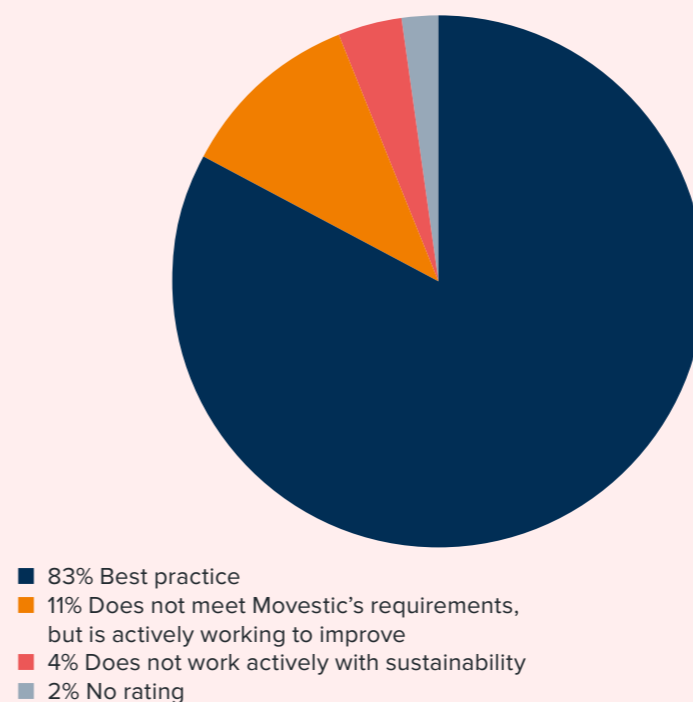
CONTINUED POSITIVE TREND AND INNOVATION

In the four years we have published our sustainability overview, the quality of the sustainability work among the funds in Movestic's fund offering has kept improving, and is generally high. A large proportion of the funds choose not to invest in controversial industries and we are seeing improvements in their efforts to actively influence companies.

Another reason for the increased quality in our sustainability work is the fact that Movestic prioritises sustainability when new funds are selected. All funds added during the year meet our basic criteria for working with sustainability. They have integrated sustainability efforts in their investment analyses, and hold active dialogues to try to influence the companies in which they invest.

During the year, we discovered that a number of fund companies had made significant progress when it came to introducing and integrating sustainability in their investment process. As a result of this

Sustainability ratings, funds in Movestic's offering



positive trend, some funds have been awarded international prizes, as well as Swedish sustainability certifications.

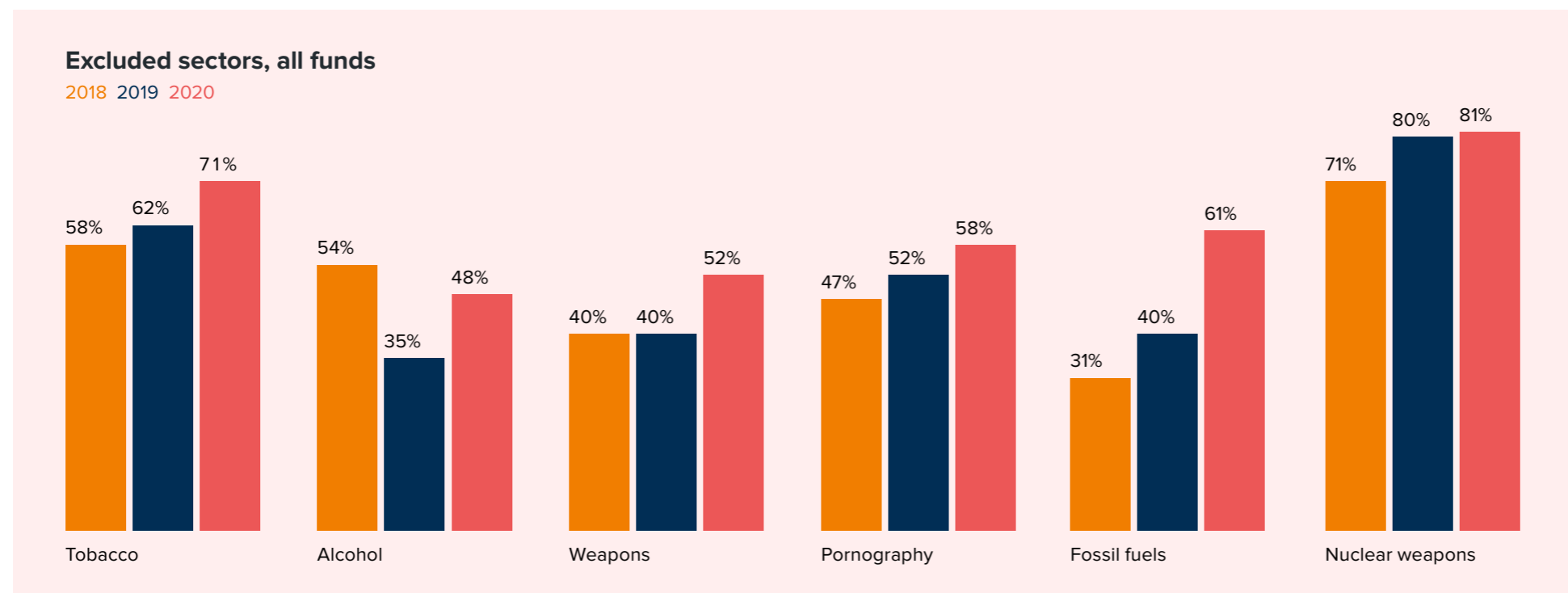
All fund companies represented in Movestic's fund offering have a sustainability policy in place, which in most cases is also implemented in the funds themselves, sometimes with specific applications at fund level. The view of sustainability has changed from simply being regarded as a risk, to also being seen as an opportunity to increase revenue.

Many fund managers work actively with both reactive and proactive influencing, and larger fund companies in particular have become better at reporting and measuring the outcomes of the dialogues they hold with the companies. This is a positive development, as it both puts pressure on the companies to act and improves transparency for the customers.

EXCLUSIONS STILL THE MOST COMMON APPROACH

The traditional borders between including, excluding, and influencing companies are gradually disappearing. The fund managers now take more overall responsibility and use a variety of different approaches. The most commonly used approach to achieve sustainable investment is still to exclude companies that operate in undesirable sectors when investments are made. This year's sustainability overview shows that more and more funds choose to exclude entire sectors from their investment universe.

A greater focus on climate-related matters means that the main difference from previous years is that many more funds are choosing to exclude fossil fuels. Fossil fuels also represent the biggest change when it comes to excluding a specific sector over a 3-year period. In 2018, 31 percent of the funds claimed to exclude fossil fuels, in 2020 this share was twice as big; 61 percent of the funds now stated that they do not invest in fossil fuels.



GREATER FOCUS ON THE CLIMATE

Movestic's sustainability efforts relate to four general areas: climate, health, ethics & governance, and social development, and have three different aims:

- Responsible investments, with focus on the long-term sustainability of our society
- A working life that is sustainable in the longer term, both for our employees and for society overall
- Financial security for our customers, now and in the future

To achieve these aims, the Company has chosen to focus on five of the UN's sustainable development goals, which relate to these areas. One of these is Climate Action, an area which is getting more and more media attention. A number of the funds in Movestic's offering have also chosen to commit to this issue. The proportion of funds that work to combat climate change has increased since last year's report, from 57 to 76 percent. We have also noted a greater interest in promotion of well-being, and in working towards more equality.

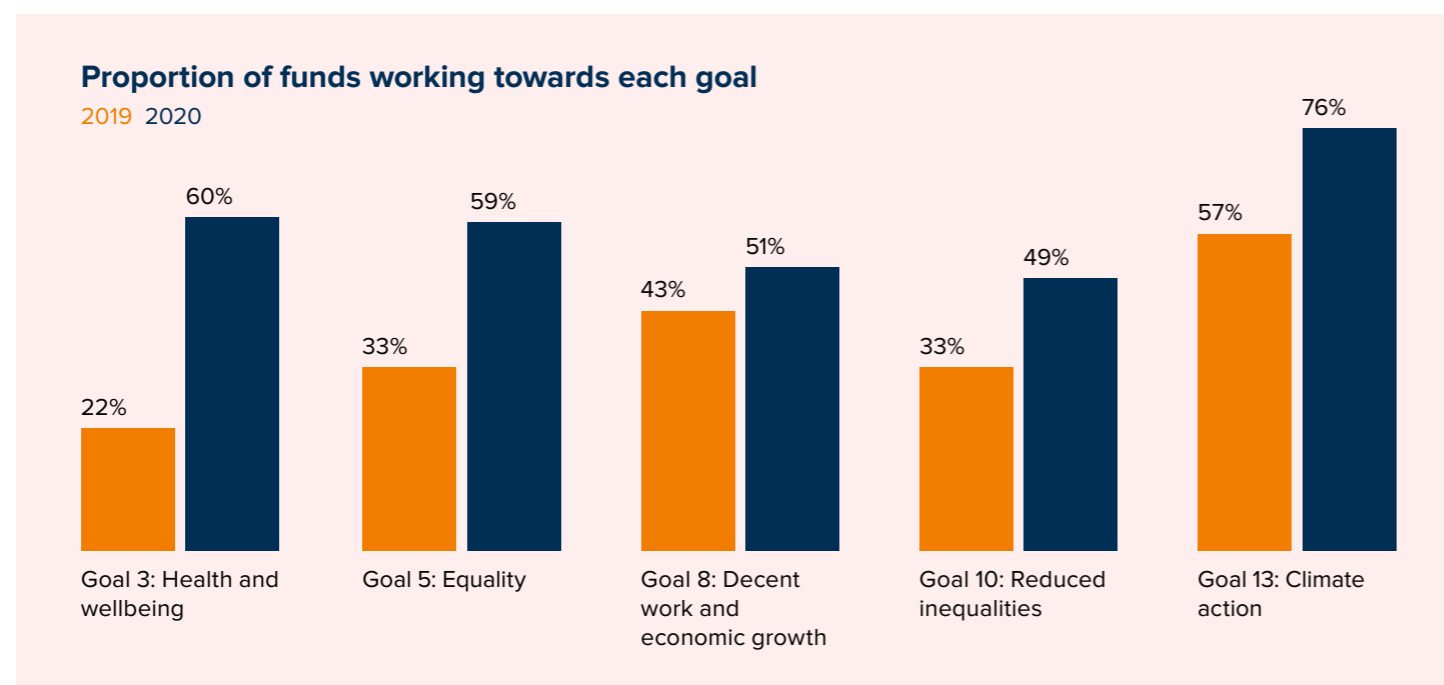
MEMBERSHIPS AND INFORMATION

In 2016, Movestic signed up to the UN Initiative for Responsible Investments, UNPRI. We use the six principles as a starting point, and aim to be transparent about the work we do to implement these principles. One of Movestic's basic requirements when we choose which fund companies to include on our platform is that they must have signed the UNPRI. 100 percent of the funds in Movestic's offering have now signed the UNPRI, thereby committing to following the six principles for responsible investments, and agreeing to being subjected to annual assessments.

As part of the UNPRI, Movestic is assessed on an annual basis. In 2019/2020, Movestic was awarded a higher rating in four of six modules.

MOVESTIC REPRESENTED IN INSURANCE SWEDEN'S REFERENCE GROUP

Since the spring of 2019, Movestic is represented on Insurance Sweden's reference group for sustainability. The group is preparing a proposal for how the insurance industry can remain an important societal stakeholder in the sustainability area.



Sustainability in numbers

49%

► Proportion female employees



► Proportion women on the board of directors: 20%



► Proportion women in management team: 60 %



► Proportion female managers: 52%

42

► Average age of employees

120

► Number of employees

22

► Employee Net Promoter Score



► 100 % Climate compensation for work-related travel



► Carbon footprint of the operation in 2019: 20 tonnes

100 %

Organic fruit and coffee Environmentally certified paper



► 131 907 kWh Energy consumption



► Sick leave: 1,21 %



► Proportion of employees utilising the fitness vouchers.: 70%

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