

Sustainability Report

Movestic 2021

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. As an insurance company focusing on pensions and insurance cover for life and health, our responsibility 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 with the right level and approach to sustainability for them, we have since 2015 assessed and rated all funds included in Movestic's offering on an annual basis. We are also working to broaden our fund offering by including funds that in novel ways contribute to a more sustainable society. This year's review included 138 funds that were available in Movestic's regular fund offering at the end of 2021. According to the

Company's own traffic light model, 9 of 10 funds in Movestic's offering are now sustainable.

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 the insurance products we provide become 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 2021, a year when we swung between working remotely and in the workplace, we have continued to improve the psychosocial working environment of our employees.

During the autumn, Movestic introduced a new way of working that will be used in the future, which means that employees spend three days a week in the workplace and can choose to work from home on the remaining two, as long as they are still able to perform their duties to a high standard. This new way of working will be reviewed on an ongoing basis, and the impact on both employee health and the business operation will be monitored.

Movestic is also actively working to ensure that our employees have the ability to adapt to new working practices in 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.

Sustainability is an integrated part of Movestic's investment reviews and should inform all development of new products and services.

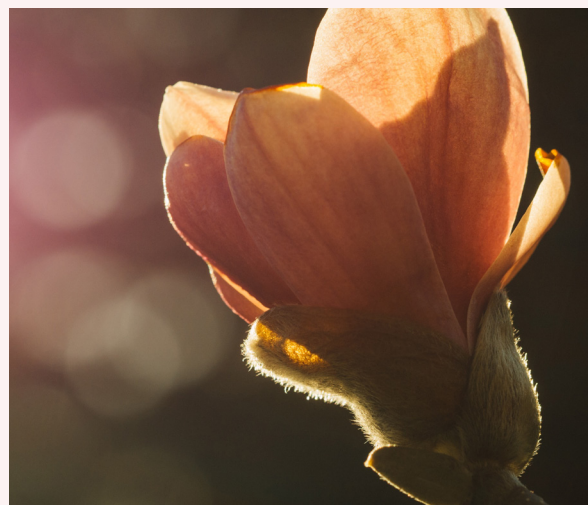
Movestic's sustainability work is concluded in three focus areas:

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 promote 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.



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

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 involves a sustainability risk, relating 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.

A risk that emerged during the pandemic is the risk of higher stress levels in employees working remotely, both due to the increased risk of becoming isolated and to the increased responsibility for managing themselves and their work. There is also a potential risk of additional stress caused by returning to workplaces, which involves many more social contacts and impressions within a short space of time, as well as the uncertainty brought by the pandemic as to where duties will be performed both in the short and longer term. Movestic is actively working to minimise these risks by holding an active dialogue with its employees, offering clear communication, and a gradual return to the workplace.

Sustainable investments

The financial sector has been given a special task in the transition towards a more sustainable society with changed behaviours and more sustainable solutions. Extensive regulations regarding reporting and classification of sustainable investments are currently being implemented. These will make it clearer and easier for both small and large investors to understand how they can contribute to this transition and make well-founded decisions.

New EU regulations concerning sustainable investments came into force in 2021. The new Disclosure Directive aims to improve transparency and make it easier for savers to find and compare environmentally sustainable investments.

Funds are classified based on how well sustainability risks are taken into account and integrated in the management approach. They are divided into three categories:

- Article 8, funds which promote environmental or social characteristics, also known as 'light green'. This can include funds which have put in place sustainability criteria and therefore exclude companies in sectors not considered sustainable, such as fossil fuels, however these funds do not have sustainability as their overall goal.
- Article 9, funds that have sustainable investments as their objective, also known as 'dark green'. These funds invest in companies that have a positive impact on the environment or society. Examples include companies with products that help solve the climate issue or companies striving to prevent or solve societal problems.
- Article 6, funds that do not meet the requirements set by the EU, or have chosen not to report according to these.

During the year, Movestic increased the number of sustainability certifications provided in its list of funds, adding EU classifications for Article 8 & 9, low CO2 risk, Svanen Certification, and norm-based screening.

Advocacy efforts

Sustainability is a permanent item on the agenda when Movestic meets fund managers. We continuously monitor and try to influence the funds included in our offering. This primarily involves 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.

Movestic's sustainability ranking

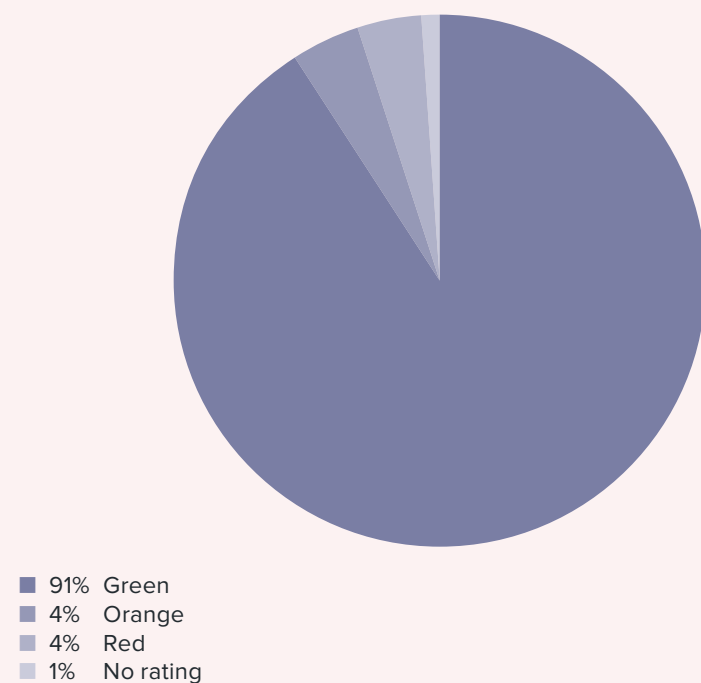
2021 became the fifth consecutive year that Movestic ranked the fund companies included on its fund marketplace. The results are published as an overview with the aim to make it easier for savers to make well-informed choices, and to enable them to combine saving for the future with having a positive 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 share funds, interest funds, and hedge funds. Each category contains both actively and passively managed funds, with focus on different regions and sectors. In 2021, additional funds with a sustainability focus were added to the offering.

Continued positive trend and innovation

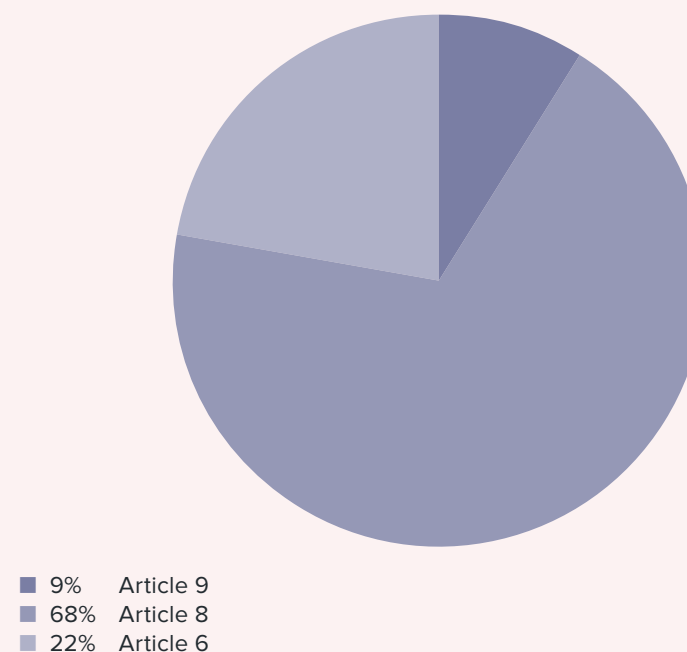
In the five years we have published our sustainability overview, the quality of the sustainability efforts among the funds in Movestic's fund offering has kept improving and is generally high. Over time, the quality of the sustainability efforts of the fund companies has improved, the proportion of funds given a green rating has increased from 47 percent in our first overview to the current 91 percent.

All fund companies represented in Movestic's fund offering have a sustainability policy in place, which is in most cases is also implemented in the funds themselves, sometimes with specific applications at fund level. They have integrated their sustainability efforts in their investment assessments and hold active dialogues with the companies in which they invest, to attempt to influence them. We

Movestic's sustainability ratings



EU Classification



have noted that the fund companies increasingly make active efforts to influence, and over 80 percent make use of their right to vote at AGMs.

One of Movestic's basic criteria for including fund companies in its offering is that they must have signed the UN PRI. 100 percent of the funds in Movestic's fund offering have now signed the UN PRI, thereby committing to following the six principles for responsible investments and agreeing to being subjected to annual assessments.

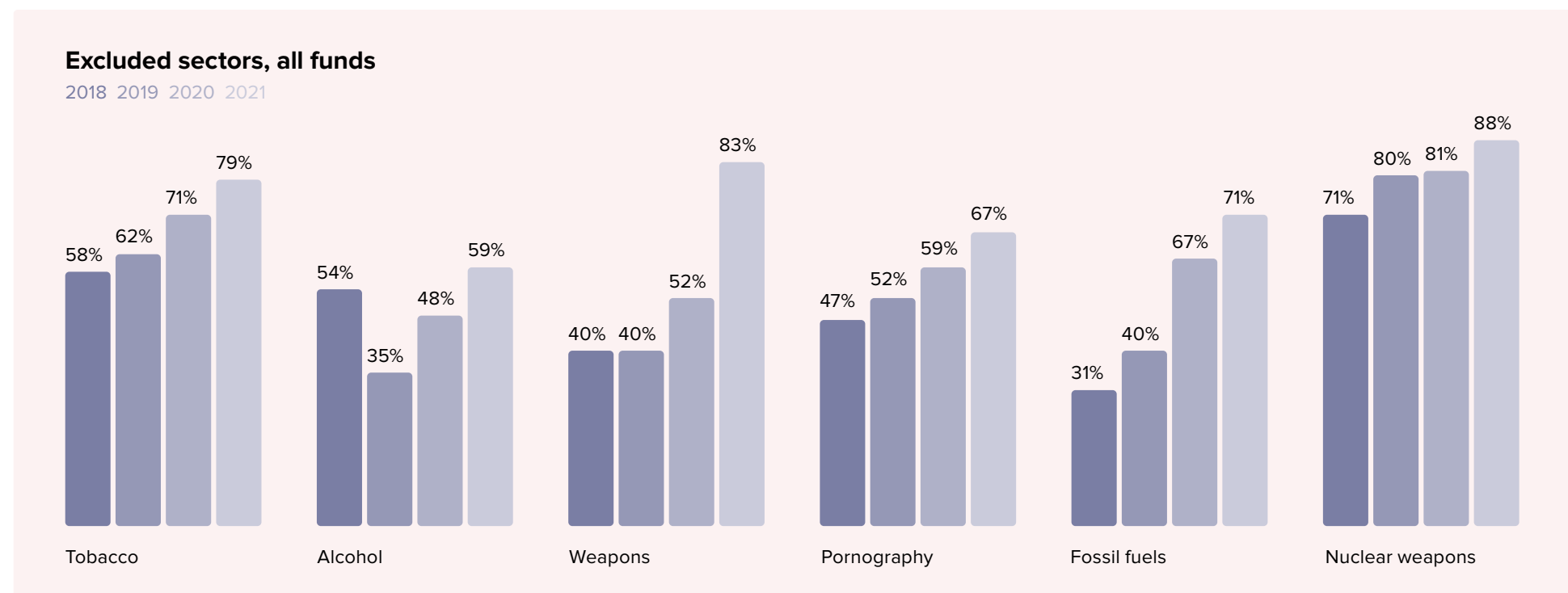
Many managers work actively with both reactive and proactive influencing, and both larger and smaller fund companies have got better at reporting and measuring the outcomes of the dialogues they hold with the companies. This is a positive development, as it both puts pressure on the companies to act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

Another reason why Movestic's offering has become more sustainable is our focus on sustainability in the selection process for new funds.

All funds that were added during the year meet our basic criteria for sustainability work and promote either environmental or social characteristics, for which the manager has put in place sustainability requirements and will exclude sectors not considered sustainable, i.e. Article 8 funds. We have also added funds with sustainable investments as a goal, so called Article 9 funds, where the manager invests in companies making a positive impact on the environment or society. These can be companies with products that contribute to solving the climate issue, or companies working to prevent or solve social problems in society.

Exclusions still the most common approach

The traditional borders between including, excluding, and influencing companies are gradually disappearing. The managers now take more overall responsibility and use a variety of different approaches. The most commonly used approach to achieve sustainable investments 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 sphere.

There is still a strong focus on climate-related matters and the proportion of funds choosing to exclude fossil fuels keeps increasing. Fossil fuels also represent the biggest change when it comes to excluding a specific sector over a 4-year period. In 2018, 31 percent of the funds claimed to exclude fossil fuels, in 2021 this share had increased further, and 71 percent of the funds now claim not to invest in fossil fuels.

Big focus on climate

In preparation for this year's sustainability report, we asked the fund managers to select the five most important global sustainability goals that they are actively working towards as part of their management activities. Goal 13, i.e. Climate Action, remains by far the most important sustainability goal among the fund managers.

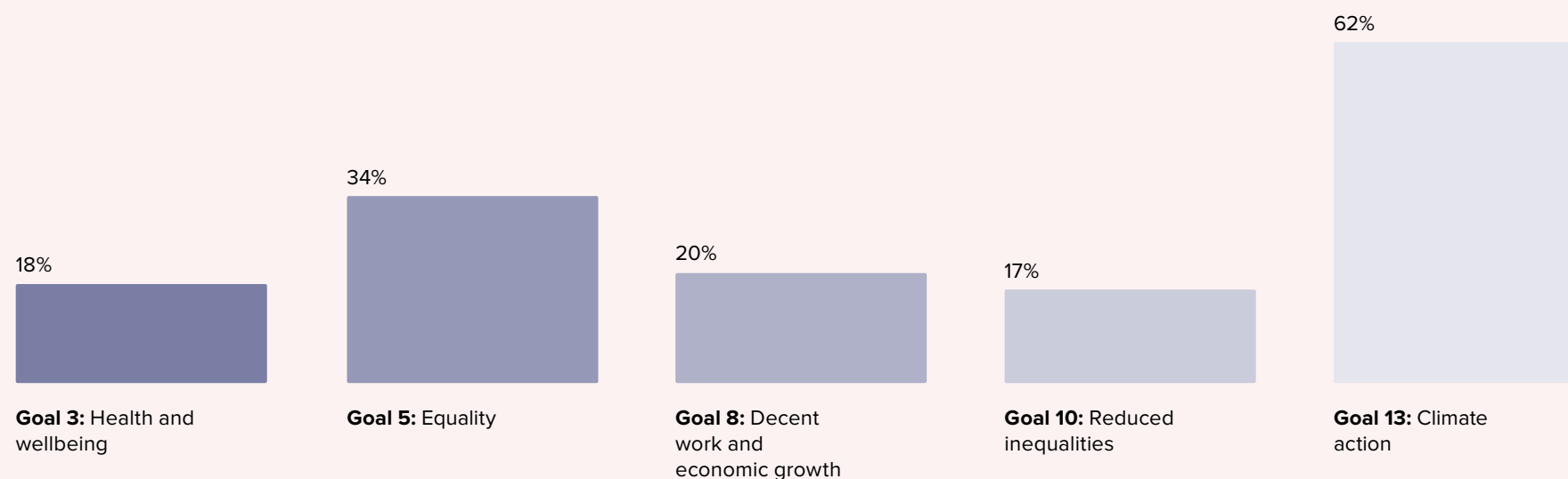
Memberships and information

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% of the fund companies 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.

Movestic represented in Insurance Sweden's reference group

Since the spring of 2019, Movestic is represented in 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.

Proportion of funds working towards each goal



Sustainability in numbers

49%

Proportion female employees



Proportion women on Movestic's board of directors: 17%



Proportion women in Movestic's management team 60 %



Proportion female managers 48%



Climate compensation for work-related travel



Movestics CO2-avtryck 2021: 24 ton

100%

Environmentally certified paper
Organic fruit and coffee



119 984 kWh
Energy consumption

42

Average age of employees

128

Number of employees (per 31 Dec 2021)

14

ENPS Employer Net Promoter Score



Sick leave: 2,54%



Proportion of employees utilising the fitness vouchers: 75%

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