

Norwegian Transparency Act Statement 2023

Nordea Liv Forsikring AS

and

Nordea Liv Eiendom AS

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1 Background

This statement constitutes Nordea Liv's account for the financial year 2023 as required by the Norwegian Transparency Act. The wholly owned subsidiary Nordea Liv Eiendom AS (Nordea Liv Eiendom) is included in this statement.

2 About Nordea Liv and Nordea Liv Eiendom

Nordea Liv is the third largest provider of life and pension products in Norway. Nordea Liv offers corporate and individual pension products, life insurance coverages and investment products with insurance elements.

Nordea Liv Eiendom AS (Nordea Liv Eiendom) is a wholly owned subsidiary of Nordea Liv. Nordea Liv allocates a portion of the pension funds to property investments through Nordea Liv Eiendom. There are no employees in Nordea Liv Eiendom. The management of the portfolio has been outsourced to Malling & Co Forvaltning (Malling). Employees in Nordea Liv follows up the outsourcing agreement on behalf of Nordea Liv Eiendom.

The companies are 100 % owned by Nordea Bank Abp ("Nordea") and adhering to the Nordea human rights governance and strategy implemented throughout Nordea. Section 3 describes the Guidelines and procedures for Nordea that encompass Nordea Liv and Nordea Liv Eiendom.

3 Guidelines and procedures

3.1 Human rights commitment

We in Nordea are committed to respecting internationally recognised human rights standards and meeting the corporate responsibility to respect human rights as defined in the UN Guiding Principles on Business and Human Rights. We expect the same from our suppliers, the companies in our investment portfolio, our customers and other business relationships.

Nordea's definition of human rights rests on declarations and treaties such as:

- The Universal Declaration of Human Rights
- The nine core international human rights treaties under the UN
- The International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work
- The UN Declaration on the Rights of Indigenous Peoples

Our approach to respecting human rights is guided by the principles and recommendations of:

- the UN Guiding Principles on Business and Human Rights
- the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct

We are also guided by the following voluntary commitments to which we have pledged our support as signatories:

- UN Global Compact – corporate sustainability initiative
- Principles for Responsible Banking
- Equator Principles for financial institutions

In addition, we are a partner of the Investor Alliance for Human Rights and UN Principles for responsible Investments.

3.2 Human rights governance

Our human rights governance is integrated in our Sustainability governance structure, which in turn is founded on the principles of accountability, transparency and ethical principles. Our governance is designed to embed the respect for human rights across our operations. It fosters collaboration, engagement, and accountability throughout the organisation, enabling us to address human rights challenges effectively.

The Board Operations and Sustainability Committee, Board Risk Committee, Board Remuneration and People Committee and Board Audit Committee assist the Group Board (the Board of Directors of Nordea) in fulfilling its oversight responsibilities regarding Group adherence to human rights commitments and goals, and associated remuneration.

The Group Leadership Team (GLT) of Nordea is responsible for overseeing the implementation of our human rights commitments as part of our Group strategy. GLT is supported by the Sustainability and Ethics Committee, Risk Committee and Asset & Liability Committee, coordinating within the Group to ensure commitment to and ownership of Group-wide prioritisations, decisions and implementation of human rights considerations. In addition, we have a Group Accountable Executive in GLT responsible for sustainability, including human rights.

Upholding human rights in our daily business practices is the responsibility of each employee, regardless of their role or department. All employees are accountable for integrating respect for human rights into their work and contributing to Nordea's collective efforts, as stated in the Nordea Code of Conduct.

3.3 Human rights policies

In addition to our Human Rights Policy¹, our commitment to respect human rights is explicitly stated in different policies and statements that further explain the operational application of the commitments in the Human Rights Policy. Our Code of Conduct, together with other internal rules as well as our sustainability strategy serve as the foundation for our management of human rights. Human rights is addressed *inter alia* in our Code of Conduct², Sustainability Policy³, Responsible

¹ Human Rights Policy available at www.nordea.com/en/doc/nordea-human-rights-policy-3.pdf

² Code of Conduct available at www.nordea.com/en/doc/code-of-conduct.pdf

³ Sustainability Policy available at www.nordea.com/en/doc/nordea-sustainability-policy.pdf

Investment Policy⁴, Life & Pension responsible investment policy⁵, Diversity & Inclusion Policy⁶, Supplier Code of Conduct⁷, and sector and thematic guidelines⁸.

3.4 Grievance mechanisms

Nordea's whistleblowing function Raise Your Concern (RYC)⁹ ensures that all stakeholders, including customers, partners, affected communities and employees, have the right to speak up and always feel safe in doing so if they have concerns about suspected misconduct such as breaches of human rights or irregularities such as fraudulent, inappropriate, dishonest, illegal or negligent activity or behaviour in our operations, products or services. This includes any action that constitutes a violation of laws or regulations or of our internal policies, instructions or guidelines.

Cases reported through RYC form part of the monitoring of compliance with the Code of Conduct. A summary of key trends and statistics on cases are also reported on a no-names basis to the Chief Compliance Officer, the Chief People Officer and the Chief Risk Officer in addition to being included in management reports and reports to the Group Board. Furthermore, the RYC process and investigations are subject to regular quality controls with defined escalation procedures to report any process deviations. In 2023, no cases concerning severe human rights issues and incidents connected to the Group's own workforce (for example forced labour, human trafficking or child labour) were reported via RYC. At Nordea, in accordance with internal policies, we do not intimidate or retaliate against colleagues or others who raise a concern in good faith or against those who assist with inquiries or investigations of such violations.

3.5 Training for employees and members of the Board of Directors

All Nordea employees are required to complete annual Code of Conduct training to ensure proper awareness and knowledge of our ethical principles including human rights. In 2023 the entire Group Board of Directors received training on human rights.

4 Due diligence processes Nordea Liv

Nordea Liv recognises both the significance of and challenges associated with upholding human rights. We also recognise that we may contribute or be linked to adverse human rights impacts through our operations, suppliers or the businesses we invest in. We are committed to continuously improving our human rights due diligence in these different areas to align with the UN Guiding

⁴ Responsible Investment Policy available at www.nordea.com/en/doc/responsible-investment-policy-2023-august.pdf

⁵ Life & Pension responsible investment policy is available at <https://www.nordea.com/en/doc/life-pensions-responsible-investment-policy.pdf>

⁶ Diversity & Inclusion Policy available at www.nordea.com/en/doc/nordea-diversity-inclusion-policy.pdf

⁷ Supplier Code of Conduct available at www.nordea.com/en/doc/nordea-supplier-code-of-conduct-2023-0.pdf

⁸ Sector guidelines available at www.nordea.com/en/sustainability/policies-sector-guidelines

⁹ <https://www.nordea.com/no/om-oss/nordea-i-samfunnet/varsling-i-nordea>

Principles on Business and Human Rights. This includes identifying and assessing potential adverse human rights impacts and measures to address them.

4.1 Due diligence in investments

Investments in Nordea Liv amounted to 214 billion Norwegian kroner as of 31st December 2023, including 8,4 billion Norwegian kroner in properties. Financing activities in such scale represents Nordea Liv's most significant ESG impact with a highest potential to make a difference. Due to high risk, the investment process has therefore been a prioritized area over the last years.

Nordea Liv requires companies that we invest in to act in line with internationally recognized norms and conventions for human- and employee rights, i.e. UNs "Global Compact", OECDs "Guidelines for Multinational Enterprises", UNs "Guiding principles on Business and Human Rights" and ILO conventions for employees rights. Neither do we invest in government bonds issued by states where systematic and serious breaches on human rights take place.

The majority of the Nordea Liv assets are invested in funds managed by fund managers. Nordea Liv do not have direct influence on the investment decisions in such funds. Therefore, Nordea Liv performs thorough assessments of the fund manager's policies and investment process prior to investing in order to ensure that the fund managers integrate sustainability considerations, including of human- and employee rights in their investment process in a way that aligns with Nordea Liv own policies and guidelines.

Each month, all investments are analysed on a look-through-basis based on sustainability data obtained from a third party. Nordea Liv monitors for investments in the portfolio that are in breach of our own policies and guidelines for sustainable investments, including human- and employees rights. Any breaches identified are followed up with the fund manager in order to confirm the nature of the breach and if confirmed, establish a recovery plan. In the event that the fund manager does not demonstrate willingness to resolve the breach, the ultimate consequence would be Nordea Liv terminating any investments with the fund manager.

For some products, Nordea Liv offers a wider selection of funds and the customer can directly choose which funds to invest in. In order to make a fund available on this platform, the fund manager must, as a minimum, have signed the UN's "Principles for Responsible Investments" (UNPRI). One principle in UNIPRI is that the fund manager must assess and integrate ESG-goals in the investment process. The UNIPRI is a minimum requirement, but stricter requirements are in place for most of the funds offered on the platform.

During 2023, Nordea Liv did not identify any investments in shares nor bonds where the issuer was in breach with human- or employee rights. However, one government bond has been identified where the state represents a high risk of breaches on human- and employee rights. The state is defined as an emerging market country. Unrelated to the identified bond, Nordea Liv has decided to divest from bonds in emerging markets. The exposure to the emerging markets bond has been sold out from all portfolios in 2024.

4.2 Due diligence for own workforce

Nordea Liv had 207 employees as of 31st December 2023. The People function has been outsourced to Nordea and Nordea Liv is encompassed by all policies, guidelines and procedures defined by Nordea.

Ensuring that human rights and decent working conditions are in place for our workforce is crucial to our role as an employer and our commitment to uphold fundamental human rights, including labour rights. We follow and, in many instances exceed minimum requirements, as stated in our Code of Conduct, Diversity & Inclusion Policy and policy against discrimination and harassment¹⁰. We condemn all kinds of discrimination, harassment or other victimisation and strive to be a safe and inclusive workplace, promoting equality, fair treatment and respect.

In 2023, 1 harassment case were reported through the People Pulse survey. As a consequence of the reported case, all departments have performed a “Let’s talk”-session where issues regarding harassment have been discussed. The People Pulse surveys are monitored closely and any follow up activities will be decided based on the result from next survey.

We take mistreatment of any kind seriously and continue to proactively ensure a safe and inclusive workplace for all employees and have tools and trainings available for leaders and teams. With respect to decent working conditions, we promote and support physical, mental, social and financial well-being by building awareness with trainings and events and providing tools for our people and leaders.

Performing due diligence regarding Nordea’s own workforce is key to efforts to respect fundamental human rights and work is ongoing to formalise this process.

4.3 Due diligence in the supply chain

Nordea Liv’s expenditures to the supply chain is primarily related to consultants, services provided by Nordea, printing services, software licenses, travel expenses and IT equipment. The procurement services are outsourced to Nordea and Nordea Liv follows all policies, guidelines and procedures defined by Nordea.

The respect of human rights is embedded throughout our procurement process. As part of our supplier due diligence prior to contracting and continuous supplier management after contracting we conduct screening on indicators such as the risk of child labour, the risk of modern slavery, the right to freedom of association and decent working conditions. Our screening process also covers if the supplier is subject to negative media exposure or regulatory actions due to misconduct related to human rights, enabling us to take appropriate actions.

All our suppliers must contractually commit to the principles in our Supplier Code of Conduct. The Supplier Code of Conduct is a mandatory document in all Nordea’s supplier contracts and includes positions on human rights and labour rights and an obligation for suppliers to ensure that these principles also apply to subcontractors. By having a contractual commitment from our suppliers, we ensure that sustainability requirements are an integrated part of our supplier and contract management. To increase our assurance, the Supplier Code of Conduct also includes an audit clause, where we reserve the right to audit the supplier and its subcontractors to validate that the principles stated in Nordea’s Supplier Code of Conduct are also implemented in practice. Every year Nordea complete a number of sustainability audits with the support of an external auditor.

¹⁰ Policy against Discrimination and Harassment available at www.nordea.com/en/doc/nordea-policy-summary-against-discrimination-and-harassment-0.pdf

During 2023 we further formalised our human rights due diligence process and detailed these principles in our Sustainable Procurement Guideline. The guideline describes how we identify and assess, take action to prevent and mitigate, take action to track progress and communicate about the risks and impacts identified in the different stages of the procurement process.

We also conducted a human rights impact assessment of the supply chain during 2023, where we identified in which industries in our supply chain there might be an elevated risk of negative impact on people. Based on the operating context of our suppliers and the nature of the service or product they deliver to us, we identified the salient human rights issues in our supply chain, i.e. the human rights that are at risk of most severe negative impact. We identified poor working conditions, child labour and forced labour as the areas of greatest importance in our supply chain. This information will be reflected in our requirements towards the suppliers in the sectors exposed to enhanced risk. Our frameworks and internal guidelines will be updated to secure this is enforced.

In 2024 we will focus on improving the understanding and tracking of our impacts, to ensure that our actions have the intended effect.

4.4 Due diligence of business partners

Nordea Liv's expenditures to business partners relates primarily to distribution of our products. Nordea Liv has entered into distribution agreements with Nordea Bank, Tryg Forsikring, If Skadeforsikring and some financial institutions associated with the Frende-group. We expect in general that strong regulation of financial institution, including governance structures, significantly reduces risk of breaches on human rights and decent working conditions. As the risk is assessed as low/medium, due diligence in the distribution channels has not been prioritized by Nordea Liv.

4.5 Due diligence in customer transactions

The customer and transaction sanction screening has been outsourced to Nordea. The screening process has been designed based on a risk based approach to cover all relevant financial crime scenarios. Nordea Liv is encompassed by all policies, guidelines and procedures defined by Nordea.

We fully recognise the threat that societies face from human trafficking, terrorism, corruption, drug smuggling, tax evasion and other forms of illegal activity and have over the years built strong defences to prevent that our resources, products, and services are used to facilitate financial crime¹¹. Alongside traditional transaction monitoring scenarios across all our customers and transactions, we also undertake targeted proactive, intelligence-based reviews of different financial and predicate crimes.

Human trafficking causes tremendous harm and, as such, we treat human trafficking risk as a priority in our crime detection and prevention efforts. The Nordic region is primarily a destination for exploitation of victims trafficked from other countries. However, the recruitment and transport of people can also happen within the Nordic countries. Financial products and services can be abused by organised crime networks and individual perpetrators to finance crime, receive revenues from criminal activities or launder criminal proceeds.

¹¹ AML/CTF/ATE Policy Statement available at www.nordea.com/en/doc/nordea-aml-ctf-ate-policy-statement-0.pdf

Since completing our analysis on human trafficking for sexual exploitation (2021-2022), we continued in 2023 to work on investigations that covered a wide scope of human trafficking typologies, including possible forced labour and sexual exploitation.

5 Nordea Liv Eiendom AS

Nordea Liv Eiendom recognises both the significance of and challenges associated with upholding human rights. We also recognise that we may contribute or be linked to adverse human rights impacts through our operations, suppliers or the buildings we invest in. We are committed to continuously improving our human rights due diligence in these different areas to align with the UN Guiding Principles on Business and Human Rights. This includes identifying and assessing potential adverse human rights impacts and measures to address them.

5.1 Due diligence in the supply chain

Nordea Liv Eiendom has established sustainability measures for the property portfolio, including policies and procedures to prevent breaches on human rights and decent working conditions. Nordea Liv Eiendom requires all subcontractors to act in compliance with a responsible investment procedure, covering UN human rights and the ILO convention.

Before onboarding a new supplier, a screening is performed which includes human rights and decent working conditions. All suppliers must comply with the “Ethical guidelines for suppliers” that embrace human rights and decent working conditions.

In addition, the supplier must sign a declaration regarding, amongst other, Health, Security and Environment (HSE), employees, use of subcontractors, salaries and working conditions. The supplier must also describe how subcontractors are followed up regarding social responsibility.

If a breach is identified, Nordea Liv Eiendom will require the supplier to recover the breach. If the breach is material or not recovered, Nordea Liv Eiendom has the right to terminate the contract. The suppliers are obliged to inform Nordea Liv Eiendom about any breaches and present an action plan for aligning with the ethical guidelines. The action plan must be approved by the company before proceeding in accordance with the contract.

No breaches were identified during 2023. In 2022, a possible breach regarding forced labor in Xinjiang in China was identified in the supply chain of solar panels. In 2023 we received a report from the supplier after an extended due diligence was carried out in their supply chain. The supplier has implemented measures to cease or mitigate actual adverse significant risks related to fundamental human rights and decent working conditions.

5.2 Due diligence for projects

Nordea Liv Eiendom performs a due diligence process before selecting a contractor for larger projects. A contractor must confirm that policies and procedures are in place in order to ensure decent working conditions and compliance with human rights. The contractor must also sign a confirmation covering any sub-contractors. Nordea Liv Eiendom recognize that following up subcontractors is demanding. Therefore, Malling performs unannounced onsite controls where salary-, working- and housing conditions as well as access to work site are checked for a sample of workers.

HSE conditions are discussed on each meeting with the contractor, taking place every second week. Malling reports back to Nordea Liv every quarter, including a description of controls during the quarter and findings, if any.

During 2023 several audits were carried out. The result was satisfactory as no breaches with a medium or high impact were revealed.

5.3 Due diligence for the use of buildings

Nordea Liv Eiendom acknowledge the responsibility as a property investor to ensure that the daily use of a building does not represent a risk for the people it hosts.

The due diligence in the investment process includes identifying any issues that requires investments in order to meet applicable HSE requirements.

We use Famac (an application for documenting the management, operation and maintenance related to buildings) for documenting and following up on all relevant legal HSE-requirements. The application is also used for logging daily inspections of technical installations and the buildings in general.

We arrange annual meetings with all tenants in the portfolio. During a meeting, the tenants has the opportunity to provide feedback and suggest improvements, including HSE issues. In addition, all tenants are invited to an annual survey where we ask for feedback on amongst other HSE.

In 2024 we will include a separate point regarding security on the agenda for the annual meetings.

5.4 Due diligence in the rental process

Current screening of tenants is related to identifying risk of money laundering and corruption, which can indicate risk of breaches on human rights and decent working conditions. We aspire to continually make our human rights due diligence more robust and we will consider refining the screening process in 2024.

6 Summary/next step in due diligence

In 2023, as part of our efforts to further embed respect for human rights in our business, we complemented our social responsibility pillar with a human rights policy and a social responsibility thematic guideline¹². To support the implementation, Nordea educated the Group Board of Directors and senior management on the topic of human rights and developed an e-learning for all our employees (including consultants), which will be launched in 2024.

We aspire to continually make our human rights due diligence more robust. To this end, in 2024, we will enhance our processes and coordination with the Group to facilitate the integration of our human

¹² Social responsibility thematic guideline available at www.nordea.com/en/doc/nordea-thematic-guideline-on-social-responsibility-2.pdf

rights due diligence. By taking these steps, we aim to strengthen our human rights practices and further integrate them into our decision-making processes.

Customers, suppliers or investee companies identified as breaching the human rights policy will be managed in line with our sustainability governance.

Bergen, 17 June, 2024

Board of Nordea Liv Forsikring AS

Petteri Änkilä	Johan Nystedt	Eldbjørg Sture	Jon Brenden
Chair	Board member	Board member	Board member

Espen Widerøe	Marte Kopperstad	Hans-Erik Lind
Board member – employee representative	Board member	Chief Executive Officer

Board of Nordea Liv Eiendom AS

Leif-Rune Husebye Rein	Frode Dahl
Chair	Board member

Leif Raanes	Nils Arne Gundersen
Board member	Chief Executive Officer