**Document Title**  
Nordea Life & Pensions engagement policy

**Adopted by**  
The Board of Directors of Nordea Livförsäkring Sverige AB has issued this policy, on May 20th 2019 which comes into force on June 10th 2019.

**Approval Date**  
May 20th 2019

**Information class**  
Open

<table>
<thead>
<tr>
<th>Group Directive Responsible Function (&quot;GDRF&quot;) and contact</th>
<th>NLP Group Investments is the Responsible Function for this Policy. Contact: Erik Callert, Group CIO Nordea Life &amp; Pensions +46 10 157 17 08</th>
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</thead>
<tbody>
<tr>
<td>Group Directive Content Experts (&quot;GDCE&quot;)</td>
<td>The NLP Group CIO is Content Expert for this Policy.</td>
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<tr>
<td>Approved by</td>
<td>The Board of Directors (BoD) of Nordea Livförsäkring Sverige AB.</td>
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<td>Applicable</td>
<td>This Policy applies to Nordea Livförsäkring Sverige AB (NLP). All employees of NLP involved in any of the processes described in this policy, including non-permanent staff working on behalf of NLP, are subject to this policy.</td>
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<tr>
<td>References to external rules</td>
<td>• Directive 2007/36/EC: Article 3g</td>
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<td>References to internal rules</td>
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The information above related to the Contact, the Content Experts, and the references to the external and internal rules is not part of the Board’s decision and may be amended without involvement of the Board.
1 Introduction
Nordea Livförsäkring Sverige AB (hereafter ”NLP”) qualify as institutional investors as defined in article 2(e) of Directive (EU) 2017/828 and the nationally legislated implementations thereof (hereafter ”SRD II”). NLP hereby publicly discloses this engagement policy, outlining the NLP engagement principles, that is an integrated part of NLP’s investment strategy, as applicable. This engagement policy only applies to NLP’s direct equity investments, unless explicitly stated otherwise.

2 Engagement with companies
NLP believes that active ownership involves both exercising our shareholder rights and taking responsibility to use NLP’s influence as owners of companies. When engaging with companies NLP has chosen to apply the principles set forth by Nordea Asset Management in its Responsible Investment Policy, Nordea Funds in its Corporate Governance Principles as well as other relevant corporate governance and sustainability principles.

We engage pro-actively with the companies that we are a shareholder of. Our engagement provides us with an opportunity to improve the understanding of our investee companies. NLP focuses its engagement efforts on companies selected for our ESG enhanced products, and companies identified to have a high ESG risk exposure to a certain theme or industry issue. NLP monitors in particular the companies’ strategy, financial and non-financial performance and risk, capital structure, among others. NLP seeks to influence the investee companies and to promote a better corporate governance, risk management, performance or disclosure standards with respect to a wide range of ESG related issues of these companies. This is achieved through dialogues, participating actively in annual general meetings and other shareholder events. NLP obtains information on its investee companies through various channels. NLP receives annual reports, analysis and newsflashes, among others. Where possible and relevant, NLP cooperates with other shareholders, including other Nordea units, on engagement.

NLP may choose to engage in investee companies through asset managers. If NLP engages in investee companies through asset managers, NLP assures that the asset manager has adopted and adheres to engagement principles which are in line with NLP’s principles. This is monitored on a regular basis. All of NLP’s shareholder engagement are made on basis of a relevance-criteria, defined as follows. If NLP expects to have no relevant influence on the investee company, NLP may choose not to engage in certain matters. NLP may also choose not to engage when the matter is considered irrelevant or when NLP is unable to engage its shareholder rights in an efficient way.

Concerning indirect equity investments which an asset manager invests on behalf of NLP, NLP shall only invest with asset managers that fit NLP’s engagement principles and investment strategy. NLP’s engagement as shareholder intends to contribute to better and more stable returns as well.

3 Exercise of rights
Whenever relevant, NLP exercises voting rights and other rights attached to shares. When exercising the rights NLP has chosen to apply the principles set forth by Nordea Funds in its Corporate Governance Principles as well as other relevant corporate governance and sustainability principles. NLP may choose not to exercise its rights when NLP expects to have no relevant influence on the investee company, when the matter is considered irrelevant or when NLP is unable to exercise its rights in an efficient way.
NLP may choose to exercise its rights through asset managers. If NLP exercises its rights through asset managers, NLP assures that the asset manager adheres to corporate governance and sustainability principles which are in line with the principles NLP apply. This is monitored on a regular basis.

4 Screening and exclusions
NLP’s investments are screened regularly to uncover holdings in companies that have a poor ESG status or fail to comply with Nordea Asset Management’s Responsible Investment Policy or other relevant corporate governance and sustainability principles. The result of the screening performed is discussed by the NLP Investment Organisation.

If an investee company is flagged as a potential ESG- and/or governance risk, NLP will engage as a shareholder and address the matter of concern with the relevant company. It will not immediately exclude the company as NLP is of the opinion that it is more constructive to engage. However, if the company over time fails to improve on the matter of concern or is unwilling to address the concerns, NLP will consider whether to quarantine or exclude the company. If a company is quarantined NLP will make no further investments in the company, but it will continue to hold existing investments. If a company is excluded NLP will make no further investments and divest existing holdings.
NLP may choose to carry out its screening and exclusions measures through asset managers. If so, NLP assures that the asset manager has adopted and adheres to screening and exclusions principles which are in line with NLP’s principles. This is monitored on a regular basis.

5 Conflicts of interest
When engaging as a shareholder potential, real or perceived conflicts of interest might arise. NLP identifies, prevents and manages these conflicts of interest according to NLP’s internal rules on conflicts of interest.

6 Disclosures
This NLP engagement policy is published on NLP’s website. NLP shall annually disclose on its website how it has implemented and applied this policy. NLP will describe its voting behaviour, explain the most significant votes, among others.