

**Responsible investment policy for Tryg A/S,
including all subsidiaries
("Tryg")**



1. Purpose

Responsible investing is important for Tryg as it can help ensure that investments are conducted in accordance with Tryg's values and is likely to improve the investment outcome.

We aim for the highest risk adjusted return on our investments and see responsible investing as a way to support this. Responsible investment involves integrating ESG-considerations into the investment process, being active owners by voting on shareholder proposals, engaging with companies to improve, and screen for potential violations of international conventions.

2. Investment portfolio

Tryg's total investments predominately consist of Nordic covered and government bonds. In addition, a smaller part of the total assets is invested in risky assets, such as corporate bonds, senior loans, emerging market debt, insurance linked securities, listed equities and real estate. Investments are generally externally managed by asset managers.

3. Responsible investment process when selecting external asset managers

Tryg ensures that its assets are invested responsibly by applying Active Source Management (ASM) when selecting asset managers. ASM is designed to ensure that new and existing asset managers share Tryg's ethical values and have suitable responsible investment processes in place. As part of the manager selection process a separate responsible investment due diligence is prioritized as highly as the regular due diligences on investment operations. All selected external asset managers are expected to be UN PRI signatories or if not, be able to explain how they adhere to the principles. All asset managers are expected to include ESG-considerations into their investment process and act as active owners on the asset they hold on behalf of Tryg. The relevant ESG-considerations should be linked to materiality issues for the individual investments and will therefore differ across sectors, geographies, asset classes and investment strategies. Active ownership is expected of all asset managers with voting on shareholder matters considered a minimum stewardship, while company engagements are strongly encouraged and are prioritized around potential impact. See "Active ownership policy for Tryg A/S, including all subsidiaries ("Tryg")" for more information. The guiding principle for prioritization of responsible investment issues is therefore whether they align with Tryg's values, impact long term financial risk and return, and the ability to influence companies to change behavior.

4. Monitoring and reporting after selection of asset manager

As part of the ongoing monitoring of asset managers, their responsible investment practices are continuously reviewed, and managers' report on their responsible investment activities. Apart from the continuous dialogue, meetings and ad-hoc questions, thematic ESG-related questions are asked to external asset managers in order to ensure that the overall ethical intent remain aligned with Tryg.

As a supplemental tool, an ethical screening on our investment portfolio is conducted. Tryg is very observant of and compliant with UN and EU council regulations and is also a member of the UN Global Compact. To reflect these principles, the screening criteria searches for companies engaged in controversial behavior and controversial weapons. Even though it provides no guarantees, we regularly perform screenings on conventional breaks, to make sure that no specific investments have ultimate parents, which we do not find acceptable or which are shortlisted. These screenings are performed by an external screening agency.

Tryg has established an internal procedure to handle any conventional breaks found in the ethical screening. Please see our "Process for ethical screening and actions on investments" at tryg.com.

Adopted by the by the Supervisory Board in Tryg A/S and Tryg Forsikring A/S on 9 October 2019.