

SUSTAINABILITY REPORT

2022

We Protect What
Matters Most



verisure



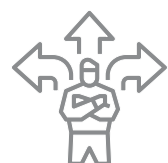
Table of Contents



CEO LETTER.....03

1 | SUSTAINABILITY STRATEGY

- 1.1 Verisure at a glance07
- 1.2 Our ESG strategy10



2 | OUR CUSTOMERS

- 2.1 Best-in-Class Protection & Peace of Mind20
- 2.2 Data privacy & Cyber Security.....28



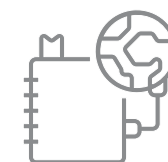
3 | OUR PEOPLE

- 3.1 Diversity, Equity, Inclusion
& Belonging (DEIB)33
- 3.2 Employee Health, Safety & Well-being.....42
- 3.3 Talent Management &
Sustainable Engagement.....47
- 3.4 Employee Relations.....51



4 | OUR COMMUNITIES

- 4.1 Sustainable Sourcing.....55
- 4.2 Community Impact.....60



5 | OUR PLANET

- 5.1 Climate Change.....67
- 5.2 Product Lifecycle Management & Circularity76



6 | ETHICS & INTEGRITY

- 6.1 Our Group compliance framework82
- 6.2 Corporate Governance.....89



7 | WHAT'S NEXT

- 7.1 Our Customers94
- 7.2 Our People95
- 7.3 Our Communities.....95
- 7.4 Our Planet96
- 7.5 Ethics & Integrity.....96

ANNEXES - REPORTING FRAMEWORKS

- Annex 1 GRI and CSRD97
- Annex 2 SFDR103
- Annex 3 SASB and TCFD.....105
- Annex 4 Swedish Annual Account Act.....107

CEO LETTER

- 1. SUSTAINABILITY STRATEGY
- 2. OUR CUSTOMERS
- 3. OUR PEOPLE
- 4. OUR COMMUNITIES
- 5. OUR PLANET
- 6. ETHICS & INTEGRITY
- 7. WHAT'S NEXT
- ANNEXES



More intentional steps forward on our ESG journey

2022 was another significant year. It was a challenging external environment, most notably with the illegal war launched against Ukraine. Our thoughts are particularly with the Ukrainian people impacted by this devastating humanitarian crisis. 2022 also brought high inflation, energy price increases, interest rate increases, and declining consumer confidence. Yet, even against this difficult backdrop, we continued to deliver on our mission of protecting what matters most. And we demonstrated again the resilience of our business model and the quality of our portfolio. We posted another very solid year of growth, serving more customers than ever. By the end of the year, we were proud to protect more than 4.7 million families and small businesses in Europe and Latin America.

2022 has also been a year in which we have taken more intentional steps on our Sustainability journey. In turbulent times externally, our purpose is our lighthouse. Our purpose is why we exist. We believe it's a human right to feel safe and secure. We are people who protect people. We protect what matters most. We bring peace of mind to our customers. This is our purpose. It propels our team-mates forward every day. It builds sustainable engagement. It helps us to attract world class talent to support our continued growth. And it is very important for both new and existing customers. This purpose obviously also places ESG at the very centre of our company. Sustainability is not a side topic.

Our environmental and social impact, how we serve society, how we serve our communities are inherent in what we do every day.

Every day I am proud to see our Verisure colleagues take responsibility to protect our customers from burglaries, house fires, water damage, health emergencies, or feeling unsafe inside or outside their home.

In 2022, we received 64 million alarms, and supported our customers through more than 350,000 incidents where they needed on-site assistance. This includes emergency situations where swift reaction time and professional expertise saved lives. We have also provided specific services to vulnerable segments of our society, like Cometa for women victims of gender violence in Spain.

Our teams are more engaged in our purpose than ever before, reaching the highest-ever score in our employee engagement survey. We continue to be recognised with awards such as Great Place to Work, Best Workplace, and Top Employer in several of our geographies. We directly added more than 2,800 new positions on a net basis during the year. We also prioritize our role as a social elevator, opening up opportunities for career development to colleagues without formal, traditional academic backgrounds.

CEO LETTER

- 1. SUSTAINABILITY STRATEGY
- 2. OUR CUSTOMERS
- 3. OUR PEOPLE
- 4. OUR COMMUNITIES
- 5. OUR PLANET
- 6. ETHICS & INTEGRITY
- 7. WHAT'S NEXT
- ANNEXES

Verisure colleagues have also supported different philanthropic activities, helping our local communities and society at large. I’m particularly proud that Verisure people helped refugees from Ukraine, both directly and through the United Nations High Commission for Refugees.

In 2022 we strengthened our ESG central team and country ESG network, formalised our Group ESG strategy, and implemented specific ESG governance, including a new ESG Board Committee to review our progress. We made our plans more actionable, more measurable, more transparent, and clearer to our stakeholders. Our 2030 gender targets at company and leadership levels are a good example of this new strategy. Also, we have further enhanced our carbon footprint measurement model and refined our calculations with more accurate information. This has enabled us to define 2030 targets and commitments in this area, eventually committing to a long-term objective of reaching Net Zero by 2050.

The results of our materiality assessment shape our sustainability and business strategy across five pillars –Our Customers, Our People, Our Communities, Our Planet, and Ethics & Integrity– and 11 topics which are identified as material and drive our action and strategy in an integrated manner across our business operations and functions.

Under our ESG strategy, these five core pillars are organised underneath our overall Mission headline: We Protect What Matters Most. In each of the areas, we have mapped out clear priorities, commitments, and associated KPIs.

The first and main pillar is **Our Customers**, where we place two key topics: Best-in-Class Protection and Peace of Mind, as well as Data Privacy and Cyber Security.

The second pillar is centred on **Our People**. We focus our efforts here on (1) Diversity, Equity, Inclusion & Belonging, (2) Employee Health, Safety & Well-being, (3) Talent Management & Sustainable Engagement and (4) Employee Relations.

The third pillar that rounds up our Social impact is **Our Communities**, where we work to maximise our positive Community Impact and Sustainable Sourcing.

And although our Social impact is arguably the dominant one in terms of our ESG efforts, we are equally committed to protecting **Our Planet**, working on Lifecycle Management & Circularity and Climate Change.

The final pillar of our framework covers **Ethics & Integrity**, with strong corporate governance, built on the foundations of our culture and DNA.

As we enter our third year as participants of the UN Global Compact initiative, we continue to embed its Ten Principles around human rights, labour, anti-corruption, and the environment into our strategies and operations. I would like to reiterate our support for the UN Sustainable Development Goals (SDGs), with a special focus on SDG 16 (Peace, Justice and Strong Institutions), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities), SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action).

In 2022 we strengthened our ESG central team and country ESG network, formalised our Group ESG strategy, and implemented specific ESG governance, including a new ESG Board Committee to review our progress

Doing what is right for our customers, our people, our communities, and our planet is about the choices each of us make every day. We have made important progress to date, but we still have a long path ahead of us. Yet everything we have achieved, and everything we will accomplish is because of our special Verisure people.

With our talented team, our leading technologies and the support of our stakeholders, I am optimistic and confident that we will reach our ESG targets for 2030 and beyond and make further strides in sustainable development. Thank you for your continued trust and support.

AUSTIN LALLY · GROUP CEO



Sustainability Strategy

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

¹ DR BP-1

General basis for preparation of the sustainability statements

^{2 and 3} DR BP-2

Disclosures in relation to specific circumstances

About this report¹

The Verisure Midholding AB (corporate identity number 556854-1402) consolidated sustainability report is aligned with the financial statements and refers to our ESG (Environmental, Social and Governance) management of the whole Verisure Group, including all subsidiaries. Additionally, some parts of this report cover sustainability topics for our upstream and downstream value chain.

The report has been prepared in accordance with paragraphs 10-11 of Chapter 6 of the Swedish Annual Accounts Act and with reference to the draft of the Corporate Sustainability Reporting Directive 2022/2464 (CSRD). We also correlate our CSRD indicators with the SASB, Global Reporting Initiative (GRI), Task Force on Climate-Related Financial Disclosures (TCFD), Regulation (EU) 2019/2088 (the Sustainable Finance Disclosure Regulation - SFDR) and the Sustainable Development Goals (SDGs).

This document is part of our commitment to disclose information to our stakeholders, together with our Annual Report and financial statements. You may contact us at sustainability@verisure.com for further information about any aspect of this report.

This report is aligned with the definition of time horizons² in the CSRD and our financial statements, with: “short term” being defined as activities in 2022 and 2023; “medium term” being activities within a period of five years; and “long term” meaning more than five years.

With regard to **methodology changes**³, in 2021 our carbon footprint model was developed in alignment with the international accounting standards set by the GHG Protocol. In 2022, we followed the same approach but fine-tuned our methodology for scope 3 to make it more accurate and comprehensive. We also improved our overall data quality and collection.

We have applied methodology changes and restated our emission figures for 2021 accordingly, to the following scope 3 categories:

SCOPE 3

> **Category 1: Purchased goods and services.** In the past, we calculated this category based on our spend with suppliers. Starting from 2022 (and 2021 restated) the calculation method will be a mix of direct emission data for our top suppliers and spend-based:

↓ **Equipment production.** Previously, the emission calculation was based on equipment weight and the corresponding emission factor. For 2022 (and 2021 restated), we have used the calculation of direct emission data collected from our strategic suppliers.

↓ **Other goods and services.** In 2021, emissions were calculated using a spend-based approach. For 2022 (and 2021 restated), we have used a mixed methodology, using direct emission data for our largest suppliers and a spend-based methodology for other suppliers.

> **Category 3: Fuel and energy related activities.** For 2022, we have also included emissions from upstream electricity production and transmission and distribution losses.

> **Category 5: Waste generated in operations.** In previous calculations we did not include emissions from the waste generated. This year, we have included emissions from waste generated and water consumed in our largest facilities (our headquarters in each country).

> **Category 7: Employee commuting.** In 2022 we conducted a survey on employee commuting

for the first time. We have also restated the 2021 figure by extrapolation based on the number of employees.

> **Category 11: Use of sold products.** In terms of emissions from the use of our devices, this year we have accounted for 2022 emissions (and 2021 restated) as well as future emissions based on our new installations and considering the average lifetime of our products at our customers’ premises. Last year, we calculated emissions for the whole portfolio during just one year. However, it is more in line with the GHG protocol to calculate the emissions of new sales over their whole life.

Restated comparative figures for 2021

	2021	Restated 2021
Gross Scope 1 GHG emissions (tCO ₂ eq)	40,123	38,050
Gross Scope 2 GHG emissions (tCO ₂ eq)	2,246	1,040
Total gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	160,791	126,886
Total GHG emissions per customer per year of service (Kg CO ₂ e)	19.2	21.3

The disclosure in this report applies to and refers to our ESG management of the Verisure as a whole.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

1.1

Verisure at a glance

Who we are⁴

We are the **leading provider of professionally monitored alarms in Europe**. We also have a strong presence in Latin America. We believe it is a human right to feel safe and secure. Our mission is to bring peace of mind to families and small business owners, anytime and anywhere.

People protecting people

We are **committed to protecting what matters most, and to safety and security for all**. We bring peace of mind to families and small business owners by protecting against intrusion, fire, attack, life-threatening emergencies and other hazards through 24/7 monitoring, expert verification and response, customer care, and professional maintenance and technical support. Verisure’s people are dedicated and committed.

Our purpose is a promise to our clients, partners, and other stakeholders that leads to every choice we make: we protect what matters most

AUSTIN LALLY • CHIEF EXECUTIVE OFFICER

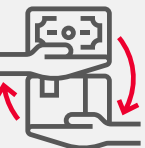
2022 in numbers



>4.7 MILLION
CUSTOMERS



>800,000
NEW CUSTOMERS ADDED IN 2022



€2,827 M.
OF TOTAL REVENUE



€1,694 M.
PORTFOLIO SERVICES
(ADJUSTED EBITDA)



>26,000
DEDICATED COLLEAGUES



17
COUNTRIES OPERATING IN
EUROPE AND LATIN AMERICA

⁴ **ESRS 2 SBM-1**
Market position, strategy, business model(s) and value chain

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

^{5,6} **ESRS 2 SBM-1**
Market position, strategy,
business model(s) and
value chain

What we do⁵

As a leading provider of security solutions, we take into account changing demands and operate a subscription-based security service, designing, installing and monitoring alarm and video surveillance systems. For a monthly subscription fee, our services provide full security to customers through 24/7 monitoring, expert verification and response, customer care, and professional maintenance and technical support to existing customers. In November 2019, we formed a strategic partnership with Arlo Inc, a world leader in connected cameras, and acquired its European operations, enabling us to offer camera video surveillance as a standalone service and as a complement to our professionally monitored home security proposition.

We are a technology-enabled human-services company. More than 80% of our colleagues interact with customers every day. This connection provides the insights that feed our innovation. Each product and each service is built around market insights and customer needs, staying one step ahead and finding solutions and improvements for each Verisure customer. Close customer contact also fuels pride in our colleagues, driving engagement. **Our customers are amongst the most satisfied and loyal in the industry, thanks to our sharp focus on high quality.**

Our strategy⁶

Our **Verisure Group strategy** fits on a single piece of paper. We call it our **“SOAP” (Strategy On A Page)**. We believe in the importance of making clear choices.

Our business is driven by a customer-centric growth strategy. We provide peace of mind to families and small business owners, at home and in their places of business. This remains a very under-penetrated category. To further grow our subscriber base, we continuously refine and execute our differentiated business model, based on innovation, category-creating marketing, go-to-market excellence, customer-centred service, and superior verification and response.

We are proud of the trust our customers place in us, and of our outstanding track record of customer satisfaction and retention. We know a world-class customer experience drives loyalty. And feedback from happy customers leads to referrals. We want to have the happiest and most loyal portfolio of customers in the industry. To achieve this, we continuously analyse how we perform at important “moments of truth” during sales, installation, service, monitoring and response. **And we strive every day to improve our operating processes and performance.**

We aim to provide the best security products and services in the market. We have a strong long-term track record of product and service innovation, driven by insights gained by being vertically integrated across key stages of the value chain. We focus our technology investment choices on where we can deliver clear differentiation to customers. Our investment in innovation to create differentiated security propositions allows us to offer premium solutions to customers which are seen as great value.

We aim to provide a service that exceeds the expectations of our customers and leads the industry. This builds pride in our people too. We innovate process improvements and leverage our scale to enhance operational efficiency without compromising our customer experience. This approach creates value for our shareholders, our customers, and our colleagues.

We attract and retain high quality customers because we work hard to ensure that they are satisfied: that is how we contribute to a long customer lifetime

OLIVIER HORPS • GROUP CHIEF MARKETING OFFICER

More than 80% of our colleagues interact with customers every day

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Our **business model combines technology and human expertise to protect people**. Our dedicated Verisure colleagues are working hard every day to protect what matters most, making a difference and making the world feel safer. Everything we do is driven by our unique DNA - **five deeply held values that guide us all**: we are passionate in everything we do; Always Innovating; we win as a team; we prioritise trust and responsibility; and we are committed to making a difference.

By sharing these strong values and Doing the Right Thing together, we are convinced that **our people-strategy benefits our employees as well as our customers**. Our colleagues are part of a purpose-driven company that offers opportunities and development, while our customers benefit from our highly engaged and motivated teams, which are customer-centric and deliver value and continuity.



Everything we do is driven by our unique DNA - five deeply held values which guide us all: we are passionate in our work and strive for innovation every day, winning as a team based on trust and responsibility and committed to making a difference

MARTA PANZANO • GROUP CHIEF HR, COMMUNICATIONS AND ESG OFFICER

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

1.2

Our ESG strategy

Our **commitment to ESG is intrinsic to our company purpose, mission and corporate values.** The responsibility with which we understand our mission is present in our entire value chain and determines what we do, and how we do it: **we protect what matters most.**

The social aspect of our ESG strategy bears the greatest weight, due to the nature of our protection mission with our customers and society and given the role of our people. We are interconnected with the rest of the world, and so are the SDGs: action in one area affects the outcomes in another. This is why **we contribute to a wide range of SDGs** through our daily activities.

Listening to our stakeholders^{7.1}

As a people-driven company, facing the main challenges of the current context and learning to accelerate our actions begins with paying attention to what our stakeholders have to share with us. Verisure’s ability to deliver its commitment to its stakeholders has guided us throughout the years, teaching us that the best way to adapt to different moments in history is by listening to them. **Customers, partners and other stakeholders trust Verisure because of its integrity, vigilance and helpfulness.** We build the space to watch and learn from them, bringing risks and opportunities to the table and working towards making the right decisions. This is an engagement process that takes place at a global and country level in accordance with our

Code of Conduct. We listen to our stakeholders carefully and discuss our risks and opportunities with the Board to make the right decisions with transparency, honesty and responsibility.

We choose to make a difference to society at large, an ambitious goal that runs through our entire value chain, from our very first suppliers to final customers, including colleagues, investors and communities too. We are convinced that the best way to do this is by embracing **a sustainability-driven approach across our full value chain**, as it is a chance to empower one another to do the right thing, every day. As a result, **ESG has been part of our strategic five-year plan since 2015**, and, as we state in our SOAP, it will keep on transforming Verisure until it becomes a cross-industry benchmark for consistent measurable progress on environmental, social and governance issues. With our actions, we want to contribute positively to society in the countries we can influence through our value chain.

^{7.1} **ESRS 2 SBM-2**
Interests and views
of stakeholders

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Society leads us in our efforts
Over the past years, we have accelerated our sustainability journey by following the demands of a society that has become more aware of the need to build a safer world, and knows companies have an enormous responsibility in the matter. **We have made sustainability an integral part of our business by embedding it into our governance.**

This Sustainability Report is part of the overall work we have been carrying out, along with the **materiality assessment that has engaged both internal and external stakeholders.** Our report describes those topics, which are considered the most important to stakeholders when reviewing environmental, social and governance issues in our company.

As different stakeholders have different needs, we have developed a personalised engagement strategy to reach each group:

7,2 DR S1-2
Processes for engaging with own workers and workers' representatives about impacts

Stakeholder	How we engage with our stakeholders (key channels – not exhaustive)					
▼EMPLOYEES ^{7,2}						
Group Code of Conduct and related policies	Sustainable Engagement survey and pulse surveys	Performance management and development process (STAR)	Growth, including internal and international mobility	In-person and online training (e.g. through Sales and Operations Academies, Leadership programmes, and Workday Learning	Local and global dialogue with our management team (Verisure and country meetings)	Holistic well-being programme
▼CUSTOMERS						
24/7 Customer service	Customer visits for new installations and maintenance	Information disclosure on website (e.g. customer data disclosure)	Customer satisfaction surveys (including the NPS for our products and services)			
▼COMMUNITIES						
Social contribution activities	Job creation across Europe and Latin America					
▼SUPPLIERS						
Supplier Standards and Ethical Code	ESG assessment (e.g. ESG supplier risk assessment in qualification process and ESG dashboard for key product suppliers)	Audits of suppliers of products and third-party logistics	Regular meetings (e.g. discussion of opportunities to decrease our carbon footprint)			
▼INVESTORS						
Disclosure of Verisure policies in our investor relations website	Publication of Annual Report and Sustainability Report	Response to ESG surveys and rating agencies	Quarterly investors calls	Meetings with analysts and institutional investors		
▼REGULATORS						
Direct contact with the key public stakeholders in each country we operate in, including the police and fire brigade	Participation in government workstreams	Membership of private security associations at the European level and in most of the countries we operate in				

Identifying our risks and opportunities⁸

Material issues are topics that have a substantial influence on our stakeholders' perceptions of our performance and our ability to create and sustain value. In other words, materiality determines when an issue is important enough to be considered part of our business strategy.

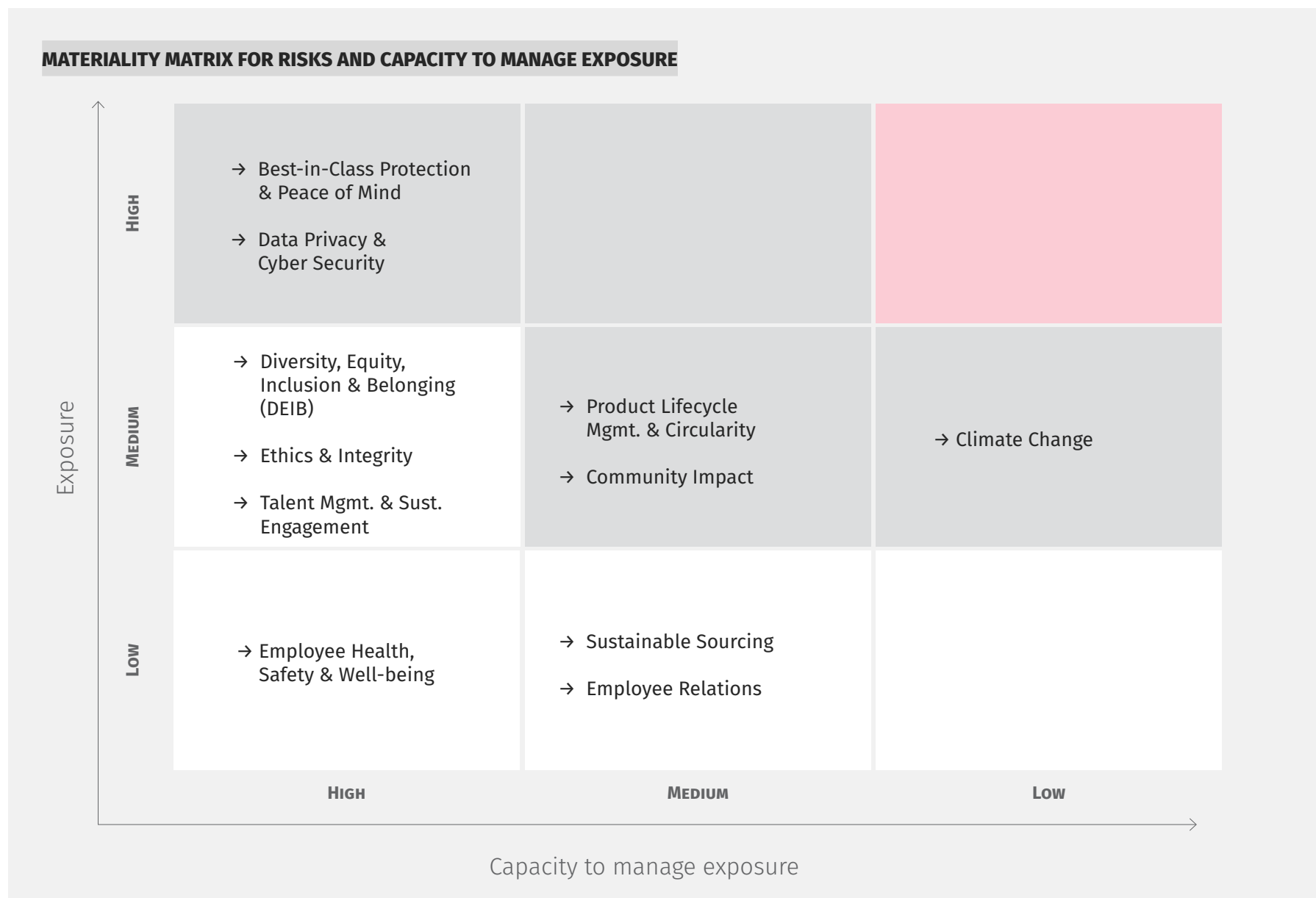
We have conducted a **materiality analysis**, with the help of an external consultancy, **to identify our most material ESG risk and opportunities**. This materiality assessment informs our internal Enterprise Risk Management (ERM) process, which is embedded into the core of our organisation and carried out annually. We have an ERM process document to describe the current risk situation in our organisation, the achievement of strategic objectives and opportunities to gain competitive advantages. Please read the Ethics & Integrity chapter to find out more about our ERM.

8 ESRS 2 SBM-3

Material impacts, risks and opportunities, and their interaction with strategy and business model

ESRS 2 IRO-1

Description of the processes to identify and assess material impacts, risks and opportunities



* The following topics were considered to have low impact in our materiality assessment and are, therefore, not considered material issues for Verisure: →Biodiversity and ecosystems →Water marine resources →Pollution

CEO LETTER

1. SUSTAINABILITY STRATEGY

- 2. OUR CUSTOMERS
 - 3. OUR PEOPLE
 - 4. OUR COMMUNITIES
 - 5. OUR PLANET
 - 6. ETHICS & INTEGRITY
 - 7. WHAT'S NEXT
- ANNEXES

The results of our materiality assessment shape our sustainability and business strategy across five pillars – Our Customers, Our People, Our Communities, Our Planet and Ethics & Integrity – and 11 topics that have been identified as material and drive our action and strategy in an integrated manner throughout our business operations and functions.

Our sustainability strategy ranges across five pillars: Our Customers, Our People, Our Communities, Our Planet and Ethics & Integrity

MARTA PANZANO ·
GROUP CHIEF HR, COMMUNICATIONS AND ESG OFFICER



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

We strive to provide the best protection for families and small businesses. We also aim to go above and beyond to fulfil our promise, which includes making a difference to maximise value not just for our business and customers, but also for society at large. The materiality analysis has enabled us to set our priorities and our commitments to our customers, our people, our communities and our planet.

We strive not only to provide the best protection to families and small businesses but to go above and beyond to fulfil our promise

ANTONIO ANGUIA • EXECUTIVE PRESIDENT FOR IBERIA, ITALY & LATAM

Area	Material topic	Commitment
OUR CUSTOMERS	 Best-in-Class Protection & Peace of Mind	→ We protect what matters most to families and small businesses through our industry leading, professionally monitored security solutions. → Our “award-winning” innovations help ensure our customers’ peace of mind around the clock. → Beyond providing peace of mind, we also work to save human lives in emergencies. → Our highly trained experts at our 24/7 alarm centre are ready to respond rapidly and effectively to any emergency. → We partner with security and emergency services to ensure a rapid response when every second counts. → We aim to support more vulnerable members of society through adapted services.
OUR CUSTOMERS	 Data Privacy & Cyber Security	→ Verisure’s products and services are also designed for data privacy and protection, as one of our core promises to our customers. → Our organisation works in a structured way, driving a strong privacy and information security culture, to safeguard the interests of all individuals and entities entitled to protection of their data privacy, including our customers and employees. → We are committed to transparency in our responsible and proactive approach to data protection and cyber security.

9 ESRS IRO-2
Disclosure Requirements
in ESRS covered by the
undertaking’s sustainability
statements

ESRS SBM-2
Interests and views of
stakeholders

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Area	Material topic	Commitment
OUR PEOPLE	 Diversity, Equity, Inclusion & Belonging (DEIB)	→ We are committed to supporting DEIB for our employees, customers and communities. → We promote diverse representation with a strong focus on “gender”, followed by “age” and “disability”, ensuring access to opportunities for everyone through meritocracy and inclusion. → We provide job opportunities for those in our society who have difficulty finding work. We draw on this very valuable source of talent for our continuous growth while improving our competitive advantage.
	 Talent Management & Sustainable Engagement	→ We work hard to ensure high levels of sustainable engagement with our mission and values for our people, across functions, countries and demographics. → We focus sharply on providing our colleagues with continuous learning and growth opportunities to build critical skills so they can unleash their full potential and perform at their best.
	 Employee Health, Safety & Well-being	→ We take the safety and health of our colleagues very seriously, by promoting their holistic well-being, as employees and as individuals.
OUR PEOPLE	 Employee Relations	→ We are committed to respecting fundamental human rights through the United Nations Global Compact principles and agenda, including fair employment conditions, internally and across our supply chain.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Area	Material topic	Commitment
OUR PLANET	 Product Lifecycle Management & Circularity	→ We choose long-term solutions across our supply chain throughout the lifecycle of our products and services. → We are pursuing a zero-landfill strategy by 2035, through optimisation of our waste management and recycling opportunities.
OUR PLANET	 Climate Change	→ We are committed to reducing our GHG emissions on a revenue-intensity basis by 2030 vs 2021 in our operations (Scope 1&2) and our value chain (Scope 3) by more than 40%. We are committed to achieving Net Zero by 2050. → As part of our strategy, we aim to increase the use of renewable energy in our buildings to more than 80% by 2030.
OUR COMMUNITIES	 Sustainable Sourcing	→ We promote sustainable sourcing through engagement with our suppliers, providers and partners, conducting ESG assessments and requesting compliance with our Supplier Standards and Ethical Code. → We aim to promote diversity in our supplier base through our supplier-diversity programme.
OUR COMMUNITIES	 Community Impact	→ We are committed to being a positive actor in our communities, making a difference through job creation and social impact.
ETHICS & INTEGRITY		→ Doing the Right Thing is a key element in our culture and acting with trust and responsibility is embedded in our DNA. We lead by example and enable our people to deliver on our commitment to act ethically at all times. → We compete fairly and we are committed to responsible and ethical business practices. → We work as a trusted partner with public bodies to ensure high standards of regulatory compliance. We follow strict corporate governance principles.

CEO LETTER

1. SUSTAINABILITY STRATEGY

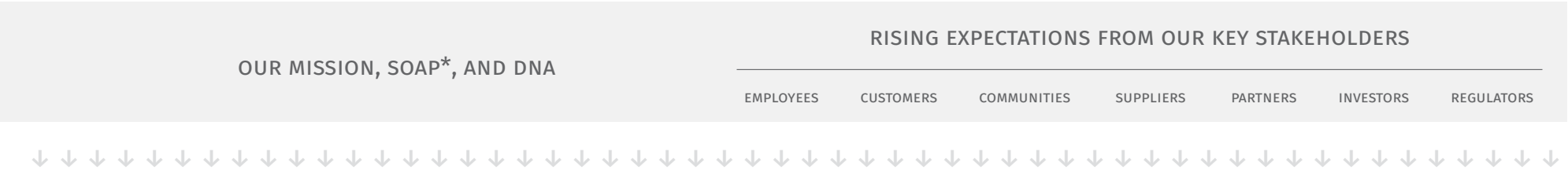
- 2. OUR CUSTOMERS
 - 3. OUR PEOPLE
 - 4. OUR COMMUNITIES
 - 5. OUR PLANET
 - 6. ETHICS & INTEGRITY
 - 7. WHAT'S NEXT
- ANNEXES

Committed to action

To translate these priorities into goals, we have analysed and prioritised KPIs considering our internal priorities, reporting, and stakeholder requirements. We have used these to define our

ESG roadmap for 2023-2025, a new and formalised strategy **approved by the Board ESG Committee**. We see policies, regulation and training as key operational enablers, together with active

leadership, sharing of best practices, and internal and external communication. These are all aspects that will be tracked in the coming years through monitoring and governance.



OVERALL ESG STRATEGY

1 ESG FRAMEWORK



*SOAP: Strategy On A Page

2 COMPANY PRIORITIES AND GOALS

3 ROADMAP 2023-2025

KEY ENABLERS	Operational enablers	Systems, Processes and Tools	Policies and Regulation	Training and Learning
	Activation and communication enablers	Leadership activation (Leadership commitment, role modeling)	Best-practice sharing	Internal/External comms
	Tracking enablers	Monitoring (KPIs, Targets, Tools)	Governance (Committees, Global/Local/Functional teams Certifications, partnerships, alliances, reporting and rating agencies)	

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

As part of our sustainability journey, **two years ago we became a participant in the United Nations Global Compact (UNGC)**, the world’s largest voluntary corporate sustainability initiative to catalyse business awareness and action in support of achieving the Sustainable Development Goals (SDGs). As participants in the UNGC, we are committed to acting responsibly and incorporating the Ten Principles of the UNGC in relation to human rights, employment, anti-corruption and the environment into our strategies and operations, while working to identify further opportunities to advance and promote a positive impact on the SDGs aligned with our framework and issues: **SDGs 5, 8, 10, 12, 13 and 16.**

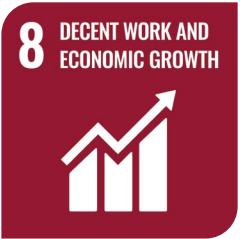
2022 was the year we consolidated our ESG strategy. Throughout the year, we worked internally to align and prioritise our KPIs with the aim of ensuring robust ESG management. Being aware of the ESG data management scenario, we included an ESG data tracking and reporting tool in our ESG strategy at the Group level, as a key enabler. This will enable us to have a powerful data acquisition, validation and verification process, and will give us flexibility and the possibility to customise our KPIs in response to our needs, stakeholder interests and regulations. The implementation of this tool began in 2023, and it is expected to be ready for the next reporting period. It will make it easier for us to share our progress internally and to continue adding value where we operate.

All the KPIs and targets disclosed in the Sustainability Report have been presented to the Board ESG Committee.



GENDER EQUALITY

- Diversity, Equity, Inclusion & Belonging
- Sustainable Sourcing



DECENT WORK & ECONOMIC GROWTH

- Diversity, Equity, Inclusion & Belonging
- Employee Health, Safety & Well-being
- Employee Relations
- Sustainable Sourcing
- Talent Management & Sustainable Engagement



REDUCED INEQUALITIES

- Diversity, Equity, Inclusion & Belonging
- Talent Management & Sustainable Engagement
- Community Impact
- Sustainable Sourcing
- Employee Relations



RESPONSIBLE CONSUMPTION & PRODUCTION

- Sustainable Sourcing



CLIMATE ACTION

- Climate Change
- Product Lifecycle Management & Circularity
- Sustainable Sourcing



PEACE, JUSTICE & STRONG INSTITUTIONS

- Best-in-Class Protection & Peace of Mind
- Data Privacy & Cyber Security
- Ethics & Integrity

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



Our Customers

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

¹⁰ **ESRS 2 SBM-2**
Interests and views of stakeholders

¹¹ **ESRS SBM-3**
Material impacts, and their interaction with strategy and business model(s)

2.1

Best-in-Class Protection & Peace of Mind¹⁰

Our commitments



1. We protect what matters most to families and small businesses through our industry leading, professionally monitored security solutions.



4. Our highly trained experts at our 24/7 alarm centre are ready to respond rapidly and effectively to any emergency.



2. Our “award-winning” innovations help ensure our customers' peace of mind around the clock.



5. We partner with security and emergency services to ensure a rapid response when every second counts.



3. Beyond providing peace of mind, we also work to save human lives in emergencies.



6. We aim to support more vulnerable members of society through adapted services.

> Our reason to exist¹¹ as a company is to **bring peace of mind to families and small businesses**. We believe this is one of our key contributions to society, **in alignment with United Nations SDG 16** to promote peace, justice and strong institutions. That is why we are continuously challenging ourselves to innovate and do better.

Our ambition is to broaden access to our services, especially to vulnerable segments of society, as well as widening the scope of the protection we offer. **We want to be there to protect what matters most** to people, whenever and wherever they need us, both in and out of the home.

In 2022 our teams have received 64 million alarm signals, and supported our customers in more than 350,000 incidents where they needed on-site assistance

CRISTINA RIVAS • GROUP CHIEF TECHNOLOGY OFFICER

- CEO LETTER
- 1. SUSTAINABILITY STRATEGY
- 2. OUR CUSTOMERS**
- 3. OUR PEOPLE
- 4. OUR COMMUNITIES
- 5. OUR PLANET
- 6. ETHICS & INTEGRITY
- 7. WHAT'S NEXT
- ANNEXES

¹² **ESRS SBM-3**
Material impacts, and
theirinteraction with strat-
egy and business model(s)

Cutting-edge technological innovation¹²

The **best protection** for our customers comes from **continuous innovation in our technology**, enabling our people to detect, verify and intervene in security incidents and fire and health emergencies more effectively. This continuous innovation fuels **our ambition to democratise high-security solutions** for the maximum number of potential customers.

Our solutions provide greater protection and peace of mind. Our customers can rest assured that the installation of a Verisure security system reduces the risk of burglary, and that we are committed to acting swiftly and responding immediately in the event of any intrusion.

We have a track record stretching back more than 30 years of innovating, creating new technologies for better and more affordable high security that become the industry standard. In 2022, we reached a further milestone by launching a new product platform working with PreSense™ technology. This is a revolutionary approach towards detecting risks before they happen and analysing them in real time. Our first-ever video-detector with embedded Full HD video camera was another breakthrough.

We have also focused on investing in better **collaboration with security and emergency services**. For example, in some countries our systems are connected to the national police force, so we can share the latest information with them in the event of an incident, contributing to more effective and efficient action and reducing the risks to their officers. Our actions and collaboration also contribute to improving protection for the public and covering more people, reducing risks and enabling the emergency services to allocate resources to other incidents or needs.

As a result of our efforts, the size of the network we operate is continuing to grow rapidly. **In 2022, our teams managed tens of millions of “Internet of Things” devices, operating 24 hours a day, 7 days a week, and generating close to 1.3 trillion signals.** These devices enable us to protect customers day-in and day-out, rapidly providing our monitoring centres with the data needed to detect and verify alarm incidents.



+30 YEARS
INNOVATING



1.3 TRILLION
SIGNALS

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

We are a technology-enabled human service company¹³

The highly-skilled agents employed in our alarm centres around the world have the unique and important mission of responding to any emergencies quickly and effectively. Through our alarm systems, in 2022, we received **64 million alarms**, and protected families and businesses in **more than 350,000 incidents** where they needed on-site assistance.

The agents in our monitoring station accompany our customers during their most difficult times, ready to help 24/7. And our detection devices enable us to detect intrusions even before the intruder enters the building. In the event of an emergency, our customers can contact us directly using panic buttons or call us directly using their alarm device.

As an important component of our response strategy, over the years we have built close relationships with the security forces of several of our countries. Our close relationships with these emergency services contribute to world-class protection for our customers. Through our **quick and effective response, we contribute to the most basic human right of all: to be safe and protected.**



¹² **ESRS SBM-3**
Material impacts, and their interaction with strategy and business model(s)

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

¹⁴ **DR S4-3**
Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

External recognition

While the best recognition for our work is in the service we provide to our customers, we were honoured again with several awards in 2022. For example, our **new alarm suite was recognised with two iF Design Awards**, following the Red Dot Design from the year before. We have also received recognition from industry bodies and remarkable public reviews of our product suite, including **“Product of the Year” awards in Portugal and Italy** and **“Consumer Choice” award in Spain and Portugal**.

In 2023, we will continue to invest in our people, technology, processes, practices and design to keep on providing the best protection and service to our customers.

The highest levels of customer satisfaction and loyalty

At Verisure, we are committed to doing everything we can to help keep our customers secure. Living up to this ambition comes from our expertise, but also from constantly listening to our customers’ opinions, seeking to understand their needs better and working to offer them the best way to achieve peace of mind.

We want to have the happiest and most loyal portfolio of customers in the industry. To achieve this, we set very high standards for how we



perform during the “moments of truth” that arise in sales, installations, services, monitoring and alarm responses. We monitor a broad range of metrics to ensure we take data-driven decisions that have a measurable and meaningful impact on our customers and society overall. We apply **our expertise in human understanding to deal with the security issues** faced by our communities and our customers.

We maintain open and constant communication with our customers, offering high-quality customer service across our countries through a range of channels: phone, email, chat, social media and face-to-face. We are also **continuously improving our measurement of the performance** of our systems and the resulting quality of our service¹⁴.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

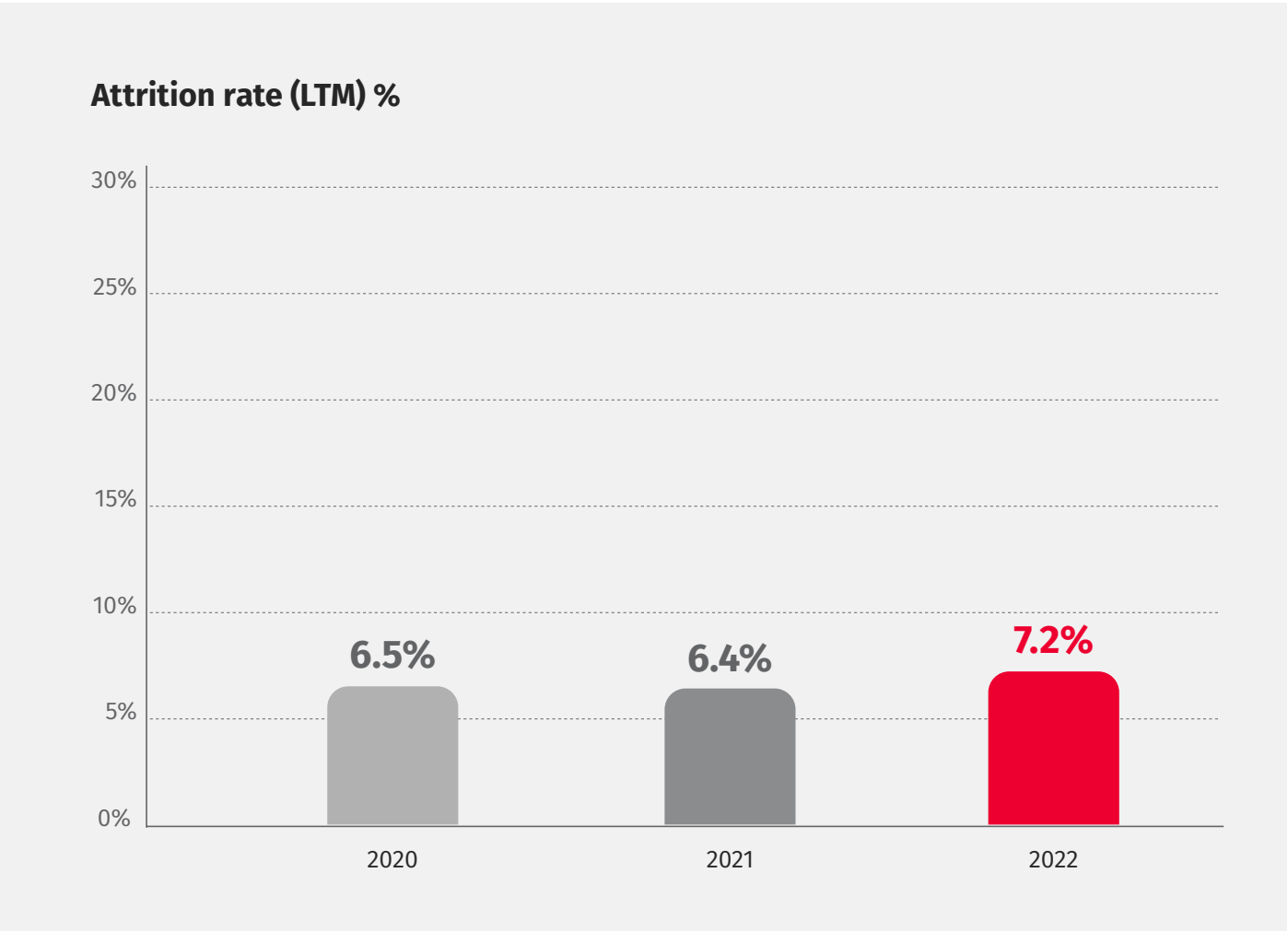
We send out a survey requesting feedback on the experience and service (transactional NPS survey*) after each customer interaction, which should be returned within 48 hours, primarily by email with a follow-up call if needed. We also conduct research into a representative sample of customers (relationship NPS**) twice a year. The families and businesses we protect are generally highly satisfied with the protection we provide¹⁵.

Customers may be contacted through the range of channels we use, including app messages, SMS, email and phone calls.

The Marketing teams across our geographies, guided by our Chief Marketing Officer, are responsible for overseeing overall customer satisfaction. We look for and welcome real opinions from people, promoting more inclusive and diverse sampling. By increasingly integrating this variety of opinions across our core marketing programmes, we will keep improving our service and the satisfaction of our customers.

We are very proud of the trust our customers place in us and of having one of the lowest attrition rates in our industry. We work hard every day to earn our customers’ trust and loyalty. We did see a small uptick in attrition during the year to 7.2%. This was understandable with many households and businesses feeling mounting cost-of-living pressures. In the face of record inflation, we are also proud of the high value our loyal customers place on the

services we provide. **Moreover, during 2022, we added more than 800,000 new customers.** This represents a record in new customer additions.



¹⁵ **DR S4-2**
Processes for engaging with consumers and end-users about impacts

* Transactional NPS scores are produced on a real time basis and are measured by each market
** Relationship NPS is measured twice per year, with performance shared at the level of the management team and the Board

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Protecting the most vulnerable segments of society

We are well aware of special segments of the population and the issues that matter to them, such as people living alone, women walking on their own and the aging population. In addition to our core security services, we continue **to innovate and develop solutions** to support and protect some of the **most vulnerable members of society**.

Senior Protection

Our Senior Protection services are designed to provide protection, wellness and peace of mind for senior citizens in Spain and their families, leveraging the latest technological innovations to make their lives safer and easier. Our service is enabled by several devices (starting with a central unit and a smart watch) and a team of highly trained professionals in our Senior Citizens Emergency Centre.

The central unit makes life easier for senior citizens, providing smart home information,

weather information, and tele-pharmacy and telemedicine services, as well as connection to others. It is equipped with an SOS button and voice-activated assistance to provide urgent attention 24 hours a day. The smart watch is equipped with many of the same features, but it also measures the user's daily activity and features an SOS button to request help at any time of day. This smart watch is also capable of detecting falls, inside or outside the home, and locating the wearer so help can be sent for immediately.

Through our special Senior Protection services, we are proud to protect over **135,000 senior citizens**, working closely this year with our partners to expand our portfolio rapidly through a robust strategy. In 2022 alone, we received more than **1.25 million signals in our dedicated Senior Citizens Emergency Centres**. Through our Senior Protection service in Spain, we have saved lives by reacting quickly to nearly 31,000 real-life emergencies.



> Personal case example Recently, María Jesús, a colleague working at our dedicated Senior Citizens Emergency Centre, received an SOS alert from the watch of a senior citizen who had fallen at home and sustained a head injury. When the notification reached our systems, María Jesús called the customer to find out what had happened. Given the customer's difficulty in speaking, María Jesús quickly realised she was in a critical condition and reacted rapidly, following our protocol. María Jesús asked a colleague to call the emergency services and the customer's son was informed. Following our strict procedures, and thanks to her training and acting in line with our DNA, María Jesús was able to maintain constant communication with the customer, staying on the line until medical care was available.

Beyond providing peace of mind, our ultimate mission is to save lives: that is why we partner with police and emergency services, so we ensure the fastest and best possible response when every second counts

OLIVIER ALLENDER • GENERAL MANAGER FOR FRANCE AND BELGIUM

_This is why we are proud of the work that our team does every day: we have highly professional, well-trained colleagues who are fully committed and dedicated to saving lives.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Guardian

Our **Guardian app** provides **protection and peace of mind to people facing potentially dangerous situations** no matter where they are. In case of an emergency outside the home, our customers can push the SOS button on their mobile phones, our GPS technology to locate their exact position and send help immediately, alerting relatives and the emergency services to the situation while one of our security representatives stays on the line until help arrives.

People travelling alone or along a route that makes them feel unsafe can activate our “Walk with Me” function in the Guardian service, through which we track their progress and ensure they arrive at their destination safely. Our users only have to set their destination and the length of the journey so that we can monitor the signal as their location moves along the route. If safe arrival is not reported by the specified time, emergency protocols are activated to advise relatives and the emergency services of their location. Through this technology and our highly trained and committed professionals, we are proud that we are protecting four times more customers than last year, with the numbers growing exponentially as we expand this across our portfolio with more services.

GENDER-BASED VIOLENCE

We provide national protection services to victims of gender-based violence in Spain through our **COMETA programme** (see the Our Communities section for more details).

**With Verisure
Guardian, you are
never alone**



Push the Verisure
Guardian SOS button



We receive an alert
with your position



We activate the emergency
protocol and stay on the line
with you



We contact emergency
services and your relatives



> Personal case example A Verisure customer was riding a bike when he was hit by a car. Thankfully, he remained conscious and aware of his situation. From the ground, he activated the SOS button. Within seconds, our monitoring centre received a signal with his location and contact details. An operator called him to check what was happening. Once our customer had reported what had just happened to him, the operator stayed on the line with him providing a sense of calm and security, asking him if he wanted us to notify his relatives. At the same time, following our protocol, our operator asked a colleague to call 112 for emergency assistance, providing them with information on what had happened, the location and our customer's contact information. Our operator stayed on the line with the customer until the emergency services arrived at the scene. After the incident, the customer called our alarm receiving centre to thank the operator who helped him during the incident, saying he would not have been able to get through the situation alone.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

¹⁶ **DR S4-2**
Processes for engaging
with consumers and
end-users about impacts



Health and safety protection for our customers¹⁶

Our protection extends to making sure that all our products are safe for customers. We have robust steps during our product development to make sure we avoid all health and safety risks. **All our products are tested and CE marked, and all our batteries and power connectors are certified according to the Ecodesign Requirements for Energy-Related Products Directive (ERP 2009/125/CE).** Our Zerovision™ product is subject to the same requirements, with additional certification under the Pyrotechnic Articles Directive (2013/29/EU). Full product safety information is included with our products, and the corresponding Declarations of Conformity are published on our website.

The products our customers interact with, such as key fobs and wristbands, are subject to additional testing on top of what is required under the aforementioned regulations to ensure they are safe, including testing of chemical resistance, abrasive wear, thermal stability, UV resistance, and thermal shock and mechanical resistance. We also perform nickel and other allergy tests on devices that come into contact with human skin.

We have not recorded any significant health and safety incidents involving our customers' interactions with our products. **We have never had to recall any of our products from the field due to health or safety issues.**

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

¹⁷ ESRS SBM-2
Interest and views of stakeholders

DR S4-5
Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

¹⁸ ESRS 2 SBM-3
Material impacts, risks and opportunities and their interaction with strategy and business model(s)

¹⁹ DR S4-1
Policies related to consumers and end-users

2.2

Data privacy & Cyber Security

Our commitments¹⁷



1. Verisure's products and services are also designed for data privacy and protection, as one of our core promises to our customers.



2. Our organisation works in a structured way, driving a strong privacy and information security culture, to safeguard the interests of all individuals and entities entitled to protection of their data privacy, including our customers and employees.



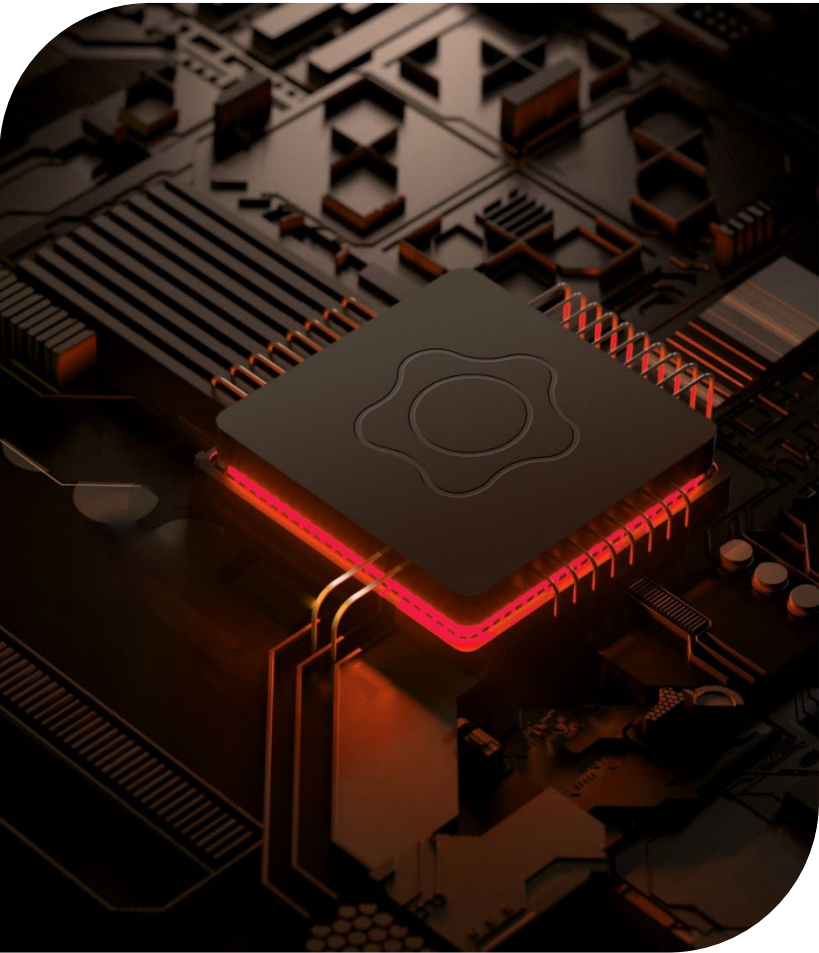
3. We are committed to transparency in our responsible and proactive approach to data protection and cyber security.

Data privacy

Our focus on data privacy¹⁸

At Verisure, our continued success depends on our ability to maintain the trust of our customers, colleagues and business partners. Protecting our customers also means protecting their information and data. They trust us with their personal data so we must live up to the promise we make by collecting, storing and using their data securely and responsibly. Strict privacy standards enhance trust in our brand and intertwine with our promise of Trust and Responsibility.

We updated our Group Data Privacy Policy in 2022, setting out the principles and rules to be followed in our operations to continue earning the trust that we have fostered throughout the years¹⁹.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

²⁰ **DR S4-2**
Processes for engaging with consumers and end-users about impacts

^{21,22} **DR S4-3**
Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Ensuring data privacy

We have a comprehensive **Group Data Privacy Programme to ensure data privacy and protection**. We are continuously strengthening our data privacy framework and fostering Group-wide awareness, with an updated Group Privacy Policy. **We continued rolling out new DP e-learning in 2022**. This is mandatory for all employees. We use OneTrust to track the performance of our Data Privacy Programme.

Our products, services and related processes are designed to protect the personal data of our customers and users of our services. Detailed data privacy impact assessments form part of the product and service development process and our contracting process with third parties. Our data privacy professionals work closely with each of the functions and businesses to ensure that our commitment to data privacy and protection is reflected in everything we do.

We believe in transparency in how we handle personal data. We publish data privacy notices for specific audiences setting out how personal data is processed within Verisure and related rights. We also have processes in place to respond to any requests or questions regarding our processing of personal data. Each of our websites contains the necessary information on data privacy and details an email address for more information²⁰.

Data privacy incidents are handled according to set procedures using the Jira or Remedy digital

reporting tools²¹. Data privacy incidents are followed up with appropriate remedial measures and reported to the Audit Committee on a quarterly basis. We comply with all applicable laws in our reporting and notifications, including the GDPR. **There were no significant data privacy incidents in 2022.**

Our **Head of Group Privacy**, who reports to the Group CLO, is responsible for managing the Group Data Privacy Programme and for driving the programme within the Group. She manages the Programme together with a Group Data Privacy Council, with members representing each of the Clusters, and is building a team of seasoned professionals. **Developments, incidents and cases related to the Group Data Privacy Programme are reported to the Audit Committee on a quarterly basis.**

We also have **Data Privacy Officers (DPO) in each of our EU operating countries**. They work closely with the Group Data Privacy team, the Cluster Data Privacy heads and the rest of the DPO network. We also have data privacy champions in the key functions in most countries¹⁸.

Each country has specific procedures and guidance on how to continuously strengthen data privacy practices and manage relations and contacts with customers. The Group Data Privacy e-Learning content, which achieved an overall completion rate in the Group of 75% in 2022, complements the dedicated data privacy training in the countries.



Data Privacy Risks Assessment²² and third-party audits

Data privacy risk assessments form part of our key business processes and initiatives. In 2022, the Enterprise Risk Assessment was a priority for our legal teams, with a specific focus on data privacy. We conducted specific data privacy risk assessments of our operations and our use of lead-generation partners, reinforcing practices as appropriate. We also revisited our data privacy impact assessment framework and worked with our Innovation team on finding privacy by design solutions for new outdoor camera devices.

In 2022, we continued conducting rolling third-party data privacy audits through Deloitte, with three countries in the scope. During the year, we also implemented the recommendations made in the audit reports for countries where such audits were carried out in 2021.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

²³ **ESRS 2 SBM-3**
Material impacts, risks and opportunities, and their interaction with strategy and business model(s)

DR S4-1
Policies related to consumers and end-users

Cyber Security

Our governance of cyber security²³

As a company whose mission is protecting and providing peace of mind, we are conscious of the importance of protecting the data our customers entrust us with. This is why cyber security is at the core of our security mission and company purpose. **We foster a strong privacy and information security culture** and offer increased transparency through a responsible and proactive approach, making our organisation fully conversant with privacy topics.

We strive towards integrating “Privacy by Design” and “Information Security by Design” in all our products, services and business activities. To this end, we have a strong Information Security programme, sponsored by the Board and CEO, in which we invest heavily to ensure the security of our customers and our estate. Our overall investment within our Cyber Security programme is regularly benchmarked against investment in the financial services sector, rather than consumer electronics companies.

Underpinning our security programme is a robust set of **internal and external processes to identify risks and vulnerabilities**, always ensuring legislative compliance. Our core information security management processes are designed in accordance with best practices, such as ISO 27001, and complemented by sector-specific requirements and legislation, such as BS7858 for

the vetting of our monitoring centre personnel, as well as compliance with all relevant European and UK standards on alarm handling, such as EN50518.

From a risk management standpoint, our **Security Governance, Risk and Assurance (GRA) Group** is responsible for maintaining and managing our Group security risk register to identify risks and vulnerabilities and ensure that the wider business either remedies or mitigates these risks. This process reports to our Group Security Risk Committee, which is chaired by our Group CEO and attended by our Group CFO, CLO, CTO and Information Security Director.

Our in-house Security Operations Centre has a global remit and provides 24x7 coverage to help identify and manage our response to potential security incidents, further supported by Trustwave, our external global digital forensics and incident response partner.

From a product security standpoint, the activities in our development cycle include threat modelling and internal and external security testing of both our hardware and software. Our long-running penetration testing programme covers our full range of products and end-to-end services. This programme is delivered by world-class independent third-party security testing suppliers.

In the digitalised world we live in, the protection of customer data and company assets is critical. We are proud of our 'advanced' classification in terms of cyber security from BitSight as of December 2022

FABIAN CASTERAN
GROUP INFORMATION SECURITY DIRECTOR

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

²⁴ DR S4-1
Policies related to consumers and end-users

DR S4-4
Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to consumers and endusers and effectiveness of those actions and approaches

Comprehensive programmes in place for protection²⁴

In 2022, we continued **developing several solutions for enhanced protection of privacy and data security**. A key success was the further rollout of our security tool to achieve the desired level of coverage and consolidate our strong security foundations. By completing the appointment of a Group Information Security Director, we now have a truly global team that can tackle cyber security problems from end to end.

Our focus on maturing our capabilities resulted in the implementation of new solutions for identity and access management and secure software development. This is a logical continuation of our journey to evolve our information security programme towards adaptive defences that will increase our resilience to potential cyberattacks.

To achieve this, we run an extensive company-wide security education and awareness programme, using artificial intelligence to manage a comprehensive simulated phishing and micro-training programme, as well as providing role-specific training and mandatory online training on our Group Information Security Policy and our Acceptable Use of IT Resources Policy.

In 2022, we continued to progress on all aspects of information security and we further reinforced our capabilities to address the rapidly evolving threat landscape. We have assigned strategic and tactical ownership to each of the capabilities that

compose our layered defence to ensure we define and execute a security roadmap that evolves with our growth and the external challenges we face.

Our efforts in this area were again **recognised** in 2022, with **Bitsight, a leading cyber security ratings solution**, rating our cyber security posture as “advanced” and ranking us in the top quartile of our industry peers.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



Our People

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

²⁵ **ESRS 2 SBM-2**
Interests and views of stakeholders

²⁶ **ESRS 2 SBM-3**
Material impacts, risks and opportunities and their interaction with strategy and business model(s)

> Our people are the foundation of our success. As a technology-enabled human-services company, our people stand ready to respond in an instant to protect what matters most. Our people differentiate our business by living and representing our DNA every day. They are Verisure.

By 2030, we aim to increase women representation to 40% at the company overall and at least to 33% in leadership positions

AUSTIN LALLY • CHIEF EXECUTIVE OFFICER

Our commitments²⁵



1. We are committed to supporting DEIB for our employees, customers and communities.



2. We promote diverse representation with a strong focus on “gender”, followed by “age” and “disability”, ensuring access to opportunities for everyone through meritocracy and inclusion.



3. We provide job opportunities for those in our society who have difficulty finding work. We draw on this very valuable source of talent for our continuous growth while improving our competitive advantage.

3.1
Diversity, Equity, Inclusion & Belonging (DEIB)

DEIB is a key priority for our company and is reflected explicitly in our business and ESG strategies. We want to be representative of the societies in which we operate around the world, and we want to do this by creating an inclusive environment where everyone can bring their identity and uniqueness to work. We want to ensure access to opportunities and meritocracy for all, mitigating potential bias in all key processes and fostering a strong culture and leadership style that promotes inclusion and belonging.

Verisure DEIB Strategy²⁶

We have a holistic approach to the various dimensions of diversity, welcoming and embracing individuals, accepting their unique characteristics such as race, gender, age, religious belief, ethnicity, cultural background, marital or family status, economic circumstances, human capacity, expression of thought and sexual orientation, as well as different experiences, skills and capabilities. We approach each colleague as a unique individual, who we provide with the tools, support and environment to succeed and reach their greatest potential, taking into account their varied needs and personal characteristics. **We have zero tolerance of any form of discrimination and harassment** based on any characteristic across all our processes, including recruitment, remuneration, job assignments, promotion and support.

In 2021, and as stated in our priorities, our **key focus continues to be on improving gender diversity across all the organisation, with a specific focus on sales, technology and leadership, followed by age and disability. Nationality is also an important dimension.** We have a specific focus on the representation of local talent in the communities we serve, especially in management and frontline services. When it comes to race, we aim to mirror society, especially in those countries where this dimension it becomes a social priority and it’s meaningful for our communities. In terms of sexual orientation, religion and minority ethnic groups, our initial focus is on ensuring equity and inclusion.

We see a clear opportunity in DEIB to make a positive impact on our business, our customers and our communities. Our strategy will benefit our people and the talent we want to attract, ultimately unlocking long-term competitive advantage and supporting our growth ambitions. Externally, increasing diversity in our supplier base protects us from shocks and maximises the robustness of our supply chain. Eliminating biases across our business practices and strategies gives us a competitive advantage that enables us to provide high-quality service to our customers. As changemakers, we can use our voice to influence our industry and sector, and to amplify our positive contributions towards DEIB priorities.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

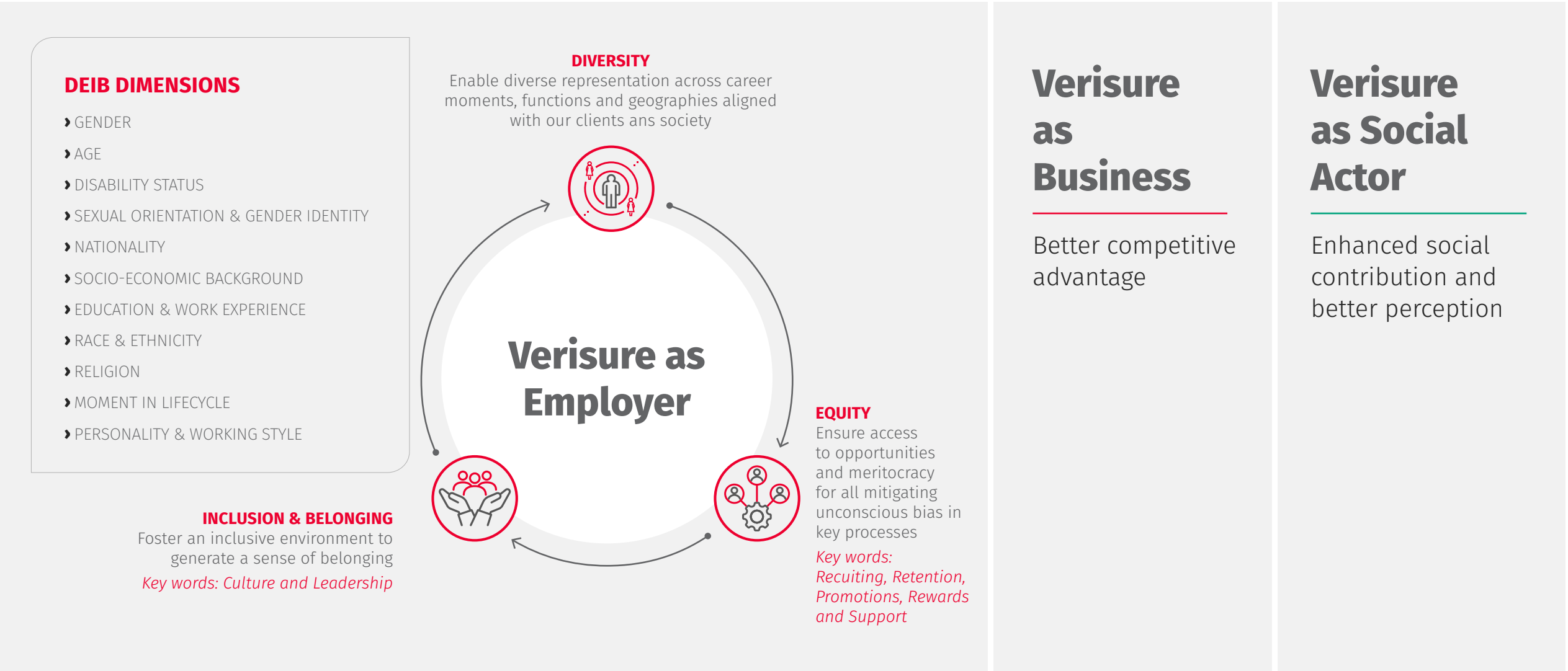
4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



Key Enablers

➔ **OPERATIONAL ENABLERS**

Systems, Processes and Tools
Policies and Regulations
Training and Learning

➔ **ACTIVATION AND COMMUNICATION ENABLERS**

Leadership activation
Internal and External Communication
Best practice sharing

➔ **TRACKING ENABLERS**

Monitoring
Governance

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

As a social actor, **we believe we accelerate social mobility and create a positive impact in the communities in which we operate.** Our philosophy of talent and our continued growth enable us to create career opportunities for diverse candidates that have a ripple effect on their communities. We provide the best possible protection to a diverse range of customers, including some of society’s most vulnerable groups and those who are not well protected. As changemakers, we can use our voice to influence our industry and sector, and to amplify our commitment towards DEIB priorities.

As an employer, a strong DEIB strategy enables us to access a broader pool of talent, across career moments, functions and geographies, attracting high performers in the labour market. We see our DEIB strategy as helping to drive higher engagement and performance, creating development opportunities, and enabling our colleagues to thrive in an environment where they feel supported and included.

This is also evidenced in our employee engagement survey, in which the question related to diversity and inclusion support in the workplace continues to improve (up by 4 p.p. compared to last year and 17 p.p. since 2016), mirroring this joint effort. In 2022, we consolidated our DEIB ambition and strategy and developed a shared DEIB agenda and 2023-25 roadmap, with common initiatives and consistent KPIs across our countries and functions to ensure and track progress. We have also achieved significant progress in the implementation of key DEIB enablers.

Key enablers - Building an inclusive workplace, a daily task²⁷

We are proud of the efforts we are making towards the creation of real opportunities and inclusive environments across all DEIB dimensions through a range of key enablers, including:

Leadership activation
DEIB is an explicit priority in our company’s Strategy On A Page (SOAP). We have a strong leadership commitment, and we keep investing to ensure inclusive leadership capabilities as a pillar of our Verisure Leadership Model. **In 2022, over 80% of our leaders -including 100% of our Group Management Team- had been trained in further developing their inclusive leadership skills.** Finally, we have also started to “train the trainers”, in order to roll this training out to all our key audiences across the organisation.

Governance
We are committed to further strengthening and expanding our DEIB programme and impact. During 2022, **we reinforced our governance by creating the Verisure DEIB Committee, sponsored by our CEO.** This Committee comprises functional heads, cluster representatives and local DEIB ambassadors. Its mission is to review the DEIB roadmap and ensure progress and focus on key strategic actions; to discuss country needs and

how to support them; and to enable best practices. Local committees have also been established in our larger countries and will be set up across the rest of our footprint.

We have also appointed **DEIB country representatives** and created cross-country and cross-function forums to strengthen collaboration and the sharing of best practices. DEIB Ambassadors are also being appointed and will be empowered to launch initiatives and campaigns at Group level and/or across countries. **A fully dedicated Head of DEIB joined in early 2023 to accelerate our progress.**

At the same time, global alliances or networks that promote DEIB are being set up by some countries and will continue to grow. Our colleagues in Spain, Italy and Group have participated in the United Nations Global Compact (UNGC) alliance’s Target Gender Equality accelerator programme, to support and meet ambitious targets for gender equality and the gender pay gap. At Verisure, we work every day to make sure that everyone is paid equally for equal work. We are currently analysing our data to ensure our colleagues receive comparable compensation to their peers for performing the same or similar work.



+80%
OF OUR LEADERS
IN OUR MAIN
GEOGRAPHIES
HAVE ALREADY
BEEN TRAINED
IN FURTHER
DEVELOPING
THEIR INCLUSIVE
LEADERSHIP
SKILLS

²⁷ **DR S1-1**
Policies related to own
workforce

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Diversity in our Workforce – Verisure as employer

Representation
Since 2016 we have expanded the Verisure family by 13,800 employees. 2022 represented our highest annual job creation to date, with more than 2,800²⁸ additional employees. We are proud to have more than 26,000 highly engaged and committed employees around the world. As we continue growing rapidly, we want to ensure that we attract and retain the very best people, and that we offer an inclusive employee journey that enables our employees to reach their full potential, growing with us in a challenging yet supportive environment.

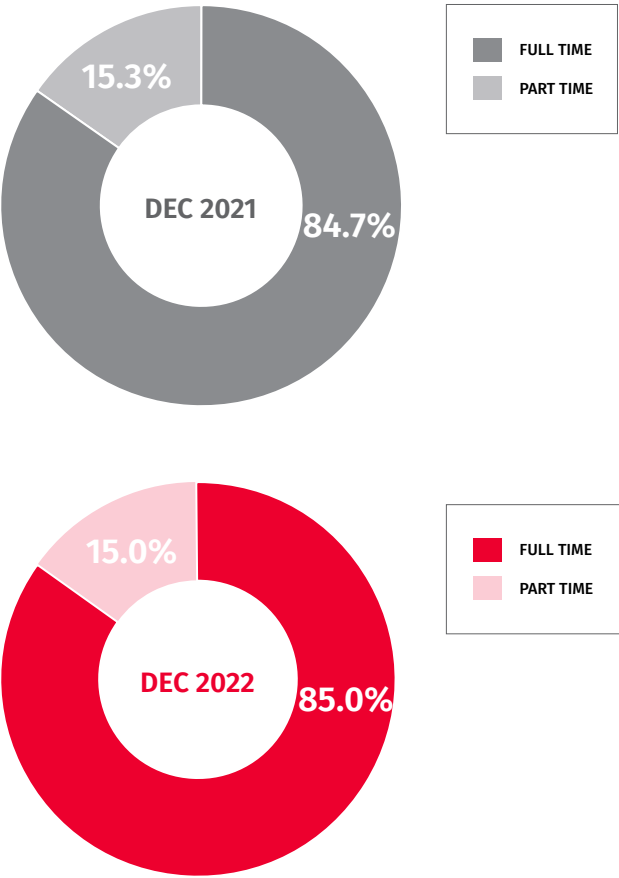
We are constantly paying attention to the development of our own policies through a range of indicators. These help us understand what we are doing, how we are doing it, and what we can improve.

Total employee number breakdown by gender and age. Active headcount at the end of the period^{29 30}

TOTAL EMPLOYEES	DEC 2021	DEC 2022
WOMEN	8,567	9,866
Under 30	12.3%	12.2%
30-50	22.3%	22.9%
Over 50	2.0%	2.4%
MEN	14,852	16,417
Under 30	21.4%	21.0%
30-50	37.0%	36.1%
Over 50	5.0%	5.3%
Total (excludes gender non declared)	23,419	26,283
Non declared		32
TOTAL	23,419	26,315

3.1 DIVERSITY, EQUITY, INCLUSION AND BELONGING (DEIB)

Total employee number breakdown by contract type: full time vs part time. As a percentage of total headcount active at the end of the period³¹



²⁹ DR S1-9
Diversity indicators

³¹ DR S1-6
Characteristics of the un-
dertaking's employees

²⁸ Net hires in 2022 were 2,861 (headcount)
³⁰ Calculated using headcount, all active permanent and temporary employees at the end of the period

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

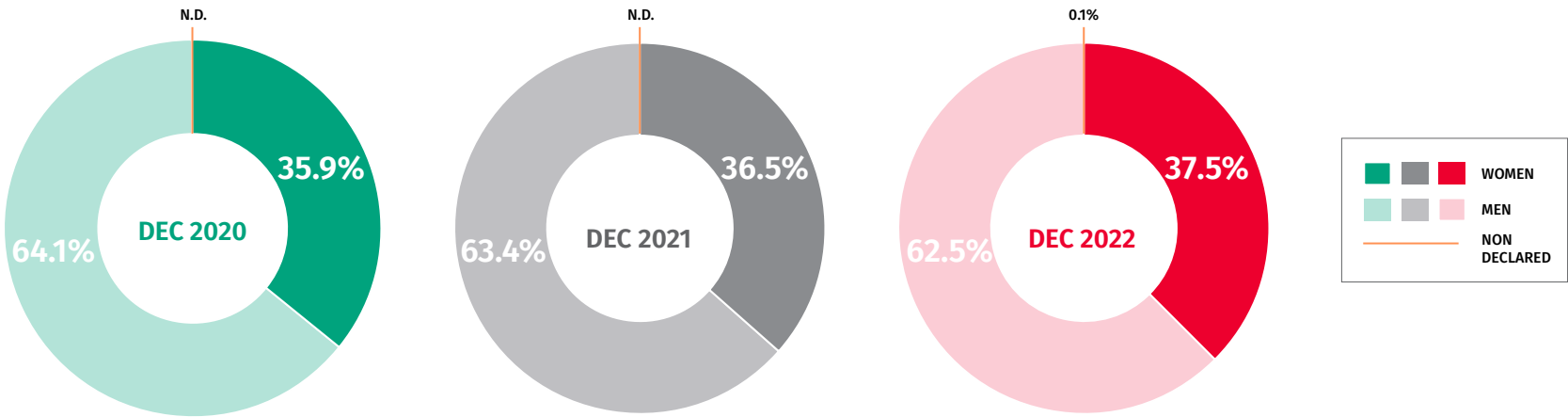
Gender diversity³²

Our primary focus in recent years has been to improve gender diversity overall, and in particular in our sales organisation, technology organisation and leadership roles. After a thorough analysis, in 2022 we set our gender diversity goals. **By 2030, we aim to increase women representation to 40% of the company overall and at least to 33% in leadership positions.**

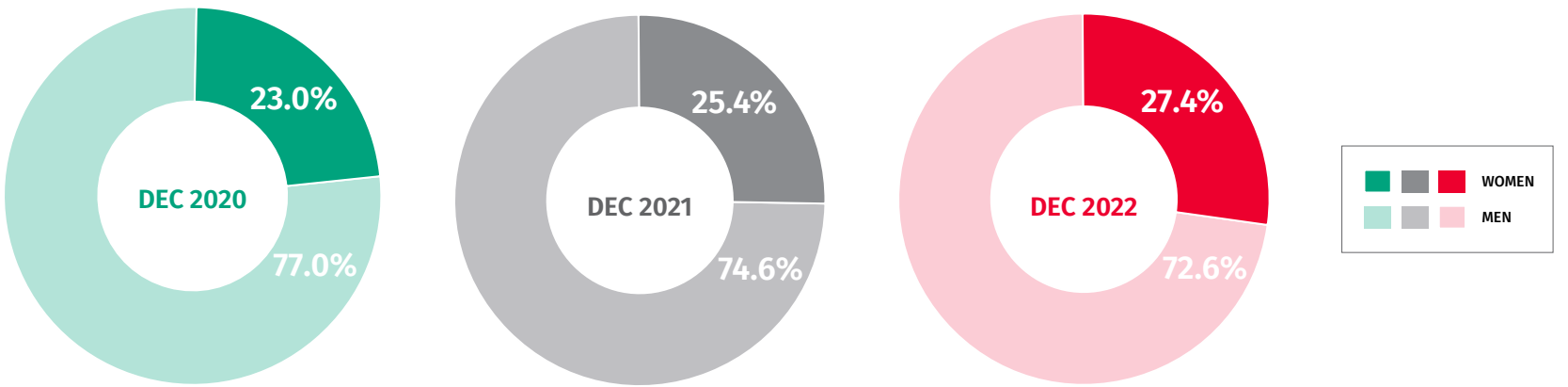
For context, **37.5% of all our employees globally are women** (up from 20% in 2015). In many of our countries women already represent over 40% and, in some cases, close to 50% of our employees. At the functional level, the representation of women in certain areas, such as human resources, finance, legal and the marketing acquisition and marketing portfolio areas, already exceeds our targets. Other areas, such as Technology, Sales, Operations and Leadership have been actively working to improve their gender representation. They have achieved solid improvements, although their ratios remain below the targets. Nevertheless, areas such as Technology in Verisure are fully aligned in terms of gender representation when benchmarked against major technological organisations worldwide. Moreover, the percentage of hires who were women increased by 2 p.p. in 2022 compared to 2021, contributing to achieving a more balanced representation of women.

Women currently account for 27.4% of our leadership roles. This number is expected to improve in the future given the increasing percentage and number of women regarded as key talent and successors in our talent pipeline. For perspective, six years ago there was only one female leader in the Group Management Team (9%), while three out of ten (30%) of our leaders were women at the end of 2022.

Total employee number breakdown by gender.
As a percentage of total headcount active at the end of the period



Total employees broken down by gender in leadership.
As a percentage of total headcount active at the end of the period³³



³² DR S1-9
Diversity indicators

³³ DR S1-6
Characteristics of the undertaking's employees

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

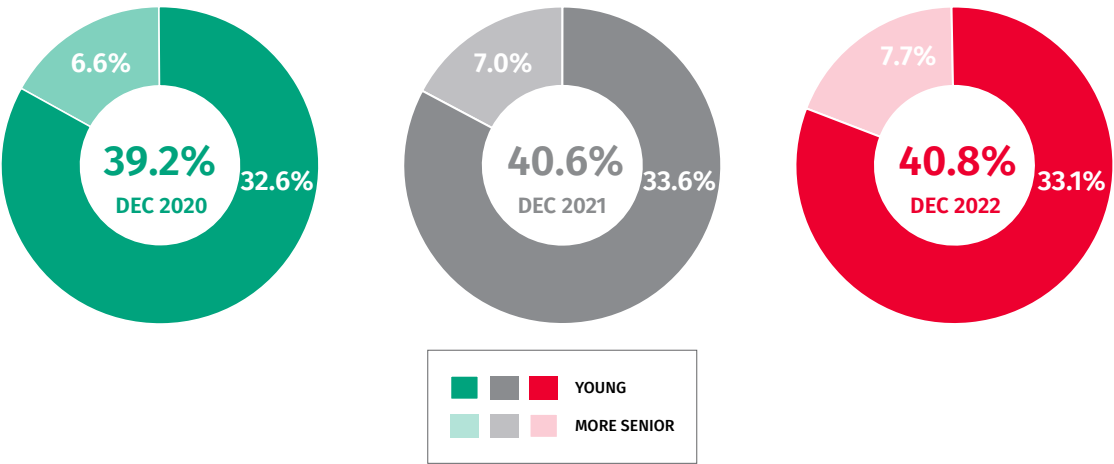
ANNEXES

Age diversity³⁴

As part of our efforts to represent and serve our customer base better, at Verisure we believe that age diversity is an important element of our strategy. Great talent can be found in both younger and more mature employees, who together currently make up 40.8% of our population. **Younger talent (< 30 years) accounts for 33.1%, while more senior talent (> 50 years) accounts for 7.7%.** We want to offer career opportunities to those groups who are facing greater challenges in the labour market, especially in many of the countries in which we operate, where unemployment rates are particularly high. In this spirit, **we have focused on attracting younger and more senior talent**, ensuring that we attract untapped talent pools without any bias, and that we have access to the right age profile by function, country and subsegment. This can also benefit our customer base. Our **Senior Citizen Attention Programme**, led by Spain, represents an example of best practice, driving a more tailored service for senior customers so they have a better experience with Verisure. To achieve this objective, we are working on improving our service by applying neuroscience principles to communications and acknowledging the biological changes that ageing implies, so we can adapt our customer service processes for this target.



Total employee number breakdown by age, younger and more senior talent. As a percentage of total headcount at the end of the period



Persons with disabilities³⁵

In recent years, we have also worked to ensure access to opportunities for our colleagues with disabilities. In 2022, **we focused on raising awareness and consolidating an inclusive culture and an environment of trust that can facilitate self-identification of any employee with a disability and any specific needs** this colleague might have. We have also invested in adapting our working conditions and environment for greater accessibility.

We have **launched specific recruitment campaigns dedicated to this talent pool in several countries**, including Spain, France and Chile. Specific processes have been carried out to incorporate people with disabilities at Verisure, either through specific recruitment campaigns or by adapting existing processes.

In collaboration with external organisations, we have launched awareness and self-identification campaigns to identify employees with disabilities, helping them obtain a disability certificate, in countries such as Spain and France.

Finally, during 2022 we performed an assessment that will enable us to define a common framework of action for the recruitment and care of people with disabilities, based on their needs and compliance with local regulations.

³⁴ **DR S1-9**
Diversity indicators

³⁵ **DR S1-12**
Persons with disabilities

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Other Dimensions: nationality, religion, sexual orientation & gender identity and professional backgrounds

There are currently 126 nationalities working across Verisure. We have an internal focus to ensure appropriate representation of local talent, ensuring we provide employment to those communities where we have a presence, generating a positive social impact from our business performance.

We also focus on creating diverse teams in terms of talent profiles, combining professional and educational backgrounds, as well as broad international experience. Examples include:

- > Most of our leadership teams combine talent sourced from leading companies in consumer goods, tier-1 strategy consulting firms, telcos, software, technology companies and a broad variety of industries.
- > Our corporate Group Functions teams comprise 58 nationalities, with significant accumulated international experience across all continents.
- > Our technology team is composed of 44 nationalities across 5 locations, having the best IT talent to protect what matters most for our customers.

Many of our colleagues, particularly those entering our sales and operations function, may not have had the opportunity of college or university further education. **We offer stable career growth and access to opportunities, independently of any particular educational background.** Verisure is continuing to work on defining an employee journey that fosters inclusion as a key enabler of a sense of belonging for our employees, where everyone can feel supported, irrespective of their personal characteristics or identity (sexual orientation, religion, race, stage in the life cycle, professional background, socio-economic background, etc.). To achieve this scenario, Verisure regularly assesses and reviews all processes, policies, communications and leadership models related to the employee experience

Recruiting
Because ESG is core to our mission, we recognise the importance of accelerating our efforts to accompany the rapid growth of our business. **Verisure is committed to further strengthening and expanding our DEIB programmes. This includes the guarantee that our recruitment processes are non-bias, non discriminatory and promote equity.** We have launched multiple campaigns and initiatives to attract and hire women and minority groups, such as younger generations and people with disabilities, for under-represented functions.

> One of the steps we have taken is improving our “Member-gets-Member” programme in multiple countries, increasing the colleague referral bonus applied when someone refers a female candidate who is subsequently hired.

> We have also improved the wording of our job postings with more gender-neutral language, and we have adapted our career site to showcase our talented and successful women colleagues, aiming to inspire others to find the place to develop their full potential at Verisure. For example, Chile has moved to inclusive job postings, in partnership with a leading foundation for employment inclusion.

> We have launched a number of initiatives for age diversity, such as “Act4Diversity” in France and the “All STAR Programme” in Spain to attract younger talent.

> Some countries work with external organisations to recruit and onboard colleagues with a disability. For example, in Chile, Verisure has begun an alliance with the “Luz Foundation” to hire colleagues with visual disabilities.

We have also rolled out training for our recruitment and hiring managers on how to generate awareness, mitigate bias and foster inclusion in some countries. This training will expand progressively and be redefined for everyone, leveraging internal best practices.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

³⁶ **DR S1-16**
Compensation indicators
(pay gap and total compensation)

Retention

Verisure has launched multiple equity and retention initiatives across several countries to live up to the highest moral, ethical and legal standards. These actions will be expanded through the leverage of internal best practices. For example, in France, 80 employees took part in our challenge to create an awareness campaign on employing and retaining people with disabilities. The winners got to watch the finals of the French Riviera Open international wheelchair tennis tournament.

Verisure also promotes policies that foster working flexibility and work-life balance in all our countries. By 2022, most of our countries had implemented our new smart hybrid working model, to effectively address the shift we have seen in our employees' expectations, including the implementation of a smart hybrid working model implemented across our countries depending on their local characteristics and regulations.

Progression, growth and recognition

We empower and train our employees through a variety of mentoring, development and rotational programmes. We offer specific support for women across all levels, and for management and senior leadership positions in some countries.

> In Italy, we have supported the empowerment of women in the workplace by leveraging the #IAmRemarkable initiative, where colleagues held a workshop encouraging women to share their achievements, learn about the importance of self-promotion in their personal and professional lives, and obtain the tools needed to develop their skills.

> In Spain, Verisure conducted its second “She Leads” female leadership programme, which includes workshops for women and men to develop and promote inclusive leadership in their teams by boosting women’s careers and closing gaps.

Additionally, we aim for equal pay for equal jobs for our employees, regardless of their gender - men, women, other - across our functions, geographies, organisational levels and annual base payments. As a result, we have been able to reduce the gender gap in all of the categories of our Sustainable Engagement survey since 2017, with the Compensation and Benefits gender gap improving for the third year in a row³⁶.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

³⁷ DR S1-1
Policies related to own workforce

DR S1-3
Processes to remediate negative impacts and channels



Support
Verisure remains committed to opposing any form of discrimination and harassment. These are some examples of our updated or newly created policies and activities that complement our Group Code of Conduct, which are all published in local languages (more detail in our “Ethics & Integrity” section)³⁷:

> Group Anti-harassment and Non-Discrimination Policy. Our Policy defines harassment and discrimination and the different forms they can take, and helps our colleagues identify these behaviours. Both of these issues run deep in the commitment expressed in our Code of Conduct.

> Group Speak-Up Policy³⁷. This provides further guidance on how colleagues can raise concerns of suspected misconduct and outlines our non-retaliation policy for whistle-blowers, as well as the process colleagues can expect once they raise a concern.

> Code of Conduct. Various communication initiatives have been launched to ensure that our Group Code of Conduct is fully integrated in the organisation. E-learning is part of the on-boarding of every employee, and regular communication campaigns are conducted.

> Leadership model. We have developed our Leadership model, including DEIB explicitly in one of its pillars.

> Communication campaigns. Our reinforced DEIB agenda guides us on the positioning of the company against any kind of discrimination and raises awareness of significant DEIB issues.

We are continuing to adapt our processes, policies and practices, particularly in the Sales function,

to support and help our female talent succeed, analysing potential gaps and creating a supportive environment so they can perform at their best.

We have also invested in adapting our working conditions and environment for dozens of our colleagues. Inclusive rooms (for breastfeeding and pumping, dedicated religious spaces) are being, or will be, set in the Group’s and countries’ (new) sites.

Culture & Leadership
We regularly launch awareness campaigns, communications and initiatives in key DEIB areas, in line with our strategy. In 2022, for example, we launched our “Breaking the bias” campaign during International Women’s Day and the “Veripride” campaign during Pride month, both locally and globally.

All our initiatives are either supported or sponsored by the top management of Verisure, including the personal involvement of our CEO in diversity topics. This engagement in DEIB topics provides a role model for how inclusion needs to be performed.

During the year, we conducted various activities that contributed to creating awareness among our colleagues. Verisure has created Affinity groups in Spain, where we have created a network of employees and allies based on our diversity priorities (gender, culture, the LGTB+ collective, etc.) with the aim of fostering inclusive initiatives. In France, we were inspired by real cases inside the company related to disability, which led us to produce educational content related to this issue. This was subsequently broadcast as podcasts in our local campaign during the European week for the employment of people with disabilities. We are also running annual DEIB surveys (where local legislation allows us to collect more detailed diversity data) to develop more tailored inclusion strategies.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

³⁸ **ESRS 2 SBM-2**
Interests and views of stakeholders

ESRS 2 SBM-3
Material impacts, risks and opportunities and their interaction with strategy and business model(s)

3.2

Employee Health, Safety & Well-being

Our commitments³⁸



1. We take the safety and health of our colleagues very seriously, by promoting their holistic well-being, as employees and as individuals.

As we look to support our people, we have developed a holistic well-being framework that touches on all the different aspects of our people’s well-being: physical, financial, social, mental and emotional

MARTA PANZANO ·
GROUP CHIEF HR, COMMUNICATIONS AND ESG OFFICER

In 2022, **we continued to prioritise the safety of our people and our customers**, maintaining our top priorities: to ensure high health and safety standards and holistic emotional, mental, social, physical and financial well-being. Our duty of care ensures **safe working environments**, which are managed in accordance with local regulations. We have diagnosed the key risks and defined preventive measures. Well-being has become a valued key element in the whole employee experience, especially following the Covid pandemic. **Our people can benefit from various well-being programmes** and other benefits to cover their health and wellness needs and promote a healthier lifestyle. The perception of our employees of how leaders protect health and well-being improved by 1 p.p. in the 2022 Sustainable Engagement survey compared to the previous year.

Many of our countries have robust health and safety management systems, which document the key risks and the preventative measures to take. Most also have dedicated leaders or work environment committees that are responsible for including awareness policies and campaigns. These are often appointed by trade unions, in countries where these exist. The prevention approach for non-employees in our largest countries, such as France or Spain, is based on joint action between Verisure and the sub-contractor company.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

⁴⁰ **DR S1-14**
Health and safety
indicators

Health and safety

Improving safety and preventing fatalities is part of our commitment towards our people. **In 2022, there were no fatalities due to work-related accidents or ill health³⁹ among our employees and non-employee workers.**

Number of work-related accidents and health incidents per average headcount in 2022⁴⁰:

	2022
Work-related accidents and work-related ill health ⁴¹	0.02
Commuting to work accidents ⁴²	0.01

Work-related accidents are those that occur due to exposure to hazards at work, including those that occur in the workplace and those that occur outside the workplace while the worker is engaged in work activities or when working from home, excluding accidents while commuting to work⁴³.

Ill health indicates damage to health and includes diseases, illnesses and disorders. Work-related ill health accidents are those that arise from exposure to hazards at work⁴⁴.

³⁹ Work-related accidents and ill health are defined as follows: work-related accident or work-related illness that results in any of the following: death, days off work, restricted work or transfer to another job or loss of consciousness

⁴¹ Work-related accidents and work-related ill health, excluding accidents commuting to work.

⁴² The numbers reported are in addition to work-related accidents and work-related ill health. Accidents while commuting to work include, for example, accidents that occur when travelling from home to work and vice versa.

⁴³ The following incidents are not considered work related: (a) a worker suffering a heart attack while at work that it is not connected to their work; (b) a worker driving to or from work is injured in a car accident (when driving is not part of the work and where the transport has not been organised by Verisure); and (c) a worker with epilepsy has a seizure at work that it is not connected to their work

⁴⁴ The following incidents are not considered to be work related: (a) a worker suffering a heart attack while at work that it is not connected to their work; (b) a worker driving to or from work is injured in a car accident (when driving is not part of the work and where the transport has not been organised by Verisure); and (c) a worker with epilepsy has a seizure at work that it is not connected to their work.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁴⁵ **DR S1-15**
Work-life balance
indicators

New ways of working⁴⁵

At Verisure, we recognise that supporting a flexible working environment is an important factor for our people and operations. **In 2021 we started piloting our New Ways of Working model, and in 2022 we successfully implemented a smart hybrid working model** in most of our countries that gives more flexibility around where and when to work, enhanced by new or updated office spaces in which to create, collaborate, connect and celebrate. This model allows eligible colleagues (depending on the country and group) to work from home up to three days per week, to have work-from-another-location weeks (enabling more flexibility around summer and holiday travel) and to have +/- 1-hour flexibility in check-in/out times, always in compliance with regulations.

In many of our countries, this smart hybrid model is applying policies that grant benefits that exceed statutory requirements in terms of hybrid working policies and flexible hours. This is the case in the UK, Germany, Chile and Brazil, for example. In Spain, the Equity Plan includes numerous flexible working measures, such as a pool of hours for medical and emergency accompaniment of family members, the possibility of flexible working hours in areas where it is operationally possible, special leave for adoptions or the death of a partner or child, unpaid leave and accumulated breastfeeding leave. In France, we have had a plan for equality between women and men and quality of work conditions since 2020. These agreements include flexible working

provisions related to days off for personal events (marriage, deaths, etc.) and days off to care for dependent relatives. Some departments, such as Operations, and strategic areas have already put various benefits and initiatives into practice to foster equality through new ways of working, including flexible working and benefits to balance personal and professional life.

All of our employees are entitled to take family-related leaves. Additionally, more than half of our countries apply their own more favourable policies in terms of base salary, while the other half apply the requirements of statutory or collective bargaining agreements.



100%
OF OUR EMPLOYEES
ARE ENTITLED
TO TAKE FAMILY-
RELATED LEAVES

Well-being

Employee well-being is a critical component of a healthy organisation. This is influenced by various factors, such as relationships with co-workers, the intensity of the work, the number of tasks assigned, hours and remuneration, the decisions they make and the resources they have access to. As we look to support our people, we have developed **holistic well-being programmes that touch on all aspects of our people's well-being.** We have launched this programme and accompanying initiatives in our geographies, and plan to expand our holistic support services in the coming years. Our people have responded positively to our approach, with the Sustainable Engagement score in 2022 increasing by 3 p.p. compared to the previous year.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁴⁶ DR S1-11
Social protection

Ensuring social protection⁴⁶

All our countries have **programmes to protect our employees** against loss of income due to non-work-related illnesses, accidents, work-related injuries, unemployment, parental or adoption leave, disability and retirement. In terms of injuries and ill health, some of our countries grant benefits above statutory requirements. Consequently, through company benefits, they receive their full salary or additional compensation during absences due to injuries or illnesses (whether work-related or not).

Additionally, we conduct annual training on Health and Safety (H&S) topics such as first aid, psychosocial risks, employment risks, safer driving and ergonomics. We report on H&S related non-compliance matters to the Group Compliance Committee and Audit Committee on a quarterly basis, resulting in action to keep our people safe whenever appropriate. We also work hand in hand with our countries to constantly improve our workplaces, working processes and the environment for our people.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁴⁷ **ESRS 2 SBM-2**
Interests and views of stakeholders

⁴⁸ **DR S1-1**
Policies related to own workforce

3.3

Talent Management & Sustainable Engagement

Our commitments⁴⁷



1. We work hard to ensure high levels of sustainable engagement with our mission and values for our people, across functions, countries and demographics.



2. We focus sharply on providing our colleagues with continuous learning and growth opportunities to build critical skills so they can unleash their full potential and perform at their best.

Our priorities will continue to be driving engagement, growth, and development to unleash our teams’ full potential

KARINA STELA RIQUELME · GROUP TALENT DIRECTOR

Talent & Organisation Strategy⁴⁸

Verisure is a technology-enabled human-services company. Behind the innovative technology that shields our customers’ homes and businesses, our people are ready to respond in an instant to protect what matters most. Our people are fundamental to the service we provide, and they differentiate our business by living and representing our DNA every day.

One of our core beliefs is that “we are people protecting people”. Therefore, having the best team, enabled by a high-performance organisation, engaged with our mission and values is a key priority for us.

We strive to manage performance proactively so we can ensure we recognise the best possible talent in every position and provide opportunities for the personal and professional growth of our people. Our talented colleagues are at the very heart of our success. That is why we have built our talent and organisation strategy on three pillars:

- » **1. Building the most engaged, high-performance, accountable, diverse and and best-in-class team.**
- » **2. Creating a high-performance organisation and company culture through meritocracy and the strong values in our DNA**, where each and every colleague can unleash his/her full potential.
- » **3. Ensuring all colleagues represent our DNA** at all times and are fully aligned with our mission and strategy.

To achieve this, we have developed an interconnected set of talent and organisation processes, policies and practices that have enabled us to significantly strengthen our organisational health over the years, helping each of our colleagues to unleash their full potential.

Our company strategy (SOAP) and values (DNA) are at the core of everything we do with regard to sustainability. We ensure our colleagues are highly aligned by checking that they know, understand and have internalised how they contribute to the company’s overall mission, strategy and goals. Our annual objectives are rooted in our overall strategic goals and priorities through **our ‘STAR’ performance management framework**. At the beginning of the year, colleagues set their individual priorities for the year, in line with the company’s overall strategic goals. At the end of the year, performance is assessed in terms of what has been achieved compared to the priorities set and how this has been done. Both of these aspects are taken into account in our performance assessments.

One of the key pillars of our DNA is acting with ‘Trust and Responsibility’ towards our customers, our people and society. We continue to invest in ensuring our Code of Conduct is understood and represented at all times. It is embedded in our contracts, our onboarding process and our continuous training. We have a zero-tolerance culture for non-compliant behaviour.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Performance and career development⁴⁹

Our **‘STAR’ approach** to performance management and career development is one of **our key enablers for ensuring we have the best possible talent in every position**. Over the past few years, we have devoted significant time and resources to advancing our approach to performance management and increasing the number of colleagues participating in regular performance and development reviews. The programme was launched in 2020 and is structured around four meaningful conversations that take place every year between managers and colleagues:

In 2022, we completed our third full cycle of STAR, with +18% more colleagues having set clear, measurable and relevant objectives at the beginning of the year and having been evaluated on how they delivered on them.

Our **strong culture of feedback and performance management**, as well as our re-skilling and re-staffing programs, is not only highly appreciated by our colleagues, but it also has a significant impact on our people’s growth and performance.

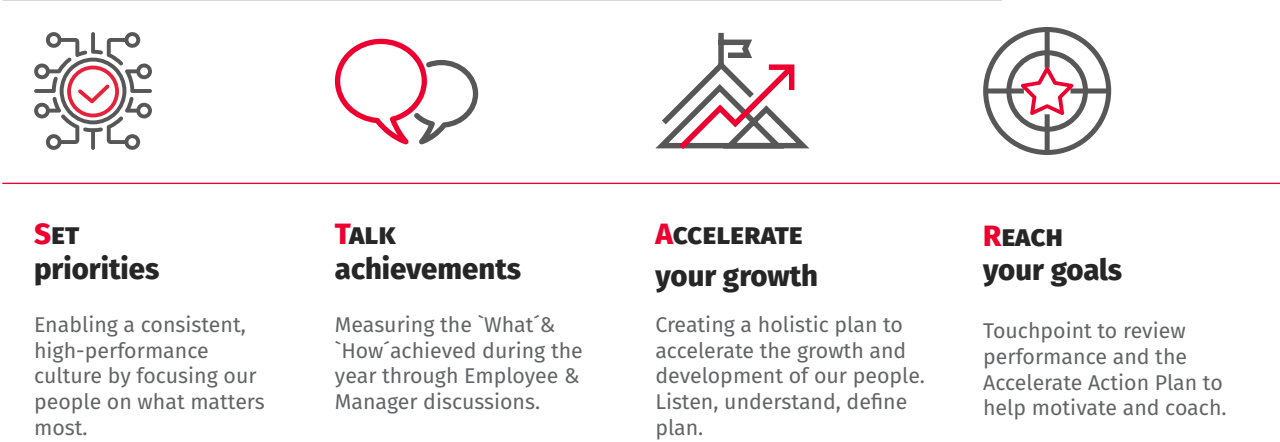
In 2022, through our sustainable engagement survey, **our colleagues expressed increasing satisfaction with our performance management system** (+1p.p. versus last year and +8p.p. vs. 2016).

Moreover, our people keep growing and improving their performance over time. Every year we conduct our **Talent Review & Succession Planning** exercise, a thorough process through which review our talent base and identify talent gaps for the current organisation and for the future. Most importantly, we use this process also to discuss action plans to **ensure our people’s development and engagement**.

Thanks to this exercise, we have been able to improve, over time, not only the quantity of identified successors to key leadership positions, but also their quality, both in terms of performance and in terms of diversity.

We also provided 40% more international opportunities for our colleagues to accelerate their growth across different countries in which we operate.

OUT STAR APPROACH TO PERFORMANCE MANAGEMENT AND CAREER DEVELOPMENT



S T A R

⁴⁹ **ESRS 2 SBM-3**
Material impacts, risks and opportunities, and their interaction with strategy and business model(s)

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

^{50, 51} **DR S1-13**
Training and skills
development indicators

Training and growth⁵⁰

We also have **robust professional programmes to help develop our people’s skills and capabilities**. Training and growth are key priorities for us.

During 2022, we continued to improve the training that our colleagues take as part of our Sales and Operations Academies. Over 70% of our population works in Sales and Operations, where we give opportunities to people who do not necessarily have a lot of experience or higher education, investing heavily in helping them grow. We provide them with continuous training, most of which is delivered by our dedicated internal trainers.

Our Sales and Operations colleagues receive two to three weeks of intensive training as part of the onboarding process for these functions, including theory and practice on the job as well as training in sales, products and services, installation and leadership. All our **onboarding programmes also have a special focus on our DNA and Code of Conduct**, to ensure we always do the right thing.

After onboarding, our Sales colleagues receive continuous training linked to each step of their structured and defined career path at Verisure. This also includes courses related to leading and managing teams for our managers. In Operations, further training is delivered as our colleagues specialise in specific areas, and development is reinforced with leadership courses for our managers. We sometimes also offer our supervisors university degrees to help them continue developing their functional and team-management skills.

During 2022, we continued to foster the development of online training through **Workday Learning, a platform where we have a broad and increasing offer of training for our employees**. This platform is deployed in all our countries and Group functions, empowering colleagues to take control of their personal development at their own pace and enabling us to leverage content and know-how across the company. **In the past year, over 80% of our colleagues have completed at least one course**, with our colleagues having completed more than 100,000 hours⁵¹ of online training through our HR platform.

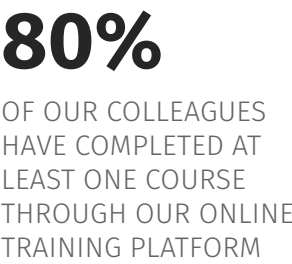
In addition to investing in the functional and role-related capabilities of our people, we also provide resources to improve soft skills, such as communication skills, languages, negotiating, emotional intelligence and team management. During 2022, we also invested significant time and resources in improving our leadership and management training, both when our employees take on new managerial roles and to further develop and consolidate them in their current positions.

In 2022, we defined our Verisure leadership model (VLM), involving leaders across our 17 countries. We also designed and piloted our leadership academy around our VLM in four countries and four global functional areas (Tech, R&D, Operations and HR). As a next step, we will make sure that every Verisure country has either an existing **leadership programme** or is working on developing one, so we can launch our leadership academy globally.



In addition, we have designed a new, customised, 360° feedback tool to mirror our VLM, which we plan to roll out in 2023, having run the first pilots in December 2022. We are also continuing the roll-out of our mentoring programme across the company. Until now, Belgium, Spain and, at the Group level have implemented a mentoring programme.

In 2022 over 30 leaders assisted and provided support to mentees in order to accelerate their development and career growth. We have continued to evolve these mentoring programmes and will roll them out to all local HR teams throughout the year. This is being prepared for implementation with our leadership audience in all countries and Group functions also in 2023. We have continued to evolve these mentoring programmes and will roll out to all local HR teams throughout the year. This will be finalised for implementation with our leadership audience in all countries and Group functions also in 2023.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

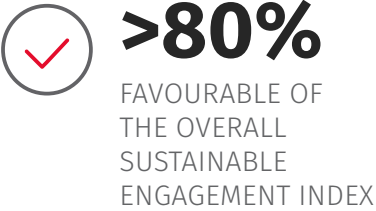
The highest levels of sustainable engagement

Our focus on our people continues to deliver results and generate positive impact. **Our primary measure of organisational health is our Sustainable Engagement survey**, which is designed to help us understand how engaged, energised and enabled our people are, and to measure these results over time. **The participation rate in the survey was again over 90%, consistently above our 85% target.** We place great emphasis on understanding our people’s feedback and developing comprehensive plans to address the issues they raise.

The overall Sustainable Engagement Index was again above our target (>80% favourable), with our highest ever score, up by 2 p.p. compared to the previous year with improved scores in all 14 categories. Most of our countries are at or above the benchmarks set by high-performance countries, and the majority improved their scores compared to last year. We have also obtained our best score

to date for the key-leaders segment and successors to key leaders. As in previous years, the key drivers for sustainable engagement in our organisation were professional growth and development, the working environment and leadership, where the scores have continued to improve compared to previous years.

We are very proud to have increased our results for Engagement among most of the teams and groups surveyed, drastically reducing gaps by gender, and now being close to zero in most categories (only Compensation & Benefits, which we have improved for the third consecutive year, still has a gap of 4 p.p.). We are proud that all areas improved their scores, with Procurement and Technology leading the path. Finally, we have seen continuing increases in our Employee Net Promoter Score for our Products and Services (+28 p.p. vs 2016 and +1 p.p. vs last year) and as an Employer (+35 p.p. vs 2016 and +5 p.p. vs last year), with similar trends for both indicators in most countries.



Best company to work for

Our efforts to create supportive and high performance working environments have been recognised through various prestigious awards and certifications, helping us to foster pride among our colleagues and attract best-in-class external talent in 2022.

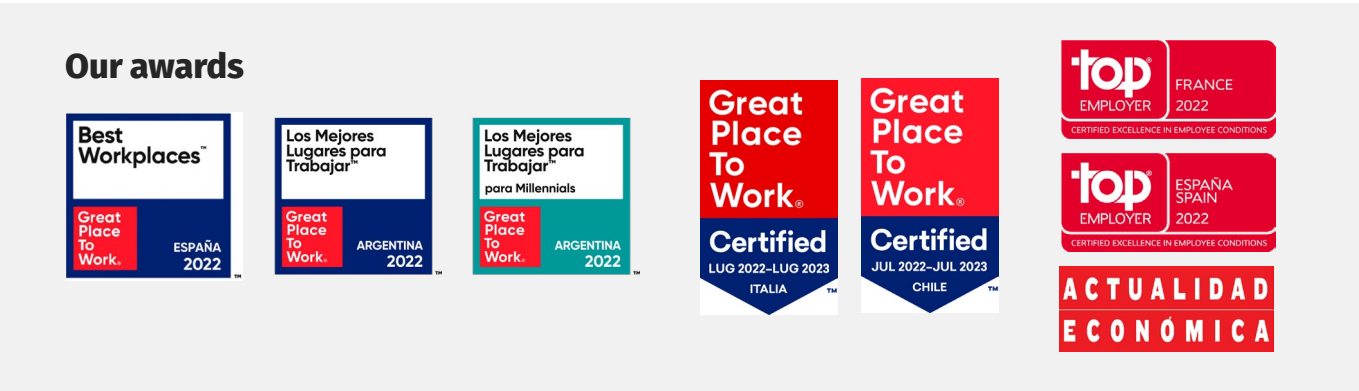
> **Spain** was granted with the second **Top Generation Diversity Company** award at the **Top Diversity Company Awards** organised by INTRAMA thanks to their "All STAR Programme" which seeks to promote women in our teams.

> **Argentina** was also recognised as the **Best Workplace for Millennials**.

> **Italy and Chile** obtained **Great Place to Work** certification **for the first time**, joining **Peru and Belgium, for the second year** in a row and **Brazil, for the fourth year in a row**.

> **The Top Employers Institute** has also certified two of our countries as **Top Employers: Spain**, for the fourth time and **France**, for the first time.

We have continued to obtain other recognitions as an employer, such as the *Actualidad Económica* and Forbes ranking in Spain, and Focus in Germany. As a result of these certifications and awards, among other benefits, we are confident our colleagues are increasingly proud to work for Verisure. The company is better positioned to attract the best-in-class external talent needed to boost our expected growth in the coming years. We expect to increase our certification across our geographies in 2023 (e.g. Top Employer 2023 in Spain, France and the UK, and Best Workplace 2023 Argentina, have already been confirmed).



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁵² **DR S1-1**
Policies related to own workforce

⁵³ **ESRS 2 SBM-3**
Material impacts, risks and opportunities and their interaction with strategy and business model(s)

3.4

Employee Relations⁵²

Our commitments



1. We are committed to respecting fundamental human rights through the United Nations Global Compact principles and agenda, including fair employment conditions, internally and across our supply chain⁵³.



We uphold the highest moral, ethical and legal standards at Verisure, striving to do the right thing at all times. **We are committed to integrating respect for human rights into our global operations and value chain**, in line with the UN Guiding Principles on Business and Human Rights. As participants in the UNGC, we adhere to its Ten Principles, including those related to human and labour rights. We expect our suppliers and our investment partners to share our commitment to upholding these rights. We stand against any form of modern slavery, including forced or compulso-

ry labour, child labour, human trafficking and/or deceptive recruiting for labour or services.

Our Compliance programme, which comprises our Code of Conduct Policy complemented by a number of Group compliance policies and standards, sets out the culture we want to create: one where our people and stakeholders can act responsibly and create value where we operate.

Learn more about our policies in our Ethics & Integrity section.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

As stated in our Group Anti-Harassment and Non-Discrimination Policy, we have zero tolerance for discrimination or harassment. We are committed to creating an inclusive environment where everyone can bring the best version of themselves to work. **Our Compliance programme team is responsible for tracking the details of all discrimination and harassment complaints received through our channels.**

The basis of an inclusive and safe workplace is healthy relationships between colleagues.

At Verisure, **we work towards ensuring a healthy compensation strategy for all.** We take all dimensions into consideration and follow a holistic approach to remuneration, integrating cash compensation, with both fixed and variable components, benefits and longer-term incentive plans. This also includes flexibility measures and investment in training. This action plan is based on the following principles:

 ENSURE LEGAL COMPLIANCE We act in accordance with all local legal requirements to offer remuneration in line with the market, which is increased when colleagues demonstrate strong performance.	 MONITOR MARKET COMPETITIVENESS We carefully monitor external and internal indicators of competitiveness and fairness to evaluate our salaries. At least once a year, these are compared to market benchmarks, which are regularly updated based on external data acquired from top worldwide compensation data providers in each market. We also rely on market intelligence from the high volume of our recruitment as we continue to grow. We review pay equity among peers, considering length of time in the position along with performance and talent assessments.	 PAY FOR PERFORMANCE We are a results-driven organisation with high standards for accomplishments. Our decisions about cash compensation are based on an Objective Merit Matrix, which considers both annual performance and comparative positioning. We believe in our people sharing the benefits of the results to which they contribute, so we give a relatively high weight to compensation components related to company and individual performance, especially for leadership positions.
 CONSISTENCY ACROSS COUNTRIES AND BUSINESSES In our pursuit of equality, we are constantly working to make sure we develop and ensure consistent compensation practices, policies, processes, systems and timelines across the 17 countries in which we operate and in our functions.		

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Monitoring and managing incidents^{54.1}

In 2022, **no serious human rights claims or complaints were filed by our colleagues or third parties.** We did not receive any fines, penalties or have to pay compensation for damages as a result of violations of social and human rights.

We take the trust our customers and society place in us as guardians and providers of peace of mind very seriously. We continuously focus on identifying breaches of our code of conduct and acting on them. **We measure our people against strict compliance standards to ensure the best behaviour.**

From the 67 reported incidents of harassment, discrimination and physical violence in the year, 81% resulted in disciplinary action, including 23 dismissals and 22 warnings and other measures.

Additionally, there were 0.05 incidents **per average employee** reported relating to sales and installation misconduct, vehicle Health & Safety issues, inappropriate behaviour between employees and/or towards customers, breaches of finance policy, and misleading or improper sales and marketing claims. 76% of these reported incidents resulted in disciplinary measures.

In 2022, we continued investing in prevention, rolling out more training in our Code of Conduct. We also launched modular Sales e-Learning training in all our countries, covering the most important compliance areas.

Social dialogue^{54.2}

We support the employment rights of our colleagues to associate freely and bargain collectively. **Over 80% of our employees are covered by external Collective Bargaining Agreements (CBAs) at the national or sector level.** We give our colleagues the choice to associate according to their needs and preferences. The remaining 20%⁵⁵ corresponds to markets where there is no legal requirement, or market practice. Spain and France, our biggest countries, are fully covered by CBAs⁵⁶.

Many of our countries have various types of employee representation, such as works councils, internal or external collective bargaining agreements and trade union representatives, in addition to the CBA.

As a consequence of our open and positive dialogue, Verisure enjoys good industrial relations. **In 2022 there were no significant individual or collective employment-related disputes.**



+80%

OF OUR EMPLOYEES ARE COVERED BY EXTERNAL COLLECTIVE BARGAINING AGREEMENTS (CBAS)



^{54.1} **DR S1-17**
Incidents, complaints and severe human rights impacts and incidents

^{54.2} **DR S1- 8**
Collective bargaining coverage and social dialogue

⁵⁶ **ESRS 2 IRO-1**
Processes to identify and assess material climate-related impacts

⁵⁵ 20% of countries that don't apply CBAs: Germany, Ireland, Switzerland and the United Kingdom.

⁵⁶ 17 external CBAs apply to our countries. On top of the CBA, which 14 of our countries apply to all or some of our employees, 8 countries have employee representation (for example, works council, employee delegates or trade union representatives). We do not have employees' representation at an EEA level. However, we provide a Speak-Up platform, where employees can raise their concern anonymously.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Our Communities



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁵⁷ **ESRS 2 SBM-2**
Interests and views of stakeholders

⁵⁸ **DR S2-1**
Policies related to workers in the value chain

DR G1-2
Management of relationships with suppliers

4.1

Sustainable Sourcing

Our commitments⁵⁷



1. We promote sustainable sourcing through engagement with our suppliers, providers and partners, conducting ESG assessments and requesting compliance with our Supplier Standards and Ethical Code.



2. We aim to promote diversity in our supplier base through our supplier-diversity programme.

Management of relationships with suppliers⁵⁸

Our Supply Chain and Procurement (SCP) mission is to execute our supply chain at the right cost, integrating sustainability into our end-to-end supply chain operations in order to support high performance and efficiency.

Our end-to-end supply chain involves an integrated process from introducing new products, sourcing materials for our products and managing their supply, managing the manufacturing of our electronic parts, to procuring our finished products, and all the logistics necessary to get our alarms from the supplier to our warehouses and then to our customers’ premises.

In addition to incorporating sustainability into our supplier qualification processes and day-to-day management, **we aim to build a culture in our procurement practices that integrates sustainability into every aspect of our supply chain management.** We want to advise our suppliers on how best to act in a sustainable manner, to understand our obligations and responsibilities, and to identify in which areas we can all **contribute to a more sustainable future through the decisions we make.**

Our **Sustainability Guidelines** help to enforce and reinforce sustainability criteria in our decision-making process while increasing sustainable ways of working in several areas,

such as our fleet, material and equipment, office maintenance and cleaning services, office supplies, packaging, postage and courier, reverse logistics, transportation and logistics, travel, and waste management. These guidelines have been rolled out in the whole SCP organisation and in 2022 were included, together with the waste management practices, in the onboarding package of all new SCP hires.

We regularly train our SCP colleagues on ESG practices through training on the UN Global Compact and our global ESG strategic approach and internally developed goals. **The SCP team also has ESG targets in its performance objectives.**

We expect all colleagues involved in negotiations with suppliers or with the authority to make decisions on purchasing management and the contracting of services to work professionally in an unbiased and honest manner, putting the interests of the company above those of third parties or any individual interests. They follow these key principles:

- Maintain the highest standard of integrity in all professional relationships.
- Enhance the proficiency of the profession.
- Avoid conflicts of interests.
- Enhance and protect the company's reputation.

- CEO LETTER
- 1. SUSTAINABILITY STRATEGY
- 2. OUR CUSTOMERS
- 3. OUR PEOPLE
- 4. OUR COMMUNITIES**
- 5. OUR PLANET
- 6. ETHICS & INTEGRITY
- 7. WHAT'S NEXT
- ANNEXES

Building a sustainability-focused procurement culture⁵⁹

In 2020, we created our **Procurement Compliance Committee**, a body responsible for tracking and monitoring the procurement policy for suppliers, through the identification of all significant breaches of the policy and review of exceptions. The Procurement Compliance Committee meets regularly⁶⁰.

Any supplier that wants to do business with Verisure must accept our Supplier Standards and Ethical Code, which is aligned with the Ten Principles of the UN Global Compact. During 2022, our Compliance department added acceptance of this document as a requirement in the qualification phase.

We are also **committed to responsible and ethical business practices**. This extends to the suppliers with whom we choose to do business, from which we expect the same level of honesty and integrity as from our employees, who are expected to become familiar with the business practices of their suppliers and any sub-contractors to ensure they operate within our limits, which cover employment rights, human rights, health and safety standards, fair wage practices, prohibition of child and forced labour, and zero tolerance of discrimination.

To further enhance the importance of ESG in our procurement processes, in 2021 **Verisure added ESG criteria to our e-sourcing tool as an element to be taken into consideration by procurement in the RFQ award process**, extended to all purchases in procurement. When awarding to a supplier at the end of an RFQ process, the procurement team assesses the ESG improvements they can bring to Verisure, to their communities and to the planet. We will continue enhancing our ESG requirements in RFQ awards.

Our **commitment to Diversity, Equity, Inclusion & Belonging** is also reflected in our SCP ESG priorities. **In 2022, we designed our Supplier-Diversity programme and policy**, which was launched in the first quarter of 2023. This has the goal of adding demanding diverse business practices to our qualified supplier base of SBEs (Small Business Enterprises), MBEs (Minority Business Enterprises), WBEs (Women Business Enterprises) and companies that have a diversity policy, governance, and procedures to support diversity in the workplace, as well as reporting the representation of women, and an equal pay policy.

More than 80% of our suppliers have already accepted our Supplier Standards and Ethical Code, committing to respect human rights and we expect to reach 100% by 2025

MARIANO ANDREU MERINO ·
GROUP PROCUREMENT AND SUPPLY CHAIN DIRECTOR

⁵⁹ **DR S2-1**
Policies related to workers in the value chain.

⁶⁰ **DR S2-2**
Processes for engaging with value chain workers about impacts

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁶¹ **DR S2-4**
Taking action on material impacts on value chain workers

^{62, 63} **DR SBM 3**
Material impacts, risks and opportunities, and their interaction with strategy and business model(s).

⁶⁴ **DR S2-1**
Policies related to workers in the value chain.

A holistic approach to risks⁶¹

We have designed a holistic approach - our **SCP Risk Management programme** - which is the responsibility of our Group Procurement and Supply Chain Director⁶¹. This programme aims to identify, assess and mitigate internal and external risks in the operations of Verisure’s end-to-end supply chain, including ESG risks.

Every supplier undergoes our supplier qualification process, the first step in understanding potential risks and opportunities when doing business with a new supplier. If any cases of non-compliance arise, they are addressed with the supplier through the procurement manager while the qualification process is put on hold until resolution. In this step, we asses two main inputs:

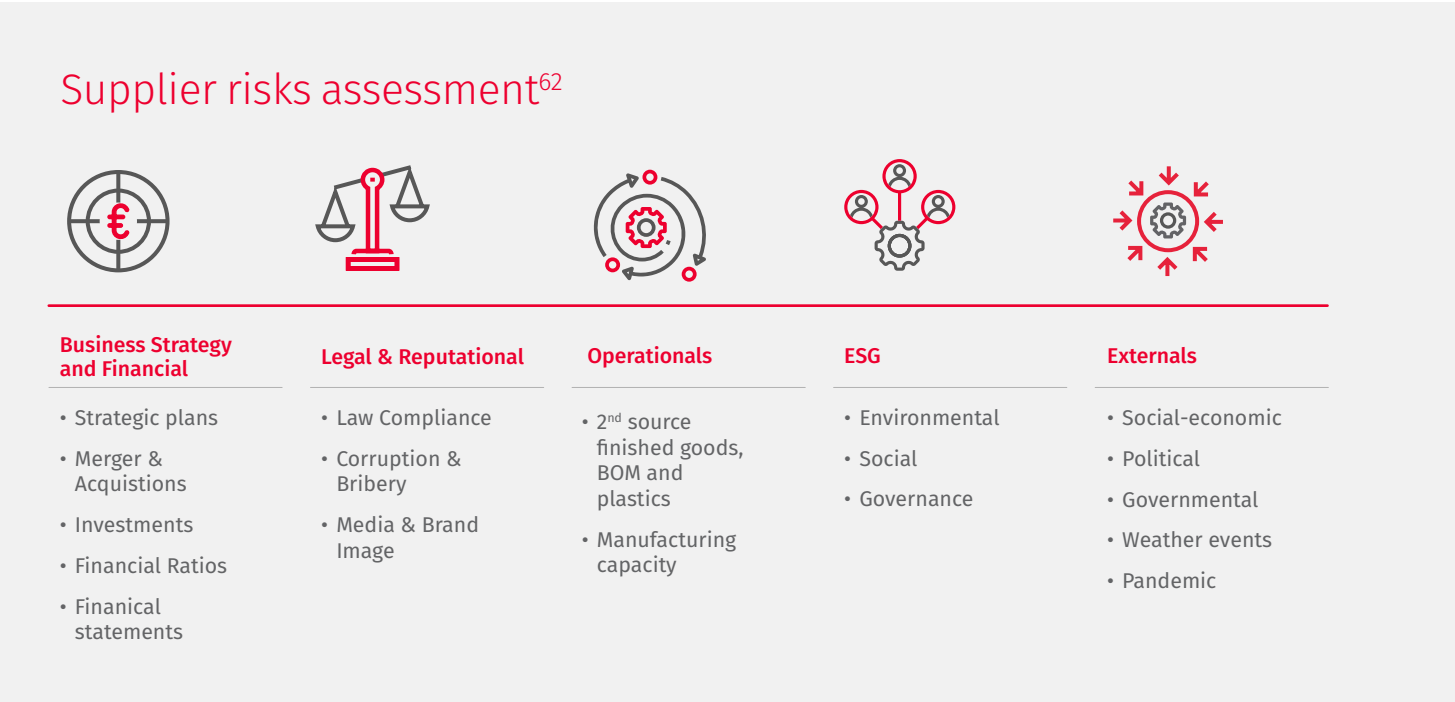
1) Risk events⁶³

Given the increased importance of companies working with ESG compliant partners, since mid-2022 we have been partnering with Bureau Van Dijk (BVD) to rate suppliers to detect and mitigate financial, legal and ESG risk events. BVD is a Moody’s analytics company that aggregates, standardises and distributes one of the world’s most extensive private company datasets, providing us with a 360° view of our suppliers’ financial, sustainability, reputational and operational risk factors through BVD’s supplier risk platform, Procurement Catalyst. **In 2022, 42% of our suppliers had been rated for ESG, representing 73% of our strategic and important suppliers.** We aim to have ESG ratings for all of our strategic and important suppliers by 2025.

2) Level of compliance with our Supplier Standards and Ethical Code⁶⁴

We expect our suppliers to conduct their businesses upholding responsible practices in the following areas:

- Compliance with laws and regulations
- Security
- Environment and sustainability
- Employment practices: wages and benefits, working hours, child labour, forced labour, non-discrimination, human rights, freedom of association and working conditions
- Conflict minerals
- Gift and gratuity policy
- Bribery, corruption and fraud
- Freedom of expression and data protection



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



By agreeing to our Code, our suppliers commit themselves to respect internationally recognised human rights, including those in the UN International Bill of Human Rights and Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights and its two Optional Protocols. They must also conduct their business in alignment with the United Nations Guiding Principles on Business and Human Rights.

We expect them to recognise the freedom of association of their employees. They must also provide safe and decent working conditions and comply with all applicable occupational health and safety regulations. Additionally, they must provide pay, overtime compensation and benefits at no less than the minimum levels required by applicable laws and regulations.

By the end of the year, **more than 81% of all suppliers qualified accepted our current Supplier**



Standards and Ethical Code. From 2023, we will work hand in hand with our suppliers to achieve the target of 100% by 2025⁶⁵. By the end of 2022, 12% of our strategic and important suppliers were assessed as compliant with the Supplier Standards and Ethical Code. The assessment of our remaining suppliers is in progress.

We have developed other mechanisms to reinforce our risk management processes, such as our supplier dual sourcing and testing tools strategy, and supplier business continuity plan assessments.

As part of our strategy, we foster audits for all our strategic product and logistics suppliers. These are carried out onsite or online through self-assessment to monitor business operations, financial activities, ESG practices and working conditions. **Our target is to have audited 100% of our strategic product and logistic suppliers annually by 2025: 88% were audited in 2022⁶⁶.**

^{65, 66} **DR S2-5**
Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

We are fully committed to our sustainability journey

Through these assessments, **we want to understand how our suppliers positively or negatively impact ESG criteria**, so we prioritise suppliers making a positive impact, and we help lagging suppliers to improve their ESG performance. We want to become a helping hand for our suppliers and accompany them on their sustainability journey. As a result, **91% of our strategic product and logistics suppliers⁶⁷ have shared their ESG efforts with us**. All of our strategic product suppliers have ISO 9001 and 14001 certification. We have also started tracking whether they have ISO 26000 certification or policies regarding Corporate Social Responsibility and Diversity, Equity, Inclusion & Belonging

Our suppliers are key contributors to minimising the environmental footprint of Verisure, their communities and the planet. We use a set of KPIs aligned with our business goals and KPIs specifically aligned to ESG objectives to measure our performance. We hold at least twice a year meetings with each strategic product and logistics supplier, reviewing their KPIs for energy consumption (including the percentage of green energy consumed), CO₂ emissions and waste. We also monitor their ongoing sustainability

initiatives at both the local and global levels, such as those in energy-saving and recycling. **In 2022, we focused our efforts on energy efficiency and CO₂ reduction in manufacturing**. A major objective for 2023 is to support these suppliers in considerably reducing their waste going to landfill.

In 2022, our ESG supplier assessments and our online and onsite audits of compliance with our Supplier Standards and Ethical Code did not detect any material employment risks in our suppliers, including no cases of child or forced labour. We are certain of the positive impact we are having in terms of new jobs created every year through the orders we place with our suppliers⁶⁸.

These efforts are part of our sustainable sourcing strategy, which we will continue to develop over the coming years. This has followed ISO 20400 guidelines with the ultimate ambition of being aligned with this standard. **2022 was a year of acceleration**, further gearing our procurement function towards sustainability, **integrating sustainability in all our procurement processes and monitoring progress against our targets**.



⁶⁸ **ESRS 2 SBM-3**
Material impacts, risks and opportunities and their interaction with strategy and business models

⁶⁷ Based on spend

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁶⁹ **DR ESRS 2 SBM-3**
Material impacts, risks and opportunities and their interaction with strategy and business model(s)

DR S3-1
Policies related to affected communities.

⁷⁰ **DR ESRS 2 SBM-2**
Interests and views of stakeholders.

4.2

Community Impact⁶⁹

Our commitments⁷⁰



1. We are committed to being a positive actor in our communities, making a difference through job creation and social impact.

We are committed to integrating respect for our communities through our global operations. We truly believe we can - and do - contribute to society through how we run our activities in line with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

We are proud to act as a social elevator by providing jobs, careers, and opportunities everywhere we operate: in 2022, we have created over 2,800 new net jobs across Europe and Latin America, our largest annual net job impact ever

LUIS GIL · PRESIDENT FOR EXPANSION

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Verisure as a job creator and social elevator

At Verisure, we are proud to act as a social elevator by providing jobs, careers and opportunities for upward mobility everywhere we operate. Because we understand that our responsibility to society at large goes beyond the bounds of our business, we are committed to being a positive actor in our communities. **In the past year, we have created over 2,800 new jobs across Europe and Latin America, our largest annual net job impact ever.**

Like all positions within Verisure, these roles provide opportunities for stable career growth, which in turn creates economic stability for families and communities. It is intrinsic to our DNA to make a positive impact on our communities through our products and services, the jobs we create and the initiatives we undertake.

Many of our colleagues, particularly those entering our sales and operations functions, lack a traditional educational background. We grow, develop and train these colleagues, equipping them with the skills they need for their current role and for future leadership and promotion

opportunities within the company. As shared in our Talent section, **we have the highest training investment in the company in our sales and operations academies**, and the most structured training and highest number of, and the best prepared, internal trainers (our top performing sales managers). In many cases, we even provide the opportunity to pursue a university degree to committed colleagues with high performance who wish to obtain one. **We are proud of the fact that most of our team leaders and managers in Sales started in entry-level positions**, as it is an intentional and integral part of our business strategy to grow and develop talent based on merit and drive, instead of a particular educational background.



+2,800

NEW JOBS ACROSS EUROPE
AND LATIN AMERICA



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Making a difference in the communities we serve

We are people protecting people. Our people want to impact society and leave a positive legacy. They again demonstrated their commitment to being responsible actors throughout 2022, with 14 of the countries where we operate participating in volunteering activities. These are some of the projects we are proud to support across our global footprint.

Gender-based violence

Spain

In our **COMETA Centre**, we partner with the Spanish police and courts to provide protective services to victims of gender-based violence through our innovative technology to enforce court-ordered restraining and distancing orders, keeping abusers away from their victims. Both are fitted with tracking devices that our Alarm Receiving Centres continuously monitor, alerting the authorities if the distance set is breached. **In 2022, we protected over 2,800 women, bringing the total to more than 11,500 women over the past 13 years.**

In Spain, our company again joined in the commemoration of the International Day for the Elimination of Violence Against Women, building a stand to provide information about our COMETA Centre and to sell products and raise funds to provide emotional support to victims of gender violence. We also took part in the “Hay Salida” race against gender violence.

Breast cancer

Italy, Peru, and Spain

In 2022, our employees in Italy, Peru and Spain engaged with the fight against breast cancer, with 100 colleagues in Italy taking part in the “Race for the cure” event to raise awareness. In a similar vein, more than 250 colleagues in Peru participated in a breast-cancer volunteering activity run by the Ministry of Health.

In Spain, we joined “La Carrera de la Mujer” race for the seventh year, with 173 colleagues participating and helping raise awareness. Colleagues also launched an internal fundraising campaign, selling merchandise created for the occasion, and conducted online sessions with external experts to promote prevention and generate awareness.

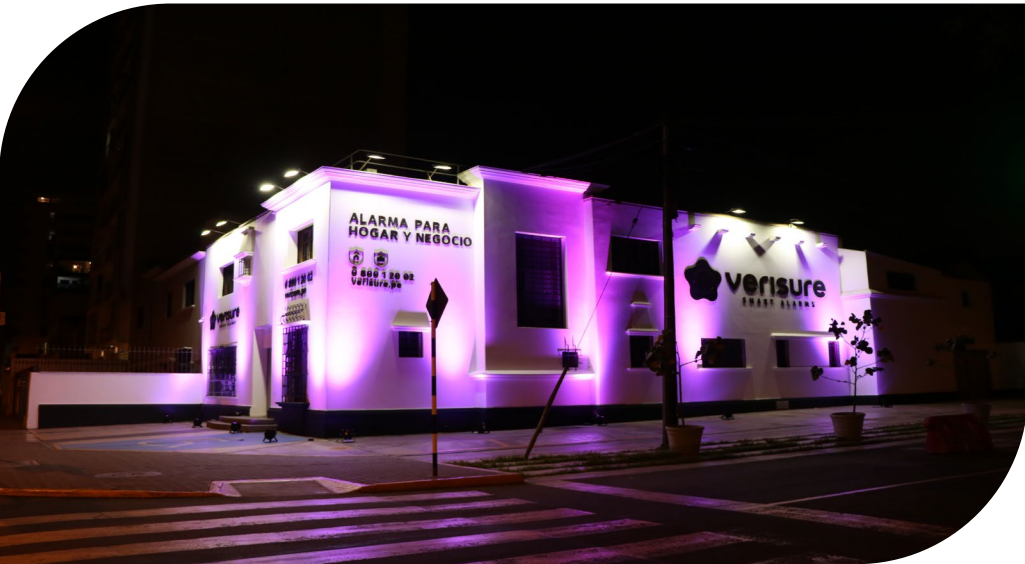
Mentorship

Spain

In collaboration with the “Quiero Trabajo” Foundation, six of our colleagues mentored women and young girls to help them find work. Working with other companies, they helped 20 mentees prepare their CVs and practise for job interviews, with almost 90% of the participants finding a job in 2022.



Verisure's colleagues in Italy taking part in the “Race forthe cure”.



We lit up our headquarters in Peru as a symbol of preventive health for women.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



Verisure Italy contributed to support women and children in difficult situations.

Child Safety

Verisure also contributes to provide safety for children and young people through different activities:

Italy

In 2022, our colleagues partnered with UNICEF to support children in need through donations, including tripling the amount donated per colleague. They also contributed to the “Centro per l'assistenza e l'educazione delle famiglie” home by buying chocolates for the Easter holiday. Additionally, the team donated an alarm system to “Salvamamme”, an organisation committed to supporting women and children in difficult economic and social situations.

France

Verisure France partnered with the “Un pas vers la vie” foundation to make donations towards helping families with autistic children living in Paris. At the same time, the teams organized an exhibition on autism to raise awareness.

Argentina, Portugal, and Peru

In Argentina our teams visited the “Pequenos Pasos” foundation in Buenos Aires to celebrate Children’s Day and give gifts to more than 80 children. In Portugal, our colleagues visited the “Casa do Gaiato” foster home. And in Peru our colleagues made a financial contribution to support more than 1,000 children and their families at Christmas.

People with disabilities

In recent years, we have increased our focus on supporting and ensuring the right opportunities for people with disabilities.

Verisure as a Group

103 colleagues in the Verisure Group collaborated with the “A La Par” foundation to support young people with intellectual disabilities, participating in a range of workshops (carpentry, painting, plant growing, etc.) to share their day-to-day activities.

France

The team won the commitment prize for participating in the “Ensemble” race organised by Andiamo, an organisation that aims to change the way people look at disability and raise awareness of it through sport.



Volunteer activity in Casa do Gaiato, a foster home in Portugal.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



Helping to protect the environment

At Verisure, we are committed to protecting our planet, not only through sustainability practices in our supply chain, but also by engaging our colleagues in this issue, showing them they are an essential part of a solution that helps both the planet and society as a whole.

Peru, Portugal, Italy, and Spain

Verisure collected more than 50 kilograms of plastic caps in Peru to buy a wheelchair for a person in need. In Portugal, 16 of our colleagues and their families took part in a clean-up day at the Urbano do Jamor Park, where they removed 40 bags of bottle tops, glass and plastic. In Italy, the team engaged in a beach clean-up activity for the second year in a row, removing 87 kilograms of waste. In Spain, our colleagues and their families joined in the “Bosque” initiative, investing their time in a clean-up day and planting more than 500 trees.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Proud to protect

We participated in, and contributed financially to, various activities with the ultimate goal of helping and protecting the communities where we operate and those which are further away but in real need.

Argentina and Brazil

In Argentina, 35 colleagues collected winter clothes in the #FrioCero campaign, while in Brazil the company donated two boxes of winter clothes to The Salvation Army for distribution in São Paulo.

Verisure as a Group

We believe it is a human right to feel safe and secure, and we are against violence or aggression of any kind. With Russia’s invasion of Ukraine, last year we provided support to our Ukrainian colleagues and to the United Nations High Commissioner for Refugees (UNHCR). While we have no operations in Ukraine, our focus was and remains on supporting our colleagues and UNHCR partners, who are working relentlessly in Ukraine and neighbouring countries to deliver protection and humanitarian assistance to people in need.

As a company, we made a financial humanitarian donation, and many of our teams have stepped up as well. Across the company, several colleagues welcomed refugees into their homes, providing them with much-needed support in these challenging times.

Other examples include:

Italy

The team responded to the National Civil Protection appeal by collecting materials such as sleeping bags, mats, power banks and food.

Belgium

We installed QR codes on the walls of our offices directly linked to charities where colleagues could donate. Our colleagues also organised a bake sale and donated the proceeds.

Sweden

The team held an office-wide collection where colleagues could donate essential goods. One colleague then drove the items from Sweden to refugees at the border with Ukraine and Poland in Budomierz, so they could be given directly to those in need.

Some of our colleagues have also welcomed refugees from Ukraine into their homes.

Our approach to tax

As a leading company in the security industry, we recognise the importance of **paying tax as part of being a responsible partner for all our stakeholders and making a positive impact in our communities.**

By paying taxes, Verisure supports local governments and the public sector, which provide critical services such as education, healthcare and infrastructure. During 2022, the corporation tax paid and indirect taxes collected in the jurisdictions where we operate amounted to EUR 666.1 million.

Our DNA says we are Committed to Making a Difference. As well as protecting what matters most, we are dedicated to playing a positive role in our communities and in society as a whole.

SREBRENKA HANAK · GROUP COMMUNICATIONS DIRECTOR



We are committed to complying with all tax laws and regulations in the countries where we operate. We believe that paying tax is both a legal obligation and a moral responsibility. We are committed to transparency in our tax practices. Please refer to our Annual Report to find out more about our tax payments and contributions.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

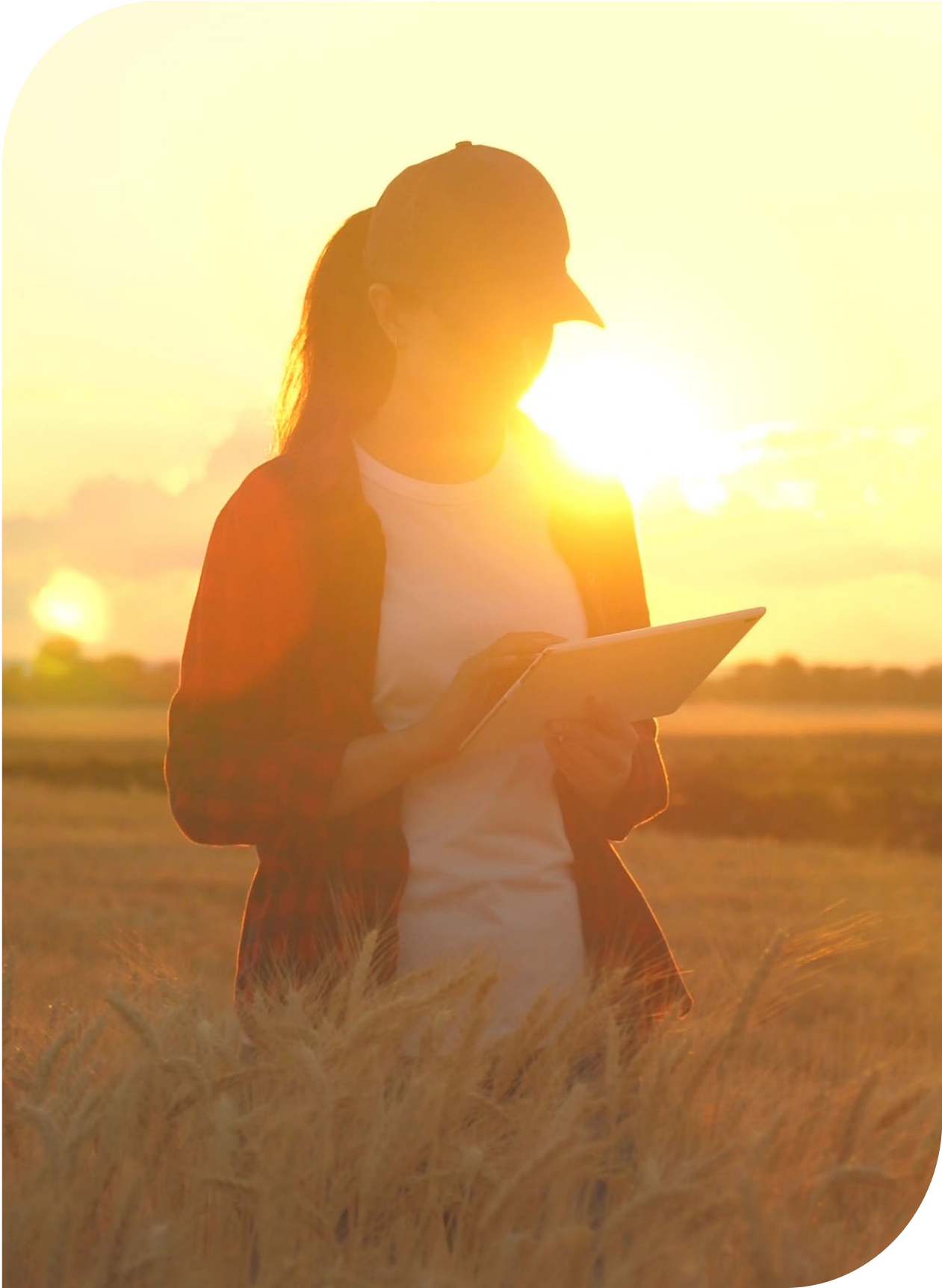
4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



Our Planet

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁷¹ **ESRS 2 SBM-2**
Interests and views of stakeholders

⁷² **DR E1-1**
Transition plan for climate change mitigation

DR E1-4
Targets related to climate change mitigation and adaptation

5.1

Climate Change

Our commitments⁷¹



1. We are committed to reducing our GHG emissions on a revenue-intensity basis by 2030 vs 2021 in our operations (Scope 1&2) and our value chain (Scope 3) by more than 40%. We are committed to achieving Net Zero by 2050.



2. As part of our strategy, we aim to increase the use of renewable energy in our buildings to more than 80% by 2030.

We are ready: our transition plan for climate change mitigation⁷²

> Due to its activity, Verisure has a lower environmental impact compared to other industries, such as transport or fast-moving consumer goods. However, climate action is still important to us, as the climate emergency is directly linked to everyone’s well-being and peace of mind. One cannot exist without the other. This shows the need to make commitments to the environment and society as a whole. In 2021, Verisure joined the United Nations Global Compact (UNGC), a voluntary leadership platform for the development, implementation and disclosure of responsible business practices. This was a significant milestone in our sustainability journey, especially because the UNGC principles resonate with our purpose: shaping a sustainable future and a better world to protect people.

In our last sustainability report we quantified our carbon footprint and set out our next steps towards the analysis of our levers to make future commitments for carbon emission reductions. Our first aspirational goal was to commit to Science Based Targets, certified by the SBT initiative (SBTi).

However, the lack of a specific SBTi pathway for our business model implies that we should follow the “absolute contraction” method, which puts our initial goal out of reach due to our growth profile, as we should reduce our scope 1 and 2 emissions by 42% in absolute terms from 2021 to 2030.

After detailed analysis of our options, we decided to focus on directing our efforts to commit to an intensity target based on revenue for 2030. This target is twofold: **a more than 40% reduction in scope 1 and 2 GHG emission intensity per € of revenue compared to 2021, and a more than 40% reduction in scope 3 GHG emission intensity per € of revenue compared to 2021, with a long-term commitment to Net Zero by 2050.** As additional targets, we are aiming for more than 80% of the energy in our buildings to come from renewable sources by 2030.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

^{73.1} **DR E1-3**

Actions and resources in relation to climate change policies

Our actions will be based on various decarbonisation levers to reduce GHG emissions depending on each scope^{73.1}.

SCOPE 1 (GHG)

As we do not perform any industrial processes in our facilities, and we only produce a non-material amount of energy for the climate control of office buildings, our main source of emissions is our fossil-fuel vehicle fleet, mainly used by our sales force and technicians. **Our goal is therefore to reduce the use of fossil fuels.** To achieve this, besides the **transition to a zero-emission vehicle fleet**, we are constantly **analysing the optimum level of Do It Yourself (DIY)** maintenance compared to sending technicians to our customers' homes and businesses, in order to reduce the distances driven. We are constantly innovating in our sales channels and overcoming the obstacles we have mentioned in relation to the electrification of our vehicle fleet.

The **transition to an electric fleet presents operational challenges that deeply affect our business model.** These mainly relate to the availability of recharging infrastructure and the time needed for recharging, which would imply a loss of time for our sales and operations teams that could damage our services and productivity. In the coming years, we will increase the percentage of hybrid cars, progressively transitioning to plug-in hybrids and fully electric vehicles depending on the pace of rollout of public infrastructure in each country.

We usually renew our entire fleet every three or four years, leveraging car leasing companies. We could easily transition to a zero-emission fleet once electric mobility is more developed, with sufficient charging coverage and speeds. **Therefore, we are confident of dramatically reducing our emissions beyond 2035-2040.** However, we believe the most logical way to do this is by transitioning at different speeds, depending on the situation in each country. Our 2030 targets could be revisited in the coming years as the availability and speed of charging of electric vehicles improves or other technologies are developed more fully, such as hydrogen-fuelled vehicles.

SCOPE 2 (GHG)

In this area, emissions from electricity consumption at our facilities will be reduced through an increase in the use of renewable energy, mainly through certificates of guarantee of renewable origin. We are **committed to using more than 80% of renewable energy at our corporate buildings in 2030** at the consolidated group level, **and 100% at locations where renewable energy is available.**



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

^{73.2} **DR E1-3**
Actions and resources in relation to climate change policies

SCOPE 3 (GHG)

We have identified various strategies and levers for our indirect emissions, depending on the scope 3 category:

› **Purchased good or services** are the main source of our scope 3 emissions. Supplier engagement will be the key factor for success in this reduction. We have to differentiate key manufacturing suppliers from other non-strategic suppliers. Our level of influence will determine how much we can engage with them in target setting.

› **Use of sold products.** We will benefit from energy efficiency innovations in our pipeline and from the gradual decarbonisation of the electricity grid. In terms of call outs, we will rely on the decarbonisation plans of public bodies such as the police and fire brigade.

› **Fuel and energy related activities.** Emissions will be reduced as our transition to an electric fleet progresses.

› **Upstream transportation and distribution.** We plan our supply chain to be able to promote sea and rail transportation over air and road transport.

› **Employee commuting.** Our approach will be to start by informing our colleagues about the carbon footprint of their commuting to raise awareness of its impact. We will then promote more sustainable ways of commuting, such as car-sharing and more public transport. Our investment in new ways of working also enables flexibility in the number of days that many of our colleagues can work from home.

› **Franchises.** We will engage with our partners to reduce their emissions at a similar pace to ours, so they do not affect our targets.

Although our products are designed to last for many years, reducing their environmental impact in terms of the amount of material and energy used in manufacturing and transport, we need to focus on energy efficiency in future design processes and to maximise the use of recycled and recyclable materials to further reduce our impact.

Progress in implementing the transition plan⁷³



Scope 1
Our transition plan has already started. We are considering the emissions of new cars in the RFQs for leasing our vehicle fleet.



Scope 2
We are progressively analysing the availability and cost of certificates of guarantee of renewable origin in the electricity that we buy for our buildings.



Scope 3
Purchased products and services. We have engaged with our key manufacturing suppliers to understand and influence their emissions targets, and we plan to consider a carbon price for non-strategic suppliers.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁷⁴ **ESRS 2 GOV-3**
Integration of sustainability-related performance in incentive schemes

⁷⁵ **ESRS 2 SBM-3**
Material impacts, risks and opportunities, and their interaction with strategy and business model(s)

ESRS 2 IRO-1
Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Climate governance

Our climate strategy has been approved by the Board ESG Committee⁷⁴. The Board ESG Committee oversees the company’s ESG strategy and progress, including climate change issues. We can count on experienced professionals who bring extensive value and competence to our ESG governance: our ESG Officer and our Senior ESG Director have been leading the ESG strategy for the Company since 2022, while the Head of Sustainability and ESG at H&F (our majority investor) leads the ESG and Sustainability strategy at the firm and supports portfolio companies, such as Verisure, in identifying and delivering value creation and risk mitigation opportunities from the ESG perspective. See the Ethics & Integrity section for more details.

We will contribute to our emission targets by using more than 80% of renewable energies in our buildings by 2030

ENRIQUE BOFILL · GROUP ESG DIRECTOR

Material impacts, risk and opportunities, and their interaction with our business model⁷⁵

Our commitment to the environment starts with identifying the risks and opportunities arising from the consequences of climate change. **According to the CSRD draft and the Task Force on Climate-related Financial Disclosures (TCFD)**, companies must disclose “*the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning where such information is material*”. In other words, the transformational change in the way we operate our business comes with a strong understanding of significant risks that can potentially hinder our activities and halt our ambition to protect what matters the most.

We have followed the description of potential risks and opportunities provided in the Task Force on Climate-Related Financial Disclosure (TFCD) guidelines to identify climate-related impacts, risks and opportunities. The following are the most significant for our company.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



**CLIMATE-RELATED
PHYSICAL RISKS**

The potential negative impacts of climate change include extreme temperatures, water-related and wind-related events, as well as drought, soil acidification and other episodes following sudden changes in the climate balance. At first glance, these climate-related hazards do not pose a worrying threat to Verisure. However, on the contrary, increasingly frequent periods of extreme temperatures and water damage events could provoke increased demand for monitoring real estate assets in order to act in case of fire or flood. This could translate into increased need for the detection and response services provided by our company.



CLIMATE TRANSITION RISKS

Following the UN's adoption of the 2030 Agenda for Sustainable Development, the performance of recent years show that the policies adopted to mitigate the effects of climate change do influence company results. Although necessary as time goes by, the increasing pressure to adapt to the laws passed in relation to climate strategies also poses some risks that must be taken into account to adapt to them in the best possible way. Based on our preliminary analysis of climate transition risk, we foresee the following main potential impacts:



POLICY AND LEGAL RISKS

Increased pricing of GHG emissions. Carbon pricing is a powerful tool that can help nations meet their climate objectives and support a green recovery. As the world seeks to reduce greenhouse emissions, a wide range of policy instruments can be used. One of these is putting a price on these emissions that must be paid by those responsible for producing them. According to most analysts, we should expect an increase in carbon prices in the coming decades. This is also likely to be more and more integrated in all the sectors of the economy, especially in Europe through the extension of the EU Emissions Trading System (ETS) to other sectors, such as transport, and by the implementation of the Carbon Border Adjustment Mechanism. We will be mitigating this risk by reducing our carbon footprint across our value chain.

Enhanced emissions reporting obligations. Along with carbon pricing, we understand the need to increase the disclosure of emissions in order for these to be compared and consolidated across economic sectors. In parallel, greater accuracy is expected in emissions calculations, so we are working towards enhancing our carbon emission model every year, especially for those emissions with the highest uncertainty, such as scope 3 emissions (the indirect emissions in a company's value chain).



TECHNOLOGY RISKS

Cost of transition to lower-emission technology. Although our products do not need a large amount of energy to be operative, our objective is to design products with lower life-cycle emissions. As part of our commitment to incorporating sustainability into all aspects of our business model, we are continuing to improve our practices to reduce our footprint. This innovation process will require investment that may or may not be successful.



MARKET RISKS

Increased cost of raw materials. Climate change can mean more disruptions in global supply chains, interrupting production and, consequently, raising the costs and prices of raw materials. This risk has escalated quickly in the last year due to geopolitical conflicts such as the Russian invasion of Ukraine, which has forced companies to accelerate their strategies towards major disturbances in their supply chains. Verisure is working on finding alternative suppliers and on its inventory management to mitigate this risk.



REPUTATIONAL RISKS

Increased stakeholder concern. In the case of Verisure, the footprint of serving one of our customers is 19.6 Kg CO2e per year at the current actual intensity. We believe this figure is quite moderate, so we do not foresee a negative reputational effect on our customers' side from this. Nevertheless, as a promise to our people and planet, we are working to reduce our carbon footprint until we achieve our net-zero emissions target in the long term.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Climate Change Adaptation⁸⁰

The effects of climate change are real, and they will continue in the short and long-term. Even though it is essential to work towards reducing our impact on the environment, we must also draw up new strategies to adapt to a completely new context. We must be prepared for higher costs of electricity usage in our buildings, particularly in terms of price, which is expected to rise as the world transitions to a low-carbon energy mix. But we must also analyse this rise in terms of volume, since more air conditioning will be needed due to more extreme temperatures, which will increase demand for electricity, which has already increased due to the transition to electric vehicles. To maximise our adaptation, we should aim to increase our energy efficiency. **We aim to obtain energy-efficiency certification for all our main corporate buildings by 2030.**

In parallel, we are well-aware of the increasing expectations from stakeholders - mainly regulators and investors – for transparency. We must enhance our reporting capabilities in order to meet their expectations, including more detailed analysis of risks and risk mitigants.

TAXONOMY REGULATION

Regulation (EU) 2020/852, known as the Taxonomy Regulation, requires Swedish listed companies to disclose the percentage of eligible revenues and the percentage aligned with the EU Taxonomy criteria defined in the Climate Delegated Act. **Although Verisure is not a listed company, we have concluded that our economic activities are not covered by the Climate Delegated Act and are non-eligible under the Taxonomy.** Therefore, they are not aligned.

Some of our CapEx and OpEx is aligned with some activities listed in the EU Taxonomy, such as building renovation to improve energy efficiency and the leasing of low-emission vehicles.

ASSESSING POTENTIAL LOCKED-IN GHG EMISSIONS IN VERISURE'S KEY ASSETS AND PRODUCTS

Locked-in emissions are future emissions of carbon dioxide that are caused by decisions made today. For example, if someone buys a computer with an operational life expectancy of five years, they have ‘locked-in’ five years of CO₂ emissions from that computer. In our context, **our customers stay with us for many years, so this must also be included in our climate strategy.**

To qualify potential locked-in GHG emissions, we have considered the GHG emissions as a result of powering our alarm devices that are connected to the electricity grid. Finally, beyond future innovations related to energy efficiency that we are currently working on, we need to remember that the generation mix of the grid is going to improve in all countries once the use of fossil fuels is reduced under the National Determined Contribution (NDC) of all the signatory countries of the Paris Agreement.

⁸⁰ **DR E1-1**
Transition plan for climate change mitigation

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Scenario Analysis

The CSRD and the Task Force on Climate-related Financial Disclosures (TCFD) recommend the disclosure of “*the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning where such information is material*” including “*the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios*”.

We understand that the level of detail of the scenario analysis will differ for each industry. As a provider of professionally monitored security solutions to homes and small businesses, our main assets are our customers, our people, our proprietary technology and our systems and processes. Our resilience analysis should therefore be related to the resilience of our customers, people, technology, systems and processes.

This is our first approach to scenario analysis, and we will be making it more sophisticated over time.

According to the sixth Assessment Report from the Intergovernmental Panel on Climate Change (IPCC), global GDP is projected to at least double between 2020 and 2050. However, the level of mitigation actions will have a clear impact on this trend depending on the temperature scenario that we find ourselves in: the Swiss Re Institute estimates that the economic loss of GDP if temperatures rise by 3.2 degrees would be 18.1% for the world, 10.5% for Europe and 17% for South America.

Although these macroeconomic predictions are not easy to translate into an accurate forecast for our business activities, we do not anticipate that climate change will dramatically affect the economic capacity of our customers. This does not, however, mean that we do not have to adapt to possible future scenarios: global mitigation efforts will impact carbon prices and, consequently, the economy.

To understand the implications of carbon prices on our business, we have analysed the following scenarios from the **International Energy Agency (IEA) World Energy Outlook 2022 report**:

IEA SCENARIO	MAX. TEMPERATURE INCREASE	CARBON PRICE (IN USD OF 2021 PER TON)		
		2030	2040	2050
Net Zero Emissions by 2050*	1.5º	140	205	250
Announced Pledges Scenario (APS)**	1.7º	135	175	200
Stated Policies Scenario (STEPS)***	2.5º	90	98	113

*This scenario outlines the way forward to achieve stabilisation of the global temperature increase at 1.5ºC
** This scenario assumes that all the targets announced by governments are met in full and on schedule, including their long-term zero emission and energy access targets.
*** This scenario shows the projection of current policies into the future

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

The potential increase in carbon prices could impact our activities, but our main hedge is to avoid this influence by reducing our emissions. **Our main source of emissions is our vehicle fleet.** Though we are still at the early stages of this process, we are already working on the feasibility of a transition to a lower emission vehicle fleet. The following table shows that the cost of a transition to a low emission fleet could work for Verisure considering the affordability of battery-powered electric cars (and assuming the availability of such cars, charging infrastructure and zero long-term interruptions of the supply chain).

Although, in terms of cost, the leasing of an electric car could be affordable in 2030, the main reason to be cautious in the transition to an electric fleet, as we have said, is the level of rollout of public charging infrastructure and the time

needed to charge the vehicles. **As described in the research white paper from the European Automobile Manufacturers' Association (ACEA) “European EV Charging Infrastructure Masterplan”:**

- > 6.8 million public charging points are required by 2030 to support the transition to e-mobility.
- > On average, up to 14,000 public charging points are needed to be installed per week. At the time of writing the document (March 2022), only 2,000 were being installed per week.

This uncertainty is much higher in Latin America, so we need to be cautious and commit to achievable goals. **We believe our targets should be revisited once there is more visibility around this issue.** In any case, we are confident that our Scope 1 emissions should be close to zero in the longer term (2035-2040).

VEHICLE COST (USD)	2021	NET ZERO EMISSIONS BY 2050		ANNOUNCED PLEDGES		STATED POLICIES	
		2030	2050	2030	2050	2030	2050
HYBRID CARS	16,122	14,460	14,638	14,686	14,861	14,528	14,718
BATTERY ELECTRIC CARS	21,322	14,783	13,251	15,772	14,185	15,265	13,618

Sources: IEA analysis; James et. al. (2018); Thompson, et al. (2018); Financial Times (2020); BNEF (2021); Cole et al. (2020); Tsiropoulos et al. (2018)



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

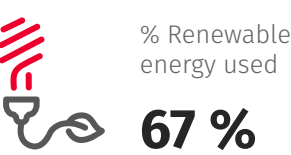
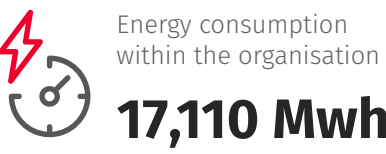
5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Energy consumption and mix energy⁷⁶



GHG Removals⁷⁸ and carbon pricing⁷⁹

We do not foresee using GHG removal or storage or GHG mitigation projects through carbon credits, at least in the coming years. We believe our focus should be on reducing our emissions and only using carbon offsetting for unavoidable emissions in the long term.

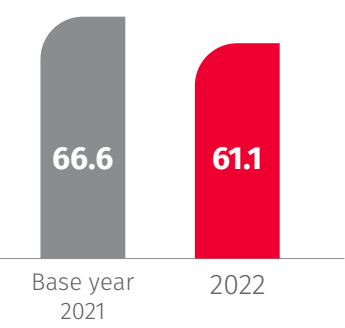
To start the transition, we plan to use carbon pricing as one criterion for the selection of our car fleet in the RFQs with vehicle leasing companies.

Total GHG emissions⁷⁷

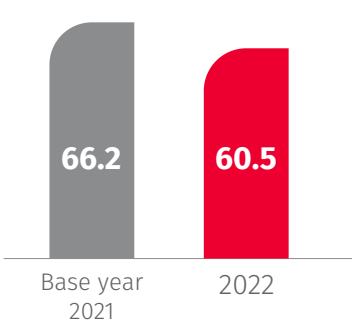
	RETROSPECTIVE			
	Base year 2021	Change 22 vs 21	2022	2022 vs. 2021 (%)
Gross Scope 1 GHG emissions (tCO2eq)	+38,050	+3,698	+41,748	+ 9.7%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0	0%	0%
Gross location-based Scope 2 GHG emissions (tCO2eq)	+2,238	+288	+2,526	+12.9%
Gross market-based Scope 2 GHG emissions (tCO2eq)	+ 1,040	-225	+815	-21.6%
Total gross indirect (Scope 3) GHG emissions (tCO2eq)	+126,886	+1,509	+128,395	+1.2%
Total GHG emissions (location-based) (tCO2eq)	+167,174	+5,495	+172,668	+3.3%
Total GHG emissions (market-based) (tCO2eq)	+167,174	+4,983	+170,958	+3.0%

GHG Intensity based on net revenue

Total GHG emissions **location-based, grid-average emission factor data**, per net revenue (tCO2eq/monetary unit)



Total GHG emissions **market based** per net revenue (tCO2eq/monetary unit)



⁷⁶ **DR E1-5**
Energy consumption and mix Energy

⁷⁷ **DR E1-6**
Gross Scopes 1, 2, 3. Total GHG emissions and GHG Intensity based on net revenue.

⁷⁸ **DR E1-7**
GHG removals and GHG mitigation projects financed through carbon credits

⁷⁹ **DR E1-8**
Internal carbon pricing

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁸¹ ESRS 2 SBM-3
Material impacts, risks and opportunities, and their interaction with strategy and business model(s)

ESRS 2 IRO 1
Description of the processes to identify and assess material impacts, risks and opportunities

⁸² E5-3
Targets related to resource use and circular economy

5.2

Product Lifecycle Management & Circularity

We are ready: our circularity plan⁸¹

We provide security services using the latest technology, so waste management and waste reduction need to be at the core of our sustainability plan. **Our main priority is to manage the lifecycle of our products and services to ensure product longevity and, consequently, sustainability, through product design.**

Verisure is committed to protecting the environment through the implementation of an effective waste management programme, extended to all major activities within our operations that have a significant impact on waste, such as recycling, packaging and disposal of material. These guidelines aim to ensure that waste management is carried out in accordance with legislative requirements on waste, including minimising waste generation, facilitating and encouraging the application of the 3 Rs (reduce, reuse and recycle) and promoting environmental awareness.

In 2030, we expect to reduce the presence of disposable plastic in our products by 75%

MARIANO ANDREU MERINO · GROUP PROCUREMENT AND SUPPLY CHAIN DIRECTOR

Our Commitments⁸²



1. We choose long-term solutions across our supply chain throughout the lifecycle of our products and services.



2. We are pursuing a zero-landfill strategy by 2035, through optimisation of our waste management and recycling opportunities.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁸⁴ DR E5-1
Policies related to resource use and circular economy

⁸⁴ DR E5-2
Actions and resources related to resource use and the circular economy

⁸⁵ DR E5-4
Resource inflows

DR E5-5
Resource outflows

Verisure’s plan for better design, packaging, and logistics⁸³

As part of our commitment to incorporate sustainability into all aspects of our business model, we keep on developing better product lifecycle management processes, focusing on every step of the supply chain, from product design to end of life.

Our alarm and monitoring devices have a long and durable lifetime, resulting in a relatively small environmental footprint. Even when our alarms are disposed of, we do everything in our power to salvage, reduce, or recycle them. When it comes to the products themselves, we are actively pursuing opportunities to introduce more sustainable practices into their design: our Research and Development (R&D) teams conducts regular assessments and material testing to learn how we can use more recycled plastic in our products and increase the durability of our devices.

We are also committed to increasing our green footprint in terms of resource usage and circularity⁸⁴:

PRODUCT PACKAGING⁸⁵

We have started to rethink and completely transform the packaging requirements of our products, engaging our strategic product suppliers (alarm equipment and R&D spend) in the quest for alternative materials to make this process as plastic-free as possible.

We want to contribute to objectives for the global reduction of plastic, one of the most serious challenges facing the planet. At Verisure, we use standard packaging to protect our products. We use plastic protection foil to protect the most sensitive parts of our products. If needed, we add a plastic bag to protect the whole product. Finally, the completed product is packed in a cardboard box.

In 2022, we continued working on our sustainable packaging. In most cases, the actions were aimed at completely removing or significantly reducing the plastic bag enclosing the product, without damaging it. However, when this solution is not possible, the plastic is replaced by alternative materials, such as cardboard sheets, tissue paper or biodegradable bags. As a result, last year we started with a 3% reduction of plastic in three products, contributing to a reduction of approximately 22 metric tonnes of plastic in inbound transportation packaging to our central warehouses. We aim to achieve further significant reductions in the coming years.

To accelerate this goal, we will continue developing a common sustainable packaging strategy for our strategic product suppliers, electronic manufacturing services (EMS) and original design manufacturer (ODM), as well as third-party logistics providers (3PLs).

This will be a key pillar of our transition towards a carbon-neutral and circular economy which, in relation to packaging, we are committed to achieving in three steps:



1/
Reduce packaging weight and size of plastic bags or remove them completely



2/
Increase recycled plastic options



3/
Improve the percentage of recyclable, compostable, and reusable packaging. By 2030, we aim to reduce disposable plastics in product packaging by 75%

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

REVERSE LOGISTICS⁸⁶

The key element of our approach to minimising waste revolves around recapturing the value and extending the life cycle of products that are returned due to maintenance activities or cancellations from our customers. During 2022, our Reverse Logistics centres enabled us to **refurbish and reuse 65% of the product value returned from customer premises**, slightly down on the previous year (71%) due to the product mix received. As part of our maintenance operations, our teams analyse materials at the local warehouses and send them to a central distribution centre if they have the potential to be reused. Once this is done, they are classified according to our repair catalogue and introduced into the Reverse Logistics flow at our repair centres.

Our colleagues then examine whether the products are under warranty. If they are, a Return Material Agreement is issued. If they are not, the products enter the repair flow. Once repaired, they are sent back to the field. The products that cannot be repaired and put back to life, are recycled through recycling partners.

Moreover, we **currently recycle more than 85% of the waste in our distribution centres**, including both products that cannot be repaired and any

⁸⁷ Our recycling partnerships include: Recyclia in Spain, Recycla in Chile, San Lien and Ecoassists in Brazil, Globally S.A. in Argentina, ALMI International S.A.C. in Peru, ERP in Portugal and Italy, SCRELEC, Ecologic and Reyclea in France, Wecycle and Sibat in the Netherlands, GRS and Rhenus in Germany, T&M in the UK, Bebat and Aba Recycling in Belgium, ATEA in Sweden, Denmark and Finland, EL-kresten in Sweden, Affald in Denmark, 2StepIT and Nor-sirk in Norway, and Recser, Ecolt and Romeo in Finland.

other type of waste generated. We pursue a zero landfill strategy, **aiming to recycle 100% by 2025 in our distribution centres**.

WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT (WEEE)⁸⁷

As a technology-enabled company, we install electronic equipment at customers' premises, and we use IT equipment at our facilities to serve them. Additionally, most of our alarm devices are battery-powered or have a battery back-up.

We need to adequately manage the consumption of batteries and electronic equipment to enhance the sustainability of our business model. This is not only through appropriate treatment according to the European Union Directive on Waste Electrical and Electronic Equipment (WEEE Directive), but also by acting responsibly when purchasing large volumes of batteries and devices. Under the European regulation, Verisure is initially responsible for the end-of-life management of the devices and batteries introduced into the market from foreign countries. But, as the WEEE Directive allows, in **every country where we operate, we participate in various collective schemes by partnering with recycling companies**⁸⁷ that benefit from synergies and economies of scale to deploy a granular waste collection network. In exchange for taking full legal responsibility for regulatory compliance with recycling processes and needs, we provide our recycling partners with an advance fee for each battery or device introduced into the market.

We also collaborate with our recycling partners in the collection of WEEE generated mainly through our maintenance activities. Although the vast



majority of our batteries are alkaline batteries (i.e. non-hazardous), we follow the hazardous waste process for all our batteries, as a small percentage are lithium batteries that are considered hazardous waste. We are continuously analysing best practices to reduce our WEEE (e.g. durability, amount and type of material, and maintenance processes) and to maximise our contribution to the collection of WEEE for our recycling partners.

We also encourage our customers to recycle batteries and devices that may be kept after Do It Yourself (DIY) maintenance or service cancellation. For example, in Spain, our largest market, we include a brochure when we send batteries for DIY maintenance to raise awareness of the importance of recycling them.

Finally, WEEE management also includes the IT material used by colleagues in Verisure offices, and our plan is to share and reapply best practices identified across our countries.

- CEO LETTER
- 1. SUSTAINABILITY STRATEGY
- 2. OUR CUSTOMERS
- 3. OUR PEOPLE
- 4. OUR COMMUNITIES
- 5. OUR PLANET**
- 6. ETHICS & INTEGRITY
- 7. WHAT'S NEXT
- ANNEXES

Green Workplaces

We are committed to increasing our green footprint and circularity in our offices and workplaces.



UK – NEWCASTLE

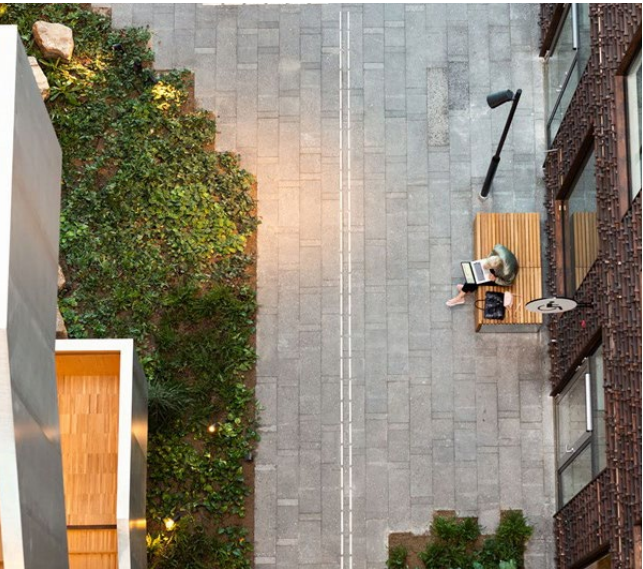
Our new building in Newcastle had been certified with a Green Mark, a certification that recognises the companies’ maturity in its environmental management system. With regards to our sustainable practices, last year Verisure achieved Level 1 recognition for our sustainable practices in environmental management, the local environment, utilities and waste.



SPAIN - MADRID

Our NET (from the Spanish for New Ways of Working) project in our Madrid offices is a good example of the work we have carried out for years to support our employees in working collaboratively. We have designed spaces that allow for greater flexibility for our colleagues to work on a day-to-day basis, adapted to the needs of our diverse teams.

Sustainability was one of the main criteria in re-designing our offices in 2021, and we have created numerous green spaces within them. Buildings have also been designed to optimise water and electricity usage, in addition to promoting responsible consumption and recycling. As a result, our Victoria building in Madrid has received LEED Platinum certification.



SWEDEN - MALMÖ

The Technology North offices our colleagues go in Malmö were designed with circularity in mind from construction onwards. In the atrium, 16 tonnes of concrete from the Copenhagen metro were reused, alongside 17 tonnes of leftover bricks. Plus, 35,000 metres of window frames and beams from demolition projects were reused for the wood panelling and over 77,000 recycled PET bottles were used as a sound-absorbing canvas for the facade. In 2021, the building was awarded with LEED Platinum and WELL Gold certification.

SWITZERLAND - GENEVA

At the end of 2021, our headquarters in Switzerland obtained Minergie certification, a registered quality label for low energy consumption buildings.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



Ethics & Integrity

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

^{88, 89}, **DR G1-1**
Corporate culture and
business conduct policies

⁹⁰ **ESRS 2 GOV1**
The role of the
administrative, supervisory
and management bodies

Our commitments⁸⁸



1. Doing The Right Thing is a key element in our culture and acting with trust and responsibility is embedded in our DNA. We lead by example and enable our people to deliver on our commitment to act ethically at all times.



2. We compete fairly and we are committed to responsible and ethical business practices.



3. We work as a trusted partner with public bodies to ensure high standards of regulatory compliance. We follow strict corporate governance principles.

Acting with Trust and Responsibility is at the very heart of our corporate DNA. It is embedded in how we conduct our business, and as such, we are committed to enabling our people to act with high standards of ethics and integrity. A strong Group **Compliance Programme** is particularly important to live up to the essence of our promise of trust and peace of mind for customers, but also to attract and retain talent and investment, and to build credibility in our engagement with regulators and public bodies. It is based on five pillars – governance, compliance framework, culture, processes and evaluation⁸⁹– and we continuously strive to strengthen the programme through action in each area.

Over recent years, we have further sharpened our focus in this area. We are pleased to see continued improvements in our Sustainable Engagement survey score for ethics, which is now 15 p.p. higher than it was in 2016.

Our ethics and compliance culture
We actively drive and uphold a **culture of compliance** in our day-to-day conduct and ways of working, with a strong emphasis on winning with Trust and Responsibility. This includes a strong compliance framework, continuing to raise awareness and encouraging and enabling our people to speak up if they have any concerns. We are committed to meeting the growing expectations of investors and other external private stakeholders in our compliance and corporate governance standards.

Every leader, manager and colleague in our organisation is responsible for championing behaviour that is consistent with our policies and with zero tolerance for misconduct.

We take Doing the Right Thing very seriously. We are committed to act with Trust and Responsibility in our ways of working.

Our Group compliance governance
Our Group **Compliance Committee**, comprised of the Group CEO, CLO, Chief HR, Comms and ESG Officer and CFO, is responsible for managing the Group Compliance Programme and reports quarterly to the Audit Committee on compliance issues. During 2022, the Compliance Committee held four meetings. The Group Head of Compliance, is responsible for managing the Group Compliance Programme on a day-to-day basis.

Local Country Compliance Committees were in place throughout 2022, and always including the country Managing Director, the country Head of Legal and the country Head of HR. They are responsible for leading the Compliance Programmes in their respective countries. The overriding objectives of the Compliance Committees’ activities are to promote the right behaviours and decisions, raise awareness on compliance related topics, and strengthen leadership and cross-functional coordination on compliance initiatives⁹⁰.

- CEO LETTER
- 1. SUSTAINABILITY STRATEGY
- 2. OUR CUSTOMERS
- 3. OUR PEOPLE
- 4. OUR COMMUNITIES
- 5. OUR PLANET
- 6. ETHICS & INTEGRITY**
- 7. WHAT'S NEXT
- ANNEXES

^{91 and 92} **DR G1-1**
Corporate culture and
business conduct
policies

6.1

Our Group compliance framework

Our **Group Policy Committee**⁹¹, which was set up in December 2022, is responsible for ensuring that the Group’s policy documents are aligned with the Group’s strategy and objectives and for providing guidance for the rollout, adoption and implementation of Group policies, standards and guidelines. It comprises representatives of core Group functions, including Legal, HR and Comms, Finance, Marketing and Technology. It is led by the Group Compliance team.

Our Group Compliance framework comprises our **Group Code of Conduct**^{92,93} - which is approved by our Board and sets the standards for everything we do - complemented by a number of Group compliance policies and standards, including a Group Anti-Harassment and Non-Discrimination Policy, a Group Speak-up Policy, a Group Anti-Bribery Policy, a Group Data Privacy Policy, a Group Fair Competition Policy, a Group Anti-Facilitation of Tax Evasion Policy and our Supplier Standards and Ethical Code.

These policies are intended to reflect internationally recognised standards in the area, including the UN Guiding Principles on Business and Human Rights. Verisure joined the UN Global Compact in June 2021, to further strengthen our commitment to doing business responsibly⁹⁴. All these policies are available in all our countries and form part of our Terms of Employment, and are globally applicable and implemented in line with local laws, where and as permissible.

We want to drive a strong culture to ‘Do the Right Thing’: our leaders lead by example and our people are enabled to deliver on our commitment to act ethically at all times

NINA CRONSTEDT • GROUP CHIEF LEGAL OFFICER

⁹³ At Group level, we do not have a Human Rights Policy. However, the Group Code of Conduct applies to all countries within Verisure Group. A specific section on human rights is planned

⁹⁴ Verisure had no cases of violations of the UN Global Compact Principles in 2022

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Our Group Code of Conduct

The Group Code of Conduct must be followed by all colleagues in our daily work. It provides guidance on our day-to-day decision making, how we compete and our interactions with each other, as well as our customers, suppliers, partners, government officials and other stakeholders. **It applies to our entire organisation, which includes all employees, contractors and other collaborators.** Everyone is expected to understand and comply with it.

In terms of management, the Code of Conduct cascades into various specific policies and standards within the Group, linked by training and communication initiatives to ensure they are fully internalised across the organisation. In many of our geographies, including Spain, Portugal, Brazil Chile, Peru, Argentina and Italy, all of our employees have completed training in the Code of Conduct. During 2021 and 2022, new e-learning training was launched for our other geographies and all new employees. Regular refresher campaigns will be conducted. This e-learning is now part of the onboarding process for all new joiners, and their employment contracts contain a clause stating their commitment to comply with our Code of Conduct.

We also rollout ad hoc training to relevant audiences from time to time, including local adaptations when relevant. We also conduct refresher campaigns. The objective of these

trainings is to maintain the deep culture of compliance that we have created, ensuring zero tolerance to breaches of our Code on Conduct.

Group Anti-Harassment and Non-Discrimination Policy

We have zero tolerance for discrimination or harassment of any kind across all our operations.

To complement and expand on the commitment already expressed in our Group Code of Conduct, the Group Anti-Harassment and Non-Discrimination Policy applies in Verisure Group. This policy includes definitions of discrimination and harassment, and the forms they can take, to raise awareness and train our colleagues in how to identify such behaviour. Verisure defines discrimination as any unjust or prejudicial treatment of people on the ground of characteristics such as gender, racial and ethnicity, age, national origin, religion or beliefs, sexual orientation, gender identity or expression, marital status or disability. It defines harassment as behaviour directed at an individual or a group that creates an offensive, intimidating, humiliating or hostile working environment. Examples include unwelcome sexual advances, offensive jokes and derogatory remarks. This Group Policy sets clear expectations for our colleagues in their interactions with others and provides guidance on how to make a complaint.



Some of our countries, such as Spain, Chile, Finland and Sweden, also have local policies in terms of discrimination that complement our Group policy. For instance, in Finland, national law requires a high-level plan on how to prevent discrimination, agreed with union representatives. In Spain, in 2023 we signed an Equity Plan, wich agreed on with employees representatives. The plan contains various measures against gender discrimination and a protocol to help victims of sexual and gender-based harassment.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Our Group Anti-Bribery Policy⁹⁵

Corruption and bribery are also addressed in our Group Code of Conduct Policy and Group Anti-Bribery Policy, both of which are available on our intranet for our employees to read, and on our website for investors. As with our other policies and standards, employees must comply with these policy documents and have a responsibility to speak-up if any questions, doubts or concerns arise. Our country management teams are responsible for identifying, managing and mitigating bribery risks that might affect their businesses.

Our Legal department is responsible for providing legal advice on anti-bribery laws and specific situations, and it also oversees and coordinates training and communication programmes in this area. Our Legal department also assesses requests for gifts, entertainment, donations and sponsorship, as required by the Anti-Bribery Policy and local policies and standards. In 2023, **we will also launch dedicated new Group e-Learning on corruption and bribery** for target audiences irrespective of their country.

Potential investigations of allegations of corruption and bribery are handled under our Group Compliance Investigation Standard, which sets procedures and principles to ensure an objective assessment from outside the management chain. Local Compliance Committees are responsible for suggesting changes and prevention measures to the country management teams. They also provide tools and training, regular communication, templates and procedural guidelines to their population, based on training and communication tools provided by the Group and Cluster Compliance teams.

In 2022, no enforcement actions were opened with regard to anti-competitive behaviour or anti-bribery and corruption. No contracts with business partners were terminated or not renewed in 2022 due to corruption or bribery violations by our partners.

The Group Anti-Bribery Policy was revised in 2022 and now includes reference to prohibition of political contributions and our new Group Speak-Up Policy and platform to raise concerns about potential misconduct.

Supplier Standards and Ethical Code

In 2021, we created our Supplier Standards and Ethical Code, which is consistent with the Ten Principles of the UN Global Compact. This document is incorporated into our procurement sourcing tool, and **its acceptance became a requirement in the qualification phase in 2022.** We also started monitoring the compliance of our strategic and most important suppliers, based on documentation provided. See the Sustainable Sourcing section for more details.

⁹⁵ **DR G1-3**
Prevention and detection of
corruption and bribery

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

⁹⁶ DR S1-2
Processes for engaging with own workers and workers' representatives about impacts

DR S1-3
Processes to remediate negative impacts and channels for own workers to raise concerns

Our Group Compliance processes⁹⁶

Our Speak-Up Framework and policy
To avoid and eradicate any conduct that might put someone’s integrity at risk, it is everyone’s responsibility to speak up if they suspect, or are witness to, any violation of our Code of Conduct, policies, standards, or applicable laws. **Our Group Speak-Up Policy explains the types of misconducts that should be reported and how to raise concerns** to help colleagues and other stakeholders report events.

Allegations can be raised anonymously through several channels, such as line management, HR, Legal, senior management and a dedicated Speak-Up platform, accessible to internal and external parties (such as suppliers, customers, former employees and candidates) where allegations of non-compliance can be made without providing any personal information. We investigate all reports in accordance with our policies and standards and take actions, which can range from awareness raising measures and warning letters to suspensions, dismissals and other disciplinary actions.

Any colleague who raises an incident in good faith is protected by the zero tolerance of retaliation established in our Group Code of Conduct and our Group Speak-Up Policy. We will always take action against non-compliant practices. This policy is available in local languages on our intranet and the Group’s commercial websites.

Our **Speak-Up** Framework sets the following key principles:

- We count on our colleagues to take responsibility for their own actions and speak up if they observe possible violations of our Code of Conduct, our policies and standards, or applicable laws. We count on them not to undertake investigations alone.
- We are committed to ensuring the integrity of investigations and related processes.
- We count on our colleagues to speak up in good faith.
- We will always presume good faith on the part of everyone involved, unless demonstrated otherwise. But we will not tolerate reporting in bad faith.
- We are committed to maintaining the anonymity of those who speak up. The same applies for information about people involved in, concerned by or handling a concern. We will only share such data on a need-to-know basis.
- We will not tolerate any form of retaliation against people who speak up in good faith.
- We make our Speak-Up platform available for those wanting to raise concerns anonymously.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Our Group Compliance Investigation Standard⁹⁷

We have also developed a Group Compliance Investigation Standard that provides clear guidance for conducting internal investigations into potential compliance incidents involving the Verisure Group Code of Conduct, policies or standards. It covers the steps to take, from the initial analysis and planning process, through to fact finding, the issuing of recommendations and remediations, and closure of the case. It also outlines which key stakeholders should be involved and how to communicate at each step of the process.

This document contains the basic principles to be followed in all investigations: objectivity and fairness, confidentiality, no retaliation, and proper resourcing and prioritisation. Our Group Compliance Investigation Standard also clarifies that protection against retaliation needs to be part of our investigation process and must be followed up. It therefore sets strict confidentiality requirements. Any retaliation against a colleague is subject to disciplinary action, which may include termination.

In 2022, we offered **workshop sessions on how to run investigations to all HR and Legal colleagues** across our countries who may be involved in such issues, teaching them how to raise awareness and achieve best practices in this area⁹⁸.

Our Group Digital Monitoring and e-Discovery Activities Standard⁹⁹

The company has developed a Group Digital Monitoring and e-Discovery Activities Standard that establishes the procedure to follow when conducting compliance investigations involving access to IT resources. This Standard aims to ensure there is always a valid justification for enhanced digital monitoring or e-Discovery activities, and that privacy and confidentiality rights are appropriately safeguarded and the integrity of the compliance investigation process is respected.



^{97, 98 and 99} **DR G1-1**
Corporate culture and
business conduct
policies

- CEO LETTER
- 1. SUSTAINABILITY STRATEGY
- 2. OUR CUSTOMERS
- 3. OUR PEOPLE
- 4. OUR COMMUNITIES
- 5. OUR PLANET
- 6. ETHICS & INTEGRITY
- 7. WHAT'S NEXT
- ANNEXES

^{100, 102} DR G1-5
Political influence and
lobbying activities

Our Group compliance evaluation processes

Enterprise Risk Management (ERM)
ERM is important as it fosters transparency of risks and mitigation strategies, ability to estimate the investment needed to mitigate critical risks and risk awareness in the company. Compliance is one of the four risk categories in the ERM framework, covering topics such as data privacy, consumer protection legislation, bribery and corruption, competition, discrimination and harassment, and health and safety.

A full ERM exercise was conducted in 2022. Following completion of this exercise, Group Compliance conducted an additional assessment of the five top compliance risks and worked with the country teams on gap analysis of risk mitigation measures. As a result, **specific action plans have been developed for each country and the Group** for implementation in 2023, to further mitigate compliance risks across our footprint.

THIRD-PARTY SCREENING FOR COMPLIANCE RISKS
In the course of 2022, a strengthened third-part compliance screening based on Orbis-Compliance Catalyst has been implemented at Group level for all existing and potential new suppliers. The screening is made against eight compliance categories: adverse media, associated entities, enforcement, sanctions, registrations, State-owned Entity and PEPs (primary and secondary). Based on the outcome of the screening, supplier may be excluded from the procurement process or terminated as suppliers.

Political contributions and regulatory advocacy¹⁰⁰

Through our Group Code of Conduct and Group Anti Bribery Policy, **Verisure also prohibits political contributions**. Our advocacy activities focus on sector-specific regulatory issues and horizontal regulation that could impact our business operations¹⁰¹. During 2022, we did not make any political contributions at either the European or national levels.

The company is a member of sector associations at the European Union (EU) level and at the national level in some countries for regulatory engagement purposes, including Chile, Denmark, France, Italy, Norway, Spain, Sweden and the Netherlands.

Verisure believes that public-private cooperation is key to ensuring a swift response to alarm situations. The Group responds to the interests of society by strengthening relations and facilitating the work of the emergency services, such as the police, fire brigade and other public response bodies. Our services facilitate better utilisation of public resources, by allowing a substantial reduction in false alarms and ensuring a swifter response, which translates into savings in public resources.

Our Group CLO is responsible to the administrative, management and supervisory bodies (AMSB) for providing oversight of any political activities. No member of the AMSB held a position in a public administration in the previous two years¹⁰².



¹⁰¹ Verisure’s registration number at the EU Transparency Register is 474269242659-61

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

¹⁰³ **DR G1-4**
Confirmed incidents of
corruption or bribery

Compliance Cases¹⁰³
Compliance and data privacy topics are reported to the Group Audit Committee on a quarterly basis. Material cases are reported as a standing agenda item at each meeting of the Group Board of Directors.

In July 2021, a newly established Alarm Customer Association initiated a class action against Verisure Norway and its main competitor for claimed economic losses suffered by customers as a result of alleged illegal collaboration in relation to the NCA decision. Verisure Norway firmly contests the basis of the class action on both procedural and substantive grounds. The class action was dismissed on procedural grounds by the Oslo District Court in February 2022 and, upon appeal by the Alarm Customer Association, by the Court of Appeal in June 2022. In September 2022, the Alarm Customer Association filed an appeal with the Supreme Court, which has granted leave for the appeal against the specific procedural questions appealed. A hearing took place in May this year

(2023). The underlying claims have not been detailed by the Alarm Customer Association, and we firmly contest that the conditions for compensation are met.

Verisure Sverige AB is currently subject to an investigation by the Swedish Authority for Privacy Protection (IMY) following publication by a Swedish tabloid of anonymous allegations about the use of customer data by Verisure employees (for more information). In addition, we cannot be certain that advances in criminal capabilities, computing power, discoveries in the field of cryptography, or other developments will not compromise or breach the technology protecting the networks that access our products and services. And we can make no assurance that we will be able to detect, prevent, address or mitigate the negative effects of cyberattacks or other security breaches in a timely and adequate manner.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

¹⁰⁴ ESRS2 SBM-2

The undertaking shall provide understanding of the roles and responsibilities of the administrative, management and supervisory bodies in exercising oversight of the process to manage material impacts, risks and opportunities, including management’s role in these processes

^{106.1} DR GOV-1

The role of the administrative, management and supervisory bodies

6.2

Corporate Governance

Our Group board and management team¹⁰⁴

Reflecting our commitment to always acting “with Trust and Responsibility”, we have increased our focus on integrity and governance. The Group’s corporate governance is based on external and internal regulations, including the Articles of Association, applicable legislation in the country and other internal rules and procedures.

The main Group Board of Directors is the Board of Verisure Topholding AB (the “Board”). It is responsible for assessing the Group’s organisation, administration and financial situation. The Board also works to ensure the structure of the organisation so that the accounting records, financial management and other financial aspects are subject to satisfactory oversight¹⁰⁵.

The Board has established Rules of Procedure that set out the process for holding Board meetings, their frequency and the agenda items to be covered. Extraordinary meetings are held when necessary. In 2022, the Board held four ordinary meetings and one extraordinary meeting.

The Group Delegation of Authority Policy, which was adopted in 2022, defines the issues that require approval by the Board with no possibility for further delegation.

The Board has established and appointed the members of an Audit Committee, a Remuneration Committee, a Valuation Committee and an ESG Committee. The major duties of these committees are preparatory and advisory and are set out in their Rules of Procedures. The Board may on occasion delegate authorisation to these committees to take decision on specific matters. All committee meetings must be recorded in minutes and must follow applicable Rules of Procedure.

¹⁰⁵ Please refer to our Annual Report for more details about the Board of Directors

^{106.2} One member of the Board (10%) is independent, as being neither an employee of a shareholder or the Group itself. The executive members of the Board are (i) Luis Gil, President of Expansion, is one of founders of the Group, (ii) Antonio Anguita, Executive President for Iberia, Italy and Latam, represents the largest country and largest cluster, and (iii) Austin Lally is the Group CEO. This brings deep and extensive knowledge to the Board.

Members of the Board of Directors at 31 December 2022¹⁰⁶

NAME	YEAR OF APPOINT- MENT AS DIRECTOR OF THE BOARD	NATION- ALITY	EXEC- UTIVE DIREC- TOR	NON EXEC- UTIVE DIREC- TOR	INDE- PEND- ENT MEMBER
Stefan Götz (Chairman)	2011	German		✓	
Patrick Healy	2011	American		✓	
Adrien Motte	2017	French		✓	
François Cornelis	2017	Belgian		✓	
Henry Ormond	2017	British		✓	
Andrew Barron	2020	British		✓	✓
Carlos Ortega Arias-Paz	2019	Spanish		✓	
Austin Lally	2014	British	✓		
Antonio Anguita	2015	Spanish	✓		
Luis Gil	2011	Spanish	✓		

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Audit Committee¹⁰⁷

The primary function of the Audit Committee is to **monitor the company’s financial reporting, internal controls, compliance programme and risk management**. The Audit Committee reviews the reports delivered by the company’s external auditors, evaluates the external auditors, monitors accounting and tax matters, and monitors the company’s compliance programme, including its data privacy programme. The Audit Committee met four times in 2022. The members of the Audit Committee are three non-executive members of the Board - Stefan Götz, Adrien Motte and Henry Ormond. The meetings of this committee are generally also attended by the Group CEO, Group CFO and Group CLO.

Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board regarding the **Group’s framework for executive remuneration and accompanying costs**. It reviews and determines, on behalf of the Board, the remuneration and incentive packages for management, to ensure that they are appropriately rewarded for their individual contributions to the Group’s overall performance. The Remuneration Committee also formulates the remuneration policy with regard to the strategic objectives and operational performance of the Group. The Remuneration Committee met once in 2022. The members of the Remuneration

Committee are three non-executive members of the Board - Stefan Götz, Adrien Motte and Henry Ormond - the Group CEO and the Group HR, Comms, and ESG Officer.

Valuation Committee

The primary responsibility of the Valuation Committee is to **assist the Board in calculating the fair market value of the securities comprising the leadership equity plan** on a bi-annual basis, at least. The Valuation Committee met twice in 2022. The members of the Valuation Committee are two non-executive members of the Board - Francois Cornelis and Adrien Motte - and the Group CFO.

ESG Committee¹⁰⁸

The primary responsibilities of the ESG Committee are to **assist the Board in aligning the execution of the ESG strategy and the management of ESG topics**, ensuring that the ESG priorities and action plan are consistent with the level of ambition set by the Board, and evaluating the performance of the ESG strategy and priorities and the progress of the action plan.



Members of the Verisure committees:

NAME	NATIONALITY	AUDIT COMM.	REMUNERA- TION COMM.	VALU- ATION COMM.	ESG COMM.
Stefan Götz	German	✓	✓		
Adrien Motte	French	✓	✓	✓	
François Cornelis	Belgian			✓	
Henry Ormond	British	✓	✓		
Andrew Barron	British				✓
Zomo Fisher	British				✓
Austin Lally	British		✓		✓
Vincent Litrico	French			✓	✓
Marta Panzano	Spanish		✓		✓
Nina Cronstedt	Swedish/ Swiss				✓
Enrique Bofill	Spanish				✓

¹⁰⁷ DR GOV 4
Statement on sustainability
due diligence

¹⁰⁸ DR GOV-1
The role of the
administrative, management
and supervisory bodies.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

^{109.1} DR GOV-1
The role of the administrative, management and supervisory bodies

¹¹⁰ DR GOV-2
Information provided to, and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies

¹¹¹ DR GOV-3
Integration of sustainability-related performance in incentive schemes

Management Team

The Group Management Team (MT) at 31 December 2022 comprised:

NAME	TITLE	YEAR OF APPOINT- MENT AS GROUP MT MEMBER	NATIONALITY
Austin Lally	Group Chief Executive Officer	2014	British
Vincent Litrico	Group Chief Financial Officer	2016	French
Marta Panzano	Group Chief HR, Communications and ESG Officer	2014	Spanish
Nina Cronstedt	Group Chief Legal Officer	2019	Swedish/Swiss
Cristina Rivas	Group Chief Technology Officer	2020	Spanish
Olivier Horps	Group Chief Marketing Officer	2022	French
Luis Gil	President of Expansion	2014	Spanish
Antonio Anguita	Executive President for Iberia, Italy and Latam	2014	Spanish
Olivier Allender	General Manager France, Belgium & Arlo Europe	2015	French
Anthony Loiseau	General Manager Nordics	2020	French

ESG management at Verisure^{109.1}

Our ambition through this work is to become a cross-industry benchmark for consistent measurable progress in ESG over time. As a result, the Company appointed the Chief HR and Communications Officer, Marta Panzano, as Chief HR, Communications and ESG Officer, demonstrating the Group’s focus on ESG issues. In 2022, the Chief HR, Communications and ESG Officer recruited a Group Senior ESG Director who has built a team of experts, including a recently hired Diversity, Equity Inclusion and Belonging (DEIB) Head, who is fully dedicated to DEIB initiatives. In 2022, the Group’s Board created the ESG Committee. This demonstrates both the focus of our Group on ESG topics and the deep expertise deployed in this area.

As part of our ESG management, we have also created an ESG Operative Committee to contribute to the definition of the ESG strategy at the Group

^{109.2} In Q1 2023, Alex Froment-Curtil joined Verisure as Managing Director of France and a member of the Group Management Team. Prior to joining Verisure, Alex was the Chief Commercial Officer of the Vodafone Group and member of the Executive Committee. Over 18 years, he has held many senior commercial roles across Europe and Africa, such as CEO for Vodafone Turkey, Vodafone Egypt and Vodafone Hungary. Prior to working at Vodafone, Alex worked for the strategy consulting firm Booz Allen Hamilton.

Anthony Loizeau, General Manager for the Nordics Cluster, left Verisure effective 1 April 2023. Anthony joined Verisure in 2012 as Managing Director for Latin America. In 2020, Anthony was appointed to lead our Nordics Cluster.

Vincent Litrico, Group Chief Financial Officer, will leave the Company effective 31 July 2023. Vincent joined the company in 2016.

On 1 June 2023, Colin Smith joined Verisure as Group Chief Financial Officer and a member of the Group Management Team. Colin is a seasoned leader, who brings more than 25 years of broad experience in strategy, financial planning & analysis, mergers and acquisitions as well as consumer pricing and go-to-market. Most recently, he has spent 5 years as CFO, UK & Ireland at Sky, driving a very strong commercial agenda.

level and ensure execution across our geographies and functions. This Committee meets at least twice a year and on demand when necessary.

The ESG Operative Committee is coordinated by the Group Senior ESG Director and draws on the participation of representatives of our functional teams and geographies and other ad-hoc participants depending on the agenda. It reports to the Group Management Team, which is responsible for validating and monitoring the progress of the overall ESG strategy, roadmap and targets. This progress is reported and discussed at the Board ESG Committee¹¹⁰.

Finally, the objective of ensuring Verisure’s progress on ESG, in line with the defined strategy, priorities, KPIs and selected targets, is included in the variable compensation of our our Group Management Team for 2023¹¹¹.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

¹¹² **DR GOV -2**
Information provided to, and sustainability matters addressed by, the undertaking's administrative, management and supervisory bodies

DR GOV-4 - Statement on sustainability due diligence

¹¹³ **DR GOV-1**
The role of the administrative, management and supervisory bodies

Assessing risks¹¹²
A number of specific risks are regularly reported to meetings of the Audit Committee, which meets at least three times a year. These risks include internal controls, insurance, information security (InfoSec), compliance and privacy¹¹³. A summary of topics covered at meetings of the Audit Committee is reported to the Board, which also has access to the Audit Committee minutes.

Specific topics such as InfoSec risks and mitigating actions, the results of the Group's annual Enterprise Risk Management (ERM) exercise and other risk-related action plans are reported directly to the Board on an ad hoc basis.

ERM is an essential element in the strategic risk management in the Group's organisation and is embedded in the ongoing activities of the business. The Group Head of Internal Controls, who reports to the Group CFO, is responsible for the framework, supported by the Group Compliance team.

The Verisure Group performs this exercise following the Committee of Sponsoring Organisations (COSO) framework and strategy. COSO is an international committee leading development and guidance in the areas of risk and control that enable good organisational governance and reduce fraud. The COSO framework categorises enterprise risks as strategic, operational, financial and compliance risks.

As indicated in the "Identifying our risks and opportunities" section, the exercise begins by considering what drives the Group value strategy and objectives, such as competitive advantage,



new strategic initiatives and key product lines. In 2022, after the key drivers were identified, the risk identification process was conducted in workshops through evaluation of significant risks that could potentially hinder the success of each key driver. These workshops featured the risk owners and were led by the Group Internal Control, Legal and Compliance functions.

A risk library was then created based on the COSO framework, which served as a tool for the risk owners to identify the risks. Risk impacts and likelihoods were determined by the risk owners for each risk, together with the mitigation strategy to be implemented from 2023, resulting in the residual risk. The Group Internal Control, Legal and Compliance functions challenge and support the risk owners in the process, while inputs from Group management help calibrate the final outcome. As a result, dedicated teams are

addressing the key risks areas identified, mainly through various ad hoc programmes in specific areas. Progress and completion are reported regularly to the CEO and the management team.

Several third-party compliance reviews were also conducted, as in the previous year.

The Criminal and Anti-Corruption Compliance System in Spain has been certified under the local UNE 19601 standard for Criminal Compliance Systems and the ISO 37001 standard for Anti-Bribery Management Systems since 2019, as well as the UNE 19602 standard for Tax Risk Prevention Systems since 2021. We have six entities certified under UNE 19601, and a further entity certified under UNE 19602. Use of this evaluation measurement is part of our Compliance Programme.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



What's next

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

7

What's next

> We are very proud of the progress we have made in the last year to accelerate our sustainability journey. At the same time, we know we are not finished yet: there is still much more to achieve in the years ahead.

As we move forward, we will continue to develop our Sustainability Framework and advance on the detailed roadmap of programmes and initiatives to achieve our sustainability goals. Winning as a Team with our colleagues, stakeholders and communities is vital for this journey.

We will continue to boost our KPI and metric-tracking abilities across all our areas of focus, to identify areas for improvement and measure progress towards our ambitious improvement targets. **Our goal is clear and simple: we want to become the industry leader in sustainability.** Through our talented and driven people and their passion for Doing the Right Thing and making a difference, we will make this ambition possible.

7.1

Our Customers

Every year, **we will strive to do better in our purpose of bringing peace of mind to families and small businesses, broadening access to our services, especially for the most vulnerable, and widening the scope of our protection offering.** As an example, we expect to continue expanding our Guardian service across our portfolio.

We will **continue strengthening our already robust and comprehensive programme for ensuring data privacy and protection,** to guarantee the highest privacy standards our customers. In cyber security, **we want to continue increasing our organisation's cyber readiness.** Among other initiatives, we will continue rolling out our cyber security training.



CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES



7.2

Our People

Providing support in DEIB initiatives is an explicit priority in our strategy. **We will continue creating a more inclusive organisation, enabling diverse representation of our community and ensuring equity and meritocracy during all employee journeys.**

Our priorities will **continue to be driving engagement, growth and development to unleash our teams’ full potential.** We will provide more opportunities, promoting internal mobility, both local and international. Leveraging our global learning platform, we will continue making more and better training available to all our employees. In 2023, we will continue rolling out our Verisure Leadership Model pilots and our evolved mentoring programme, which will be made available to all local HR teams and rolled out to our leadership audiences.

As we look to support our people, we will keep expanding our holistic well-being programme through accompanying activities.

7.3

Our Communities

We will continue our work to manage environmental, social and economic risks from suppliers, providers and partners. **We will continue applying our sustainable sourcing strategy with the aim of being audited by an external party on being aligned with ISO 20400 in the coming years.**

In 2023, **we have launched our Supplier-Diversity programme and policy to add strong diversity business practices to our qualified supplier base.**

We aim to keep on rating our strategic and important suppliers in 2023. As from this year, we will work hand in hand with all our suppliers to achieve the target of 100% of them accepting our updated Supplier Standards and Ethical Code.

This year we will define global Corporate Social Responsibility guidelines, to increase collaboration and join efforts across our geographies on our commitment to maximise our positive impact in our communities.

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

7.4

Our Planet

We will continue taking steps to meet our GHG emission reduction targets. **In 2023, we will consider the emissions of new cars in the next RFQ for leasing of the vehicle fleet, which will translate into the use of internal carbon pricing.**

We will continue our engagement with our key suppliers to achieve carbon emission reductions and will further analyse the status of non-strategic suppliers to look for lower-emission alternatives. We will work to shift our upstream supply chain towards more sea and road transport, reducing air freight, among other levers to reduce our emissions.

We will **start to define sustainable mobility guidelines** with the objective of reducing emissions from commuting by our employees.

We will keep on pursuing our strategy to **optimise waste management and recycling opportunities** to meet our longer term zero-landfill target. We will keep on developing a common **sustainable packaging strategy** for our key product suppliers, electronic manufacturing services (EMS) and original design manufacturer (ODM), as well as third-party logistics providers.



7.5

Ethics & Integrity

In recent years, we have been developing several training and communication initiatives to ensure our Code of Conduct and related policies are fully internalised across the organisation and to enhance other elements of our Group Compliance Programme. As every year, in 2023, **we will continue reinforcing our zero tolerance to breaches of our Code of Conduct.**

In 2023 we will **continue strengthening our ESG governance**, reinforcing it both globally and locally. **Implementation of an ESG data tracking and reporting tool will be a major milestone.** This will provide us with a powerful data acquisition, validation and verification process, and will give us the flexibility and possibility to customise our KPIs in accordance with our needs, stakeholders’ queries and regulations.

Our Group Management Team’s variable compensation scheme includes an objective related to Verisure’s progress on ESG, based on the defined strategy, priorities, KPIs and selected targets.

- CEO LETTER
1. SUSTAINABILITY STRATEGY
2. OUR CUSTOMERS
3. OUR PEOPLE
4. OUR COMMUNITIES
5. OUR PLANET
6. ETHICS & INTEGRITY
7. WHAT'S NEXT

ANNEXES

ANNEX 1: Table of contents of GRI and CSRD standards draft by material topic

This report has been prepared with reference to the Global Reporting Initiative (GRI), the draft¹¹⁴ of the Corporate Sustainability Reporting Directive 2022/2464 (CSRD), as well as the Sustainable Finance Disclosure Regulation (SFDR) material topics to Verisure, SASB and the Task Force on Climate-Related Financial Disclosures (TCFD) for the period (January 1 to December 31, 2022).

General disclosures

GRI Standard	GRI Topic	GRI Indicator	CSRD reference	GRI Parameter	Location
GRI 2: 2021	The organisation and its reporting practices	2.1	DR BP-1 DR BP-2	Organizational details	About this report
		2.2		Entities included in the organisation’s sustainability reporting	
		2.3		Reporting period, frequency and contact point	
		2.4		Restatements of information	
		2.5		External assurance	
GRI 2: 2021	Activities and workers	2.6	ESRS 2 SBM-1 DR S1-6 DR S2-1	Activities, value chain and other business relationships	Verisure at a glance
		2.7		Employees	Sustainability Strategy Our ESG strategy: Listening to our stakeholders
		2.8		Workers who are not employees	Our People Diversity, Equity, Inclusion & Belonging (DEIB): Diversity in our Workforce – Verisure as an employer
					Our Communities Sustainable Sourcing: Management of relationships with suppliers

¹¹⁴ Final draft november 2022

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

GRI Standard	GRI Topic	GRI Indicator	CSRD reference	GRI Parameter	Location
GRI 2: 2021	Governance	2.9	DR GOV-1 DR GOV-2 DR GOV-3 DR GOV-4	Governance structure and composition	Ethics & Integrity Corporate Governance
		2.10		Nomination and selection of the highest governance body	
		2.11		Chair of the highest governance body	
		2.12		Role of the highest governance body in overseeing the management of impacts	
		2.13		Delegation of responsibility for managing impacts	
		2.14		Role of the highest governance body in sustainability reporting	
		2.15		Conflict of interest	
		2.16		Communication of critical concerns	
		2.17		Collective knowledge of the highest governance body	
		2.18		Evaluation of the performance of the highest governance body	
		2.19		Remuneration policies	
		2.20		Process to determine remuneration	
GRI 2: 2021	Strategy, policies and practices	2.22	ESRS 2 SBM-3	Statement on sustainable development strategy	CEO Letter
		2.23		Policy commitments	Sustainability Strategy Our ESG strategy
		2.24		Embedding policy commitments	
		2.25		Processes to remediate negative impacts	Ethics & Integrity Our Group compliance framework
		2.26		Mechanisms for seeking advice and raising concerns	
		2.27		Compliance with laws and regulations	
		2.28			
GRI 2: 2021	Approach to stakeholder engagement	2.29	ESRS 2 SBM-2	Approach to stakeholder engagement	Sustainability Strategy Our ESG strategy: Listening to our stakeholders
		2.30	DR S1-8	Collective bargaining agreements	Our People Employee Relations: Social Dialogue

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Material topics

GRI Standard	GRI Topic	GRI Indicator	CSRD reference	GRI Parameter	Location
GRI 3 2021	Material Topic	3.1	ESRS 2 IRO-1	Process to determine material topics	Sustainability Strategy Our ESG Strategy
		3.2	ESRS 2 IRO-2	List of material topics	
		3.3	2 DC DC-P, A, M, T	Material topic management	
OUR PLANET					
Material topic: Climate change					
GRI 3 2021	Material Topic	3.3	ESRS 2 SBM-3 ESRS 2 IRO-1 DR GOV-3 DR E1-1 DR E1-3 DR E1-4	Material topic management	Climate Change Our Commitments We are ready: our transition plan for climate change mitigation Progress in implementing the transition plan Climate governance Energy consumption and mix energy Total GHG emissions GHG removals and carbon pricing
GRI 302: Energy 2016	Energy	302-1	DR E1-5	Energy consumption within the organisation	
GRI 305: Emissions 2016	Emissions	305-1	DR E1-6	Direct (Scope 1) GHG emissions	
		305-2		Energy indirect (Scope 2) GHG emissions	
		305-3		Other indirect (Scope 3) GHG emissions	
		305-4		GHG emissions intensity	
ESRS: Environment	Climate Change	3.3	DR E1-7	GHG removals and GHG mitigation projects financed through carbon credits	
		ND	DR E1-8	Internal carbon pricing	
Material topic: Product Lifecycle Management & Circularity					
GRI 3 2021	Material Topic	3.3	ESRS SBM-3 ESRS 2 IRO-1 DR E5-3	Material topic management	Product Lifecycle Management & Circularity Our commitments We are ready: our circularity plan
GRI 301: Materials 2016	Materials	301-3	DR E5-1 DR E5-2	Reclaimed products and their packaging materials	Product Lifecycle Management & Circularity Verisure’s plan for better design, packaging, and logistics
GRI 306: Waste 2020	Waste	306-1	DR E5-4 DR E5-5	Waste generation and significant waste-related impacts	
	Waste	306-2		Management of significant waste-related impacts	

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

GRI Standard	GRI Topic	GRI Indicator	CSRD reference	GRI Parameter	Location
OUR PEOPLE					
Material topic: Diversity, Equity Inclusion and Belonging					
Material topic: Health, Safety & Well-being					
Material topic: Talent Management & Sustainable Engagement					
GRI 3 2021	Material Topic	3.3	ESRS 2 SBM-3 DR S1-1 DR S1-2 DR S1-3 DR S1-11 DR S1-17	Material topic management	Sustainability Strategy Our ESG Strategy: Listening to our stakeholders Diversity, Equity, Inclusion & Belonging (DEIB) Our commitments Key enablers - Building an inclusive workplace, a daily task Ethics & Integrity Our Group compliance framework Employee Health, Safety & Well-being Ensuring social protection Employee Relations Monitoring and managing incidents
GRI 401: Employ-ment 2016	Employment	401-3	DR S1-15	Parental leave	Employee Health, Safety & Well-being New ways of working
GRI 404: Training and Educa-tion 2016	Training and Education	404-2 404-3	DR S1-13	Programs for upgrading employee skills and transition assis-tance programs Percentage of employees receiving regular performance and career development reviews	Talent Management & Sustainable Engagement Performance and career development Training and growth
GRI 405: Diversity and Equal Opportuni-ty 2016	Diversity and Equal Op-portunity	405-1	DR S1-9 DR S1-12	Diversity of governance bodies and employees	Diversity, Equity, Inclusion & Belonging (DEIB) Diversity in our Workforce – Verisure as an employer
GRI 403: Occu-pational Health and Safety 2018	Occupational Health and Safety	403-1 403-2 403-3 403-4 403-6 403-9	DR S1-14	Occupational health and safety management system Hazard identification, risk assessment, and incident investigation Occupational health services Worker participation, consultation, and communication on occupational health and safety Promotion of worker health Work-related injuries	Employee Health,Safety & Well-being Health and safety

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

GRI Standard	GRI Topic	GRI Indicator	CSRD reference	GRI Parameter	Location
OUR COMMUNITIES					
Material topic: Community Impact					
Material topic: Sustainable Sourcing					
GRI 3 2021	Material Topic	3.3	ESRS 2 SBM-2 ESRS 2 SBM-3 DR S2-1 DR S2-2 DR S2-3 DR S2-4 DR S3-1 DR G1-2 DR G1-5	Material topic management	Community Impact Making a difference in the communities we serve Our approach to tax Sustainable Sourcing A holistic approach to risks Building a sustainability-focused procurement culture
GRI 207: Tax 2019	Tax	207-1	ESRS 2 SBM-3	Approach to tax	Community Impact Our approach to tax Additional information can be found in our Annual Report 2022
		207-2		Tax governance, control, and risk management	
		207-3		Stakeholder engagement and management of concerns related to tax	
GRI 415: Political Contributions 2016	Political Contributions	415-1	DR G1-5	Political contributions	Ethics & Integrity Political contributions and regulatory advocacy
GRI 308: Supplier Environmental Assessment2016	Supplier Environmental Assessment	308-1	ESRS 2 SBM 3 DR G1-2 DR S2-1 DR S2-2 DR S2-5	New suppliers that were screened using environmental criteria	Sustainable Sourcing Building a sustainability-focused procurement culture A holistic approach to risks
GRI 414: Supplier Social Assessment 2016	Supplier Social Assessment	414-1		New suppliers that were screened using social criteria	

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

GRI Standard	GRI Topic	GRI Indicator	CSRD reference	GRI Parameter	Location
OUR CUSTOMERS					
Best in Class Protection & Peace of Mind Data Privacy & Cyber Security					
GRI 3 2021	Material Topic	3.3	ESRS 2 SBM-2 ESRS 2 SBM-3 DR S4-1 DR S4-4 DR S4-5	Material topic management	Sustainability Strategy Our ESG strategy
					Ethics & Integrity Our Group compliance framework
					Data Privacy & Cyber Security Data Privacy Cyber Security
GRI 416: Customer Health and Safety 2016	Customer Health and Safety	416-1	DR S4-2	Assessment of health and safety impacts of product and service categories	Best-in-Class Protection & Peace of Mind Health and safety protection for our customers Data Privacy & Cyber Security Data Privacy
GRI 418: Customer Privacy 2016	Customer Privacy	418-1	DR S4-3	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy & Cyber Security Data Privacy
ETHICS & INTEGRITY					
Material topic: Ethics & Integrity					
GRI 3 2021	Material Topic	3.3	ESRS 2 GOV-1 ESRS 2 IRO-1 DR G1-1 DR G1-2 DR G1-3	Material topic management	Ethics & Integrity Our commitments Corporate Governance Sustainable Sourcing Management of relations with suppliers
GRI 205: Anti- Corruption 2016	Anti- Corruption	205-3	DR G1-3 DR G1-4	Confirmed incidents of corruption and actions taken	Ethics & Integrity Our Group compliance framework Political contributions and regulatory advocacy
GRI 206: Anti- Competitive Behavior 2016	Anti- Competitive Behavior	206-1	DR G1-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

ANNEX 2: Table of contents of the SFDR Regulation

Main indicators

Climate and other environment-related indicators

Topic	SFDR Indicator	SFDR Parameter	Unit	2022	Location	
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	tCO2eq	41,748	Our Planet Climate Change Energy consumption and mix energy 15.1 tCO2/mEUR 45.4 tCO2/mEUR	
		Scope 2 GHG emissions	tCO2eq	Market based: 815		
		Scope 3 GHG emissions	tCO2eq	128,395		
		Total GHG emissions	tCO2eq	Market based: 170,958		
	2. Carbon footprint	Carbon footprint		Not aplicable		
	3. GHG intensity of investee companies	GHG intensity of investee companies	tCO2eq/monetary unit	Scope 1 and 2 CO2e emissions: 15.1 tCO2/mEUR Scope 3 CO2e emis- sions: 45.4 tCO2/mEUR		
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	EUR	0		-
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	MWh	Energy consumption: 17,110 Renewable energy: 67%		Our Planet Climate Change Energy consumption and mix energy
6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	GWh/ million EUR of revenue	Not a high impact climate sector	Our Planet Climate Change Energy consumption and energy mix		
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/ operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	EUR	Not material	-	

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Topic	SFDR Indicator	SFDR Parameter	Unit	2022	Location
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	tonnes	Not material	-
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	tonnes	Not available	-
Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters					
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Number	0	Ethics & Integrity Our Group compliance framework
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Number	0	
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	Percentage	We are currently conducting a gender pay gap analysis.	-
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	Percentage	0	Ethics & Integrity Corporate Governance
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	EUR	0	-

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

ANNEX 3: Table of contents of SASB and TCFD standards by material topic

Standard	Topic	Indicator	Parameter	Location
Material topic: Data Privacy & Cyber Security				
SASB	Data Security	SV-PS-230a.1	Description of approach to identifying and addressing data security risks	Our Customers Data Privacy & Cyber Security
		SV-PS-230a.2	Description of policies and practices relating to collection, usage, and retention of customer information	
		SV-PS-230a.3	(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected	Not available
Material topic: Diversity, Equity, Inclusion & Belonging				
SASB	Workforce Diversity & Engagement	SV-PS-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	Our People Diversity, Equity, Inclusion and Belonging (DEIB) Key enablers - Building an inclusive workplace, a daily task
		SV-PS-000.A	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	
		Activity metric	SV-PS-330a.3	Employee engagement as a percentage
Material topic: Talent Management & Sustainable Engagement				
SASB	Workforce Diversity & Engagement	SV-PS-330a.2	(1) Voluntary and (2) involuntary turnover rate for employees, at the end of the period	Not available
	Activity metric	SV-PS-000.B	Employee hours worked, percentage billable	
Material topic: Ethics & Integrity				
SASB	Professional integrity	SV-PS-510a.1	Description of approach to ensuring professional integrity	Ethics & Integrity Our Group compliance framework
		SV-PS-510a.2	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	Ethics & Integrity Political contributions and regulatory advocacy

CEO LETTER

1. SUSTAINABILITY STRATEGY

2. OUR CUSTOMERS

3. OUR PEOPLE

4. OUR COMMUNITIES

5. OUR PLANET

6. ETHICS & INTEGRITY

7. WHAT'S NEXT

ANNEXES

Standard	Topic	Indicator	Parameter	Location
Material topic: Climate change				
TCFD	Governance	Disclose the organi- sation’s governance around climate related risks and opportunities.	a) Describe the board’s oversight of climate-related risks and opportunities	Our Planet Climate Change: Climate governance
			b) Describe management’s role in assessing and managing climate-related risks and opportunities	
TCFD	Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the or- ganisation’s businesses, strategy, and financial planning where such information is material	a) Describe the climate-related risks and opportunities the organisation has iden- tified over the short, medium, and long term.	Our Planet Climate Change: Material impacts, risk and opportunities, and their interaction with our business model
			b) Describe the impact of climate related risks and opportunities on the organisa- tion’s businesses, strategy, and financial planning.	
			c) Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2° C or lower scenario.	Our Planet Climate Change: Scenario analysis
TCFD	Risk Management	Disclose how the or- ganisation identifies, assesses, and manages climate-related risks	a) Describe the organisation’s processes for identifying and assessing climate-re- lated risks.	Our Planet Climate Change: Material impacts, risk and opportunities, and their interaction with our business model
			b) Describe the organization’s processes for managing climate-related risks.	
			c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation’s overall risk management.	
TCFD	Metrics and targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process.	Our Planet Climate Change: Energy consumption and mix energy Climate Change: Total GHG emissions
			b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	
			c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	

- CEO LETTER
1. SUSTAINABILITY STRATEGY
2. OUR CUSTOMERS
3. OUR PEOPLE
4. OUR COMMUNITIES
5. OUR PLANET
6. ETHICS & INTEGRITY
7. WHAT'S NEXT

ANNEXES

ANNEX 4: Swedish Annual Account Act

Information about:	See chapter and pages
Environment	Our Planet: Climate Change 67- 75 Product Lifecycle Management & Circularity 76-79
Social conditions	Our People: Employee Health, Safety & Well-being 42-46 Employee Relations 51-53
Personnel	Our People: Diversity, Equity, Inclusion & Belonging (DEIB) 33-41 Talent Management & Sustainable Engagement
Respect for human rights	Our communities: Sustainabe Sourcing 56-58 Ethics & Integrity: Our Group compliance framework 82
Anti-corruption	Ethics & Integrity: Our Group compliance framework 83-87
Business model	Sustainability Strategy: Our ESG strategy 8-9; 13-18
Significant risk for sustainability	Sustainability Strategy: Our ESG Strategy 10-12
GRI Index	Annex 1. Table of contents of GRI and CSRD standards by material topic 97-102
SFDR Index	Annex 2: Table of contents of the SFDR Regulation 103-104
SASB y TCFD Index	Annex 3: Table of contents of SASB and TCFD standards by material topics 105-106



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