



verisure



**SUSTAINABILITY
REPORT**
PROUD TO PROTECT

2021

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SUSTAINABILITY REPORT

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The Sustainability Report covers Verisure Midholding AB (corporate identity number 556854-1402) and all its subsidiaries and refers to the financial year 2021. The report has been prepared in accordance with the Swedish Annual Accounts Act, Chapter 6, paragraph 10-11.



A YEAR OF ACCELERATION

Last year brought continued challenges for individuals, families, and communities. At Verisure as well, we sadly mourn lost teammates. However, 2021 also came with hope, as medical advances increasingly protect us from the most dangerous forms of COVID-19. We can be hopeful for a future where we would live alongside a less dangerous, endemic virus. Throughout the continued pandemic, in 2021 as in 2020 we continued to protect what matters most. We now provide peace of mind to more than 4 million families and small businesses. And 2021 was another record year for our company.

Environmental, Social and Governance (ESG) considerations are an integral part of our business. And even deeper, of our DNA. We believe it is a human right to feel safe and secure. This is the core mission of our organization, and I am proud each and every day of the way our colleagues step up to protect our customers from burglaries, house fires, water damage, health emergencies, and street insecurity. This is our key contribution to society.

We protect life and property. And we do so by facilitating interventions from public emergency responders: Police, Fire Department, Ambulance Services. Last year we processed more than 1 trillion signals from the various detection devices installed at our customers' premises, received an average of 100 alarms every minute, and responded to over 85% of them in less than 60 seconds. We filtered for false alarms, and immediately contacted emergency services with verified, critical alerts. This saves them time – and saves the general public cost.

We believe we also can, and do, contribute to society through how we

run our operations. We are proud for example to act as a social elevator. We provide jobs, careers and opportunities for upward mobility everywhere we operate. In the past five years, we have more than doubled the size of our Verisure family, adding a total of more than 11,000 employees. Continuously creating more than 2,000 positions every year, even during COVID, generating

economic impact and social uplift for our employees, their families, and their communities. I am especially proud of the opportunities we create for our employees from disadvantaged backgrounds. We hire based on merit and drive, more than particular educational backgrounds. This is especially true in our sales organization.



“As people who protect people, we believe it is a human right to feel safe and secure.”

We provide the training our people need to succeed. And we offer career and advancement opportunities; almost all our sales managers and team leaders, for example, are promoted from within. Throughout our organization, we are committed to creating an atmosphere where every single colleague feels they can bring their full selves to work. No matter each individual background or personality, we strive for an environment where everyone feels included, supported, and given equal opportunities. Diversity, Equity and Inclusion (DE&I) is a strategic priority for our company. Because of the positive impact it has on our business, customers, and people; so as to attract, engage, and retain the best talent; and to contribute to the communities and society we serve.

Because ESG is core to our mission, we recognize the importance of accelerating our sustainability efforts to accompany the rapid growth of our business. In 2021, we have become much more intentional in organizing for sustainability, and establishing the relevant bases and metrics for it. During the year we conducted our first thorough materiality assessment, to identify and assess ESG topics. From that assessment we are developing a

robust ESG framework and roadmap to drive our future strategy and actions. In the past years, we have accelerated our DE&I efforts, in particular with regards to gender balance. We already have over 36% women across the organization – up from 20% in 2015 – but recognize we still have a way to go. It is a particular focus area of mine to support women in all phases of their career across recruitment, retention, promotion, development, pay, and culture.

In 2021, we are very proud to have joined the United Nations Global Compact (UNGC), the world's largest voluntary corporate sustainability initiative, as participants. This is a significant milestone in our journey, signalling our commitment to shape a sustainable future. We have also now developed a robust model to calculate our full carbon footprint. We know we bear a large responsibility (alongside all businesses and society as a whole) to transform our ways of working and living, so as to prevent dramatic climate change. Now that we understand our carbon footprint, the next step will be to identify opportunities to avoid or reduce emissions. Starting with increasing our use of a 'green' and sustainable vehicle fleet.

It is intrinsic to our values to positively impact our communities through our products and services, the jobs we create, and the initiatives we launch. But also through private initiatives from our employees, fully supported by the company. I am delighted to regularly witness our colleagues stepping up, and acting as good stewards of their communities and environment. I couldn't be prouder of their grassroots efforts.

While we have made great strides in 2021, as I look to 2022 and beyond I am excited to accelerate our efforts to support the sustainable growth of our organization. We have now strengthened our internal ESG governance and created a fully dedicated, talented central team as well as a strong ESG network across our countries.

As a company of People Protecting People, I am humbled by the responsibility we bear not only to our customers, but to our colleagues, our communities, and our planet. I am optimistic that together we can both continue growing our business and become industry leaders when it comes to Sustainability.

Austin Lally, Group CEO

It is intrinsic to our values to positively impact our communities through our products and services, the jobs we create, and the initiatives we launch.

WHO WE ARE

**WE PROTECT WHAT MATTERS MOST.
WE BRING PEACE OF MIND TO FAMILIES
AND SMALL BUSINESS OWNERS,
ANYTIME AND ANYWHERE.**



PEOPLE PROTECTING PEOPLE

We are the leading provider of professionally monitored alarms, and the leading provider of camera video surveillance systems for residential households and small business in Europe.

Our Vision

We believe it is a human right to feel safe and secure. We bring peace of mind to families and small business owners, anytime and anywhere.

Committed to Our Mission

During 2021, we passed the milestone of 4 million customers and closed the year providing peace of mind to nearly 4.3 million families and business owners across 16 countries in Europe and Latin America. During the year, we added close to 770 thousand new customers to our portfolio, an increase of 19.0% versus 2020. This is a strong acceleration in our new customer addition pace versus 2020, but also an acceleration versus 2019, when we increased our new customer additions by 18.6%. All the growth was organic.

Peace of mind for families and small businesses

Our service includes 24/7 monitoring, expert verification and response, customer care, maintenance, and professional technical support, as well as protecting against intrusion, we protect against fire, attack, theft, life-threatening emergencies, and other hazards. Verisure people are dedicated, committed, and provide what we believe is the best customer service in the industry.



A BUSINESS MODEL FOR PROFITABLE GROWTH

We operate subscription-based security service businesses, designing, installing, and monitoring alarm and video surveillance systems to bring peace of mind to our customers.

Our business model combines growing, predictable cash flows, based on strong customer loyalty, with high quality subscriber growth. We are able to reinvest the cash flows from our subscriber portfolio into innovation on technology and superior propositions, category-creating marketing and brand recognition, and go-to-market excellence that in turn allow us to attract and retain high quality new customers.

Portfolio services

The portfolio services segment provides a full security service to our customers for a monthly subscription fee. Our service includes 24/7 monitoring, expert verification and response, customer

care, maintenance, and professional technical support to existing customers. We personally operate all our monitoring centres. We have a diverse and high-quality subscriber base with low attrition which contributes to growing, predictable cash flows.

Customer acquisition

We deliberately chose to invest a significant part of the cash generated from our growing subscriber base to continue the growth cycle. We invest to acquire new loyal customers. We pay careful attention to the long-term value and return on investment from these new customers. Given our investments in new customer acquisition are largely

discretionary, as we demonstrated in 2020 during the first wave of the pandemic, we do have the ability to be flexible on the pace of growth and customer acquisition. We have the levers to manage both growth targets and cash flow objectives.

Adjacencies

Additionally, we classify certain non-core businesses under our adjacencies segment. This segment mainly represents the sale of remote monitoring and assistance devices and services for senior citizens, as well as the sale of Arlo cameras and video surveillance services in retail and online channels across Europe.



LEADING ACROSS A BROAD FOOTPRINT

We are the leading provider of residential and small business monitored alarms in Europe, and the 2nd-largest worldwide, protecting what matters most in 12 countries in Europe and 4 in Latin America. Our business is driven by organic growth, based on our differentiated business model. We attract high quality customers and work hard to ensure that our customers are satisfied. This contributes to an industry leading level of attrition and a long customer lifetime. In November 2019 we formed a strategic partnership with Arlo Inc., a world leader in connected cameras, and acquired Arlo Inc.'s European operations, allowing us to offer camera video surveillance as a standalone service and as a complement to our professionally-monitored home security proposition.



PROUD TO PROTECT ACROSS 16 COUNTRIES



A TECHNOLOGY-ENABLED HUMAN SERVICES COMPANY

Our teammates are the foundation of our company. Our business model combines technology and human expertise to protect people. We are a human services company; more than 80% of our colleagues

interact with customers every day. This connection provides the insights that feed our innovation. Close customer contact also fuels pride in our colleagues, driving engagement.



OUR COMMITMENT TO SUSTAINABILITY

Sustainability is written in our DNA

Verisure's commitment to sustainability is intrinsic to our company purpose, mission, and corporate values. We strive not only to provide the best protection to families and small businesses, but we also take responsibility to protect what matters most, offering safety and security for all. Our people are purpose-driven. We are **passionate in everything we do**. We strive to consistently go above and beyond the call of duty to fulfil our promise.

As part of our promise to protect what matters most, we are committed to having a positive impact on our colleagues, our customers, our communities, and our environment. We strive for a sustainability-driven approach across our full value chain. We are **committed to making a difference** and **always innovating** to maximize value not just for our business and for our clients, but for society at large.

We are also committed to doing business ethically and sustainably, through

responsible business management practices. We **win as a team, with trust and responsibility**. We act with integrity and empower one another to do the right thing, every day.

Sustainability is part of our core business, and is integrated in our business practices, our company culture, and everything we do. Since 2015, ESG has been explicitly called out in our rolling five-year company strategy as a key business priority.



OUR DNA IS AT THE CORE OF OUR COMPANY

Everything we do is driven by our unique DNA – five deeply-held values which guide us all.



ACCELERATING OUR SUSTAINABILITY JOURNEY

Over the past year, we have accelerated our sustainability journey. We conducted a materiality analysis with a specialized external consultancy to identify and confirm the key ESG topics most important to our stakeholders and with

the greatest potential long-term impact on the business. We built off work done internally as well as relevant industry reports, and interviews with internal and external stakeholders (including investors, suppliers, partners, and

NGOs). As a result of this analysis, each identified ESG topic was scored across a variety of dimensions to define our materiality matrix.

A TOTAL OF 11 MATERIAL ESG TOPICS WERE IDENTIFIED



The results of this materiality assessment will inform and shape our sustainability and business strategies moving forward. In terms of ESG, our Social axis is the most closely linked to our core mission as a company of People Protecting People, and therefore the one with more potential. The Environmental and Governance axes, although less extensive than our Social side, are of undeniable importance as well. We have structured this report with these three axes in mind, and in 2022 we aim to develop a more detailed Sustainability Framework and strategy building on our work so far to guide us on our

sustainable journey in the coming years.

As we deepened our understanding of where we can have most impact, we have scaled our team and ambition to rise to the challenge. We hired an experienced ESG Manager in 2021 and have now brought on an ESG Senior Director in 2022. We have appointed an ESG Officer at the Management Team level to coordinate and lead ESG opportunities across our business. In addition to specialised, subject-matter experts, ESG topics and responsibilities have also been embedded in the responsibilities of an increasing number of our colleagues.

SUPPORT FOR THE UNITED NATIONS' SUSTAINABLE DEVELOPMENT GOALS

Our Sustainability Framework will also be aligned to the UN Agenda 2030 for Sustainable Development, which outlines commitments towards social inclusion, environmental protection, and sustainable economic growth for a more sustainable, just, and equitable future. In June 2021, we became participants in the UN 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 not only commit to acting responsibly and incorporating the Ten Principles of the UNGC around human rights, labour, anti-corruption, and the environment into our strategies and operations, but to find further opportunities to

advance those SDGs and have a positive impact.

We recognize that the SDGs are interconnected, and that action in one area affects outcomes in others. As such, Verisure contributes across a broad set of SDGs. However, through our Sustainability strategy we have identified the following key areas where we can make the most impact:

SDG 16

PEACE, JUSTICE, AND STRONG INSTITUTIONS

- Best-in-Class Protection & Peace of Mind
- Data Privacy & Cybersecurity
- Business Ethics, Regulatory Compliance, and Integrity

SDG 13

CLIMATE ACTION

- GHG Reduction
- Product Lifecycle Management & Circularity
- Supply Chain Management

SDG 12

RESPONSIBLE CONSUMPTION AND PRODUCTION

- Supply Chain Management

SDG 10

REDUCED INEQUALITIES

- Diversity, Equity, & Inclusion
- Talent Management & Sustainable Engagement
- Community Impact
- Supply Chain Management
- Labour Relations

SDG 8

DECENT WORK AND ECONOMIC GROWTH

- Diversity, Equity, & Inclusion
- Employee Health, Safety & Well-being
- Labour Relations
- Supply Chain Management
- Talent Management & Sustainable Engagement

SDG 5

GENDER EQUALITY

- Diversity, Equity, & Inclusion
- Supply Chain Management

In 2021, we joined the UNGC and participated in their Target Gender Equality Accelerator Program. In 2022, we will confirm our commitment to the UNGC by submitting our first Communication on Progress (CoP) as part of their Early Adopter Program.

WE SUPPORT



SOCIAL

BEST-IN-CLASS PROTECTION & PEACE OF MIND

Our reason to exist as a company is to bring peace of mind to families and small business owners. We take this as one of our key contributions to society, aligned with UN SDG 16 to promote peace, justice, and strong institutions. Sustainability is to this extent fully integrated into our reason for being, and into how we operate as a business. We strive to offer the best protection and peace of mind to our customers via innovative, safe and sustainable products, best-in-class service, as well as industry leading information security, cybersecurity, and data privacy practices.



MAINTAIN THE HIGHEST LEVELS OF CUSTOMER SATISFACTION AND LOYALTY IN THE INDUSTRY

We have a responsibility to do everything we can to keep our customers secure. This also creates a strong business, where 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 analyse how

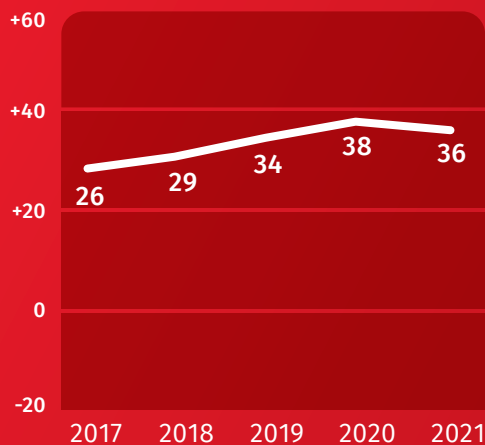
we perform at important “moments of truth” during sales, installation, service, monitoring, and response. We continue every day to improve our operating processes and our performance to better serve our customers.

The families and businesses we protect are very satisfied with the protection we

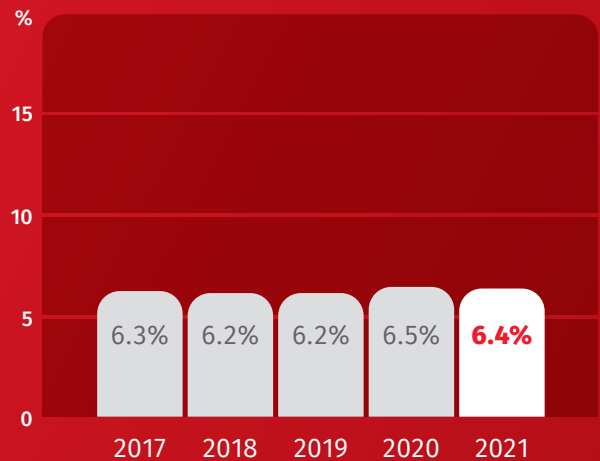
provide. Since 2017 we have increase our NPS (Net Promoter Score) by 10 points. And we are proud to have one of the lowest attrition rates in our industry, with less than 6.5% of our customers leaving us in any given year. Our residential customers typically choose to remain with us for more than 15 years.



RESIDENTIAL NPS OVER TIME



ATTRITION RATE (LTM) %



A YEAR OF ACCELERATING INNOVATION

2021 was a year of acceleration for our technology and innovation program. Operationally, the size of the network we manage continues to grow rapidly. In 2021, our teams managed about 45 million 'Internet of Things' devices, operating 24 hours a day, 7 days a week, and generating more than 1 trillion signals. These devices are what enables us to protect our customers, day-in and day-out, providing our monitoring centres the instantaneous data needed to detect and verify alarm incidents so that we can rapidly respond to emergency situations.

While we continued to provide outstanding stable service to our

customers, we also launched several landmark innovations during the year to further strengthen our service proposition. For example, we launched GuardVision™, our new indoor camera custom-designed with Arlo. This combines a state-of-the-art passive infra-red detection system with a consumer grade HD video experience, helping to provide our customers leading security and detection capabilities with the convenience of best-in-class video capabilities, all in one device. This combination not only improves our customer's user experience, but provides us improved capabilities to verify the alarm incidents we receive in our monitoring centres.

The integration of Arlo catalogue cameras also continued at pace during 2021, allowing our Verisure customers to link their Arlo cameras with their Verisure service. All of these innovations help us to provide best-in-class protections and peace of mind to our clients. As a key contribution to society, our clients can rest assured the installation of our Verisure security system not only reduces the risk of a burglary by 70-75%, but that in the case of a confirmed intrusion attempt on our protected premises, we take full responsibility to act swiftly and to immediately respond to the emergency.



RECEIVED
APPROXIMATELY
100
ALARMS
PER MINUTE (53M)

RESPONDED TO

88%

OF ALARMS
IN LESS THAN

60
SECONDS

PERCENTAGE
REDUCTION IN
PROBABILITY OF
INCIDENT AS A
RESULT OF HAVING
**VERISURE PLACARD/
SECURITY SYSTEM**
INSTALLED

70-75%*



*Source: Company analyses and estimates.

EXTERNAL RECOGNITION



While the best recognition of our innovation is in the protection and service we provide our customers, we were honoured with several important awards in 2021. For example, our new alarm suite was recognised with three Red Dot Awards, the prestigious international design prize, while our

Arlo product suite (coming from our strategic partnership with Arlo Inc.) has been awarded with an additional three Red Dot Awards. The Swedish Innovation Index ranked us in the top five most innovative companies in Sweden, and for the third year running as the most innovative security company in Sweden.

We also received recognition from industry bodies and strong public reviews of our product suite, such as from Le Fonti in Italy for “Excellence for Innovation and Leadership in Security Systems”.

PROTECTING THE MOST VULNERABLE SEGMENTS OF SOCIETY

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 our society.

SENIOR PROTECTION

Our Senior Protection services are designed to provide protection, wellness and peace of mind to senior citizens in Spain, leveraging the latest technological innovations to make their lives safer and easier. Our service comes with two devices – a central unit and a smart watch. The central unit makes life easier for seniors, providing smart home information, weather information, tele-pharmacy and telemedicine

services, and connection to others. It is equipped with an SOS button and voice-activated assistance request to provide urgent attention 24 hours a day. The smart watch is equipped with many of the same features, but also measures daily activity and features an SOS button to ask for help at any point throughout the day. This smart watch is also capable of detecting a fall, inside or outside the home, and locating the wearer to send

help immediately. We are proud to protect over 134,000 seniors, up 25% from 2020 and growing rapidly. In the last year alone, we have received more than 1,200,000 signals in our dedicated Seniors Emergency Centres, and have attended to those signals in 16 seconds on average. We saved lives, by quickly reacting to nearly 30,000 real emergencies.



Miriam, one of our Emergency Centre Operators, received an SOS Alert from the watch of senior client in desperate need of help. When she contacted the client, she quickly realized due to his difficulty speaking that he was choking and on the verge of losing consciousness. Knowing that time was of the essence, fellow Operator **Ruhma** called emergency services and informed them of the severity of the situation, while Miriam stayed on the line with the client to keep him calm as emergency services were on the way. Miriam stayed on the line even as the client lost consciousness and fell to the floor, but thanks to their quick actions and calm under pressure, emergency services arrived within five minutes and were able to revive the client, who we continue to protect to this day.

In these situations, every second is worth it; we have to take advantage of every second to save our clients, says Ruhma.

Reflecting on the work they do, Miriam is proud to protect our seniors every day.

For me this is a super gratifying job, not only for the emergency calls but also for the daily calls we receive from senior clients thanking us for being there for them, says Miriam.

We're grateful to have passionate, dedicated colleagues like Ruhma and Miriam, here showing the pins they received for saving a life, protecting our clients every day and making our mission a reality.

GUARDIAN

Our Guardian Verisure app provides protection and peace of mind to vulnerable populations no matter where they are, especially when out on city streets. In case of an emergency out of the house, pushing the SOS button on their mobile will allow our GPS technology to locate their exact position and send help immediately, alerting relatives and emergency services to the situation while one of our security

representatives remains on the line until help arrives.

Additionally, for people traveling alone or along a route that makes them feel unsafe, our customers can activate AccompanyMe, where we will track their progress and ensure they arrive at their destination safely. Our users simply establish their destination and length of journey; we then monitor signals as their

location advances along the route, and if a safe arrival is not confirmed by the specified time, emergency protocols are activated to advise relatives and emergency services of their location. We are proud to protect more than 200,000 customers through our Guardian service, a number that has more than doubled in 2021 vs 2020.



Image for illustration—not actual customer.

A client was hiking by himself in the mountains when he fell, twisting both ankles. But with Verisure Guardian, you're never alone. Our client had activated AccompanyMe before his hike, and our Monitoring Centre received a signal that he had not arrived at his destination in the specified time. An operator in our centre called to verify his situation and was informed of his injury. Ready to send emergency services to his exact location, the client indicated he could still walk and preferred to continue on. Our operator remained on the line with him, providing a sense of calm and security, until we could confirm he had arrived safely at his car. As it turns out, the hiker is not just a customer, but a colleague in our Spanish office as well.

Now that I have experienced Guardian first-hand, I can bear witness to customers how impressive and useful it is, said our hiker.

A huge thanks to all of our Customer Care team for demonstrating day in and day out the outstanding care and attention we provide to keep our clients safe!

COMETA



In Spain, we provide the national protective services to victims of gender-based violence. In our COMETA Centre (Control Centre for the Telematic Measures of Distancing), we partner with Spain's Police and Courts to take adequate measures against domestic

violence. Our colleagues in the COMETA centre use our innovative technology to enforce Court-ordered restraining and distancing orders, keeping abusers away from their victims. Through this service, both abusers and their victims are fitted with tracking devices that our Alarm

Receiving Centres then monitor continuously, alerting authorities if the court-mandated distance has been breached. Over the past 12 years, we are proud to have protected more than 11,000 women. Last year alone we protected over 2,600 women.

HEALTH AND SAFETY PROTECTIONS FOR OUR CUSTOMERS

Our best-in-class protection extends to making sure that all our products are safe for customers. We have robust steps during product development to make sure there can be no health or safety concerns for our customers. All our products are tested and CE Marked, and all batteries/power connectors are also certified according to Devices with Power Supply Transformers (ERP 2009/125/CE) Directive. Our Zerovision™ product is subject to the same, with additional certification under the Pyrotechnic

Technology (2013/29/EU) Directive. All product safety information can be found in the Declarations of Conformity that are published on our website.

Additionally, for any products that our customers interact with, such as key fobs or wristbands, testing is done on top of the above-mentioned regulations to ensure those products are safe, including regarding chemical resistance, abrasive wear, thermal stability, UV resistance, thermal shock,

mechanical resistance, and nickel and other allergy tests for devices that come in contact with human skin.

We have recorded no significant health and safety incidents regarding our customers' interactions with our products, and have had no incidents resulting in the need to recall our products from the field due to health or safety issues.



DATA PRIVACY & CYBERSECURITY

CYBERSECURITY

Verisure takes the management of its customers' data and the protection of its assets with the utmost seriousness. It is at the core of our security mission and company purpose. We have a strong Information Security programme, with Board and CEO sponsorship, that we heavily invest in to ensure the security of our customers and our estate. Our overall investment within our Cybersecurity programme is regularly benchmarked against investments made within the financial services sector, rather than consumer electronics companies. In 2021, we increased our security budget by 20%.

Underpinning our security programme is a robust set of internal and external processes to identify risks and vulnerabilities and ensure legislative compliance. Our core information security management processes are built on 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 British 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, in order to identify risks and vulnerabilities and consequently ensure that the wider business either remediates or mitigates these risks. This process reports into our Group Security Risk Committee chaired by our Group CEO and attended by our Group CFO, CLO, CTO and CISO.

Our in-house Security Operations Centre has a global remit and provides 24x7



coverage to help identify and manage our response to security incidents, further supported by our global digital forensics and incident response external partner, Trustwave.

From a product security standpoint, the activities encompassed within 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, and is delivered by independent third-party and world-class security testing suppliers.

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.

Our continued efforts to strengthen our Information Security team and management system have been recognized externally. Bitsight, a leading cybersecurity ratings agency, has classified us as "advanced" for our cyber security posture. Bitsight ranks us well against industry standards.

DATA PRIVACY



Our continued success depends on our ability to maintain the trust of our customers, colleagues, and business partners. They entrust us with their personal data, and we have a responsibility to collect, store and use that data securely and in compliance with regulation and our Group Data Privacy Policy. We are fully committed to the safeguarding of privacy. We aim to turn our privacy focus into a competitive edge, enhancing brand trust for our customers and fostering pride and engagement amongst our colleagues. We have had no material breaches of data privacy.

Our Group Privacy Program is led by our Group Head of Privacy. We have a network of country and business function Data Privacy Officers (DPOs) and Data Privacy Champions in place, and data privacy incidents are reported to the Group Compliance Committee and the Audit Committee on a quarterly basis.

We are particularly focused on ensuring that our products, services, and processes are designed to keep the privacy of individuals at the forefront. Each of our operating functions takes responsibility for and delivers full privacy compliance in their area. Privacy risk assessments and privacy by design form an integral part of our business processes and initiatives. In 2021, we recruited a data privacy counsel for Group Procurement, and further reinforced our Group Data Privacy Team with two new colleagues. This team provides support to both Group functions and country teams to ensure appropriate privacy standards.

This year we also continued our Camera Data Privacy Task Force, intended to make our camera technology, certifications, and solutions a competitive advantage. We also launched new Data Privacy eLearning modules, largely completed the

migration of our data privacy compliance evidence to OneTrust (the most widely used platform to operationalize privacy, security, and data governance), conducted data privacy audits with Deloitte in five of our countries, and had several of our country DPOs externally certified.

During 2021, we also continued to implement an accountability framework under our privacy program, to ensure our organization continuously complies with requirements under data privacy regulations. New procedures, work instructions and guidelines were implemented across countries for this purpose, with a particular focus on privacy impact and third-party risks. This framework is being coordinated by the Group Head of Privacy, working with the network of DPOs and Data Privacy Champions across our geographies.

DIVERSITY, EQUITY & INCLUSION

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 role-modelling our DNA every day. They are Verisure.



In 2021, we expanded the Verisure family by more than 2,000 additional colleagues. In the past five years, we have created more than 11,000 positions, more than doubling the size of our worldwide team. As we continue our rapid growth, we want to ensure that we attract and retain the very best people, but also that their experience at Verisure lets them develop their full potential, growing with us in a challenging yet supportive environment. We are proud of the various initiatives we have put in place to protect and support our people, from creating diverse and inclusive workplaces to protecting our colleagues' health and well-being, including last year in the context of an enduring COVID pandemic, allowing our teammates to remain sustainably and enthusiastically engaged.



Diversity, Equity, and Inclusion (DE&I) is a key priority for our company that is

reflected in our DNA values, our overall business strategy, and our ESG strategy. We want to be representative of the customers and the communities we protect and serve around the world. We are committed to creating an inclusive environment where all our colleagues can bring their 100% authentic selves to work. We believe in a holistic and broad approach to DE&I where every single colleague feels supported by a strong culture and inclusive leadership style, and where all are given equal opportunities to thrive at Verisure. In DE&I we see a clear opportunity to positively impact our business, our customers, and our communities. Our DE&I strategy will benefit our people and the talent we want to attract, ultimately unlocking long-term competitive advantage and supporting our growth ambition.



We believe increasing diversity in our teams helps us to reflect the diversity of our customers and better serve their unique needs. We know that talent diversity and an inclusive culture broaden perspectives and ideas, contributing to higher quality of products and services, more innovation, and better business results. Externally, increasing diversity in the supplier base protects from shocks and maximizes supply chain robustness. Eliminating biases across our business practices and strategies gives us a competitive advantage that allows us to provide best-in-class service to our customers.

As a social actor, we believe we can accelerate social impact in the communities in which we operate.



Through our operations and growth, we 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. We also directly contribute to social movements that support DE&I across our markets, and commit to using our voice, reach, and influence to catalyse change across our industry and society.

As an employer, a strong DE&I strategy allows us to access a broader talent pool and attract high performers in the labour market. We also see our DE&I strategy driving higher engagement and performance, creating development opportunities and allowing our colleagues to thrive in an environment where they feel supported and included. Our people recognize and endorse the direction we are taking. In our annual Sustainable Engagement survey, DE&I-related scores have increased 13 points over the past seven years. We will continue strengthening our DE&I efforts to create an even more welcoming, diverse, and effective organization.



BUILDING A DIVERSE AND INCLUSIVE WORKPLACE

We have a broad approach to diversity, welcoming and embracing people regardless of gender, age, nationality, race, ethnicity, religious belief, cultural background, marital or family status, economic circumstance, moment in the lifecycle, human capacity, and sexual orientation or gender expression. Our philosophy focuses on treating each

colleague as a unique, holistic individual that we provide with the tools, support, and environment to succeed, taking into account their different and varied needs and personal characteristics.

Our focus is to create equal opportunities and inclusive environments across all dimensions. In terms of representation,

our key focus continues to be improving diversity primarily in gender, followed by age and disability status. We are also working on ensuring that the national, racial and ethnic makeup of our workforce mirrors the societies in which we operate.



TOTAL EMPLOYEES 2021*

WOMEN



MEN



*Calculated using headcount; all active permanent and temporary employees at the end of the period.

Verisure is committed to further strengthening and expanding our DE&I programs. We strongly reject any form of discrimination. We have zero tolerance for discrimination or harassment on the basis of any characteristic across all our processes, including recruitment, remunerations, job assignments, promotions, and support. This year we adopted a Group Anti-Harassment and Non-Discrimination Policy to complement and expand on the commitment already expressed in our Code of Conduct. This policy defines harassment, discrimination, and the different forms they can take to raise awareness and better train our colleagues on how to identify such behaviour. It sets out expectations for our colleagues in their interactions with others and provides guidance on how to raise a complaint if they experience or witness discriminatory behaviour. A revised Group Speak Up Policy 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. We have deployed a new Speak up Platform, “Whispli”, to streamline the reporting process and make it easier for any colleague to report an instance of misconduct. We have also strengthened our Speak up-handling processes and developed a Group Investigation Standard to provide clear guidance for conducting internal investigations.

We have begun rolling out trainings on unconscious bias and inclusive leadership. In Spain for example, we have delivered trainings to our managers, recruiters, and hiring managers through online and in-person sessions, leading to better candidate selection, leadership self-awareness, and

overall team management. Also, in France we have relaunched awareness and training sessions in 2021 and a sexual harassment Person of Reference has been appointed.

While DE&I has support at the highest levels of our organization and is personally sponsored by our CEO, we are also proud of the efforts to champion DE&I locally. DE&I is a key pillar of strategy across many of our geographies and making progress in this area is part of the objectives of local management teams. Our operations in Spain and France have launched national Diversity Committees, and other geographies, such as LATAM, plan to do the same to address key DE&I topics. We are also members of several DE&I networks, and are developing a global and coordinated DE&I strategy and communication plan across our markets.



Women leaders in Chile were supported in their career development through participation in our WomenUp program. Over the course of two months, through group work and with the support and direction of senior

leadership, they developed their professional identities and defined their professional objectives, as well as worked on developing self-knowledge and self-leadership to accelerate their advancement within the company.

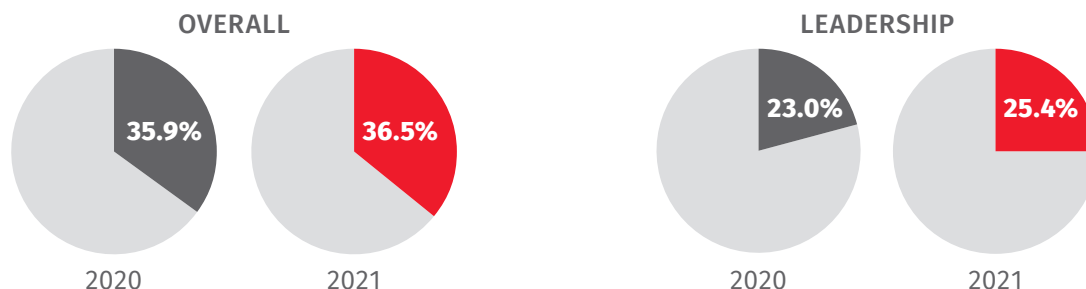
GENDER DIVERSITY

Our primary focus over the recent years has been to improve gender diversity overall, and in particular in our sales organization, our technology organization, and in leadership roles. We are proud of the progress we have made, where over 36% of all our colleagues globally are women (up from 20% in 2015), with several countries above 40% and several functions at or near gender parity. In our Executive Committee, there was only one woman leader five years ago, while today three out of ten of our senior leaders are women. We have significantly improved women's representation, but recognize we are still challenged in areas like Sales and Technology. In the following years, we aim to continue improving gender representation across all areas of the organization.

In past years, we have conducted reviews of our people and business

processes across recruiting, onboarding, and staffing in all our countries, with a focus on increasing gender diversity. We have improved the wording of our job postings with more gender-neutral language, and adapted our career site to showcase our talented and successful women colleagues. Once women are inside our organization, we empower and train them for leadership, and support their development, promotion, and retention through a variety of mentorship and development programs, such as "CareHer" in Italy and "WomenUp" in Chile. We have also adjusted our sales processes to be safer for our women colleagues. We will continue identifying and implementing changes to our processes, policies, and programs to not only recruit more women, but support their development within Verisure.

WOMEN IN THE ORGANIZATION AS A PERCENTAGE OF TOTAL HEADCOUNT*



*Calculated using headcount; all active permanent and temporary employees at the end of the period.

AGE DIVERSITY

As part of our efforts to better represent and serve our customer base, we believe that age diversity is an important element of our diversity strategy. Additionally, we believe that great talent can be found regardless of age, and are committed to tapping underutilized talent sources to give opportunities to those who may struggle to find employment. In this spirit, we have focused both on hiring young talent (under 30) and mature talent (over 50), which together currently make up 41% of our organization. To support these talent pools we have a variety of initiatives across recruitment and integration.

For example:

- Specific recruitment campaigns, such as our "All STAR Program" in Spain or "Plan 45" in Belgium, as well as redefined job posts and career site content, to better attract these audiences.
- Act4Diversity program, launched in 2020 by our colleagues in France, focusing on expediting recruitment, promoting integration, and ensuring the success of young talent in the company. As a result of this program, France recruited close to 200 apprentices in 2021.

PERSONS WITH DISABILITIES

In recent years, we have also worked on ensuring equal opportunities for and inclusion of our colleagues with disabilities. We have invested in adapting working conditions and environment for greater accessibility. We have launched specific recruitment campaigns dedicated to this talent pool, collaborated with external organizations to recruit and onboard disabled colleagues, and dedicated recruiters to hiring disabled candidates. We are also working to create awareness on how to support disabled colleagues, and ensure anyone with a disability feels comfortable to ask for support when needed.

Our French colleagues are particular champions of persons with disabilities, partnering with Paralympic Champion Michaël Jeremiasz as ambassador, and establishing partnerships with actors specializing in the recruitment of people with disabilities. In 2021, over 350 of our French colleagues ran to raise awareness on Disability and raise funds for Michaël's association. They

also encouraged all colleagues to overcome any bias they may have, with a digital cooking lesson with famed disabled chef Gregory Cuilleron.

Additionally, our French team has produced educational content and podcasts on disability based on real Verisure colleagues to raise awareness on this subject. These were broadcast during the European Week for the Employment of Disabled People. A Disability Champion and 22 Disability Ambassadors have been appointed and trained to support our colleagues with disabilities, and the company has established a dedicated budget for home service improvements to make our disabled colleagues' work and home environments more accessible.

In Chile, our colleagues helped persons with disabilities, whether recognized or not, to be granted official accreditation by the government and gain access to public support services. We are at the beginning of this journey, with many countries planning multiple further initiatives.

OTHER DIMENSIONS RELIGION, SEXUAL ORIENTATION, PROFESSIONAL BACKGROUNDS

We are launching additional initiatives to support other minority groups based on identified needs in some of our countries. Examples include:

- Internal communication campaigns and events to celebrate and support our colleagues of different religions and faiths, such as celebrating the Hijri New Year and Eid al-Fitr, and Rosh Hashanah. We have also reserved dedicated

spaces such as prayer rooms in relevant markets.

- Trainings to sensitize managers on key LGBTQ+ issues, so as to ensure an inclusive experience. We also conduct internal communication campaigns around Pride Week, and educate our workforce on how to be better allies to our LGBTQ+ colleagues.



TALENT MANAGEMENT & SUSTAINABLE ENGAGEMENT

BUILDING A HIGHLY ENGAGED ORGANIZATION

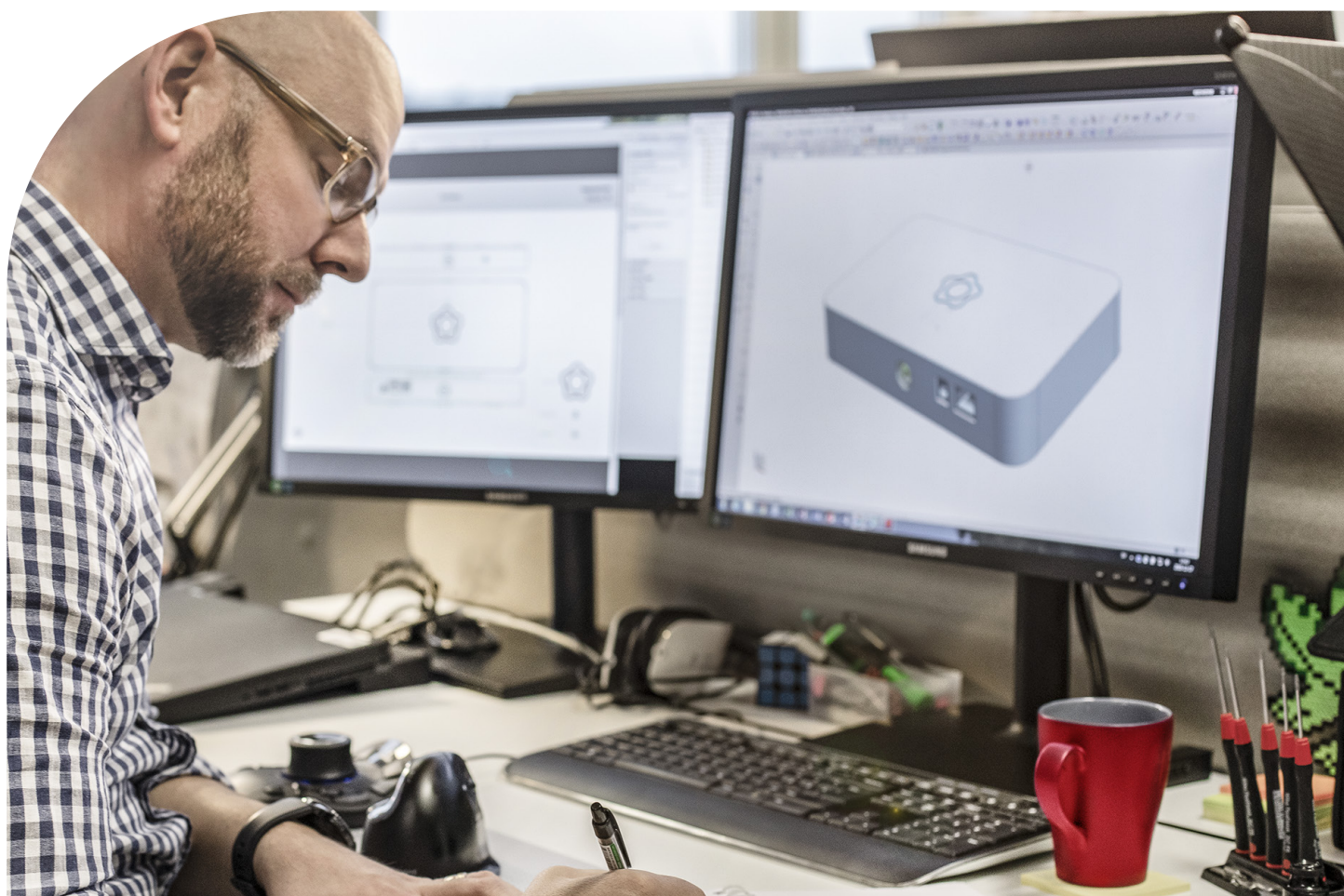
Over the past years we have invested significantly in building a high-performance organizational culture, with a focus on role-modelling our unique DNA.

Our DNA is intrinsically linked with our mission: we are People Protecting People. We earn the trust of our customers every day. Our DNA is the foundation of all decision-making in Verisure: it is fully integrated in our people processes and policies – recruitment, development, performance management and rewards – and is amplified by the ownership and entrepreneurial spirit our people bring to their work.

In order to measure alignment with our DNA, we measure the Sustainable Engagement of our people annually. We assess how engaged our people are, and how energized and enabled they feel. Our people are not afraid to share how they feel, and our Engagement survey participation rates have been above 90% for the past five consecutive years. We are proud to report that our Sustainable Engagement Index in 2021 was more than 80% favourable, with most country scores at or above benchmarks. This is a very strong result, and in line with our scores over the past five years. In topics related to pure engagement (questions like “I am willing to put in a great deal of effort beyond

what is normally expected to help this company succeed”) and enablement (“I know what is expected of me in my job”), we achieve scores over 90%.

As we have continued to grow our share of women colleagues, the gender gap in Sustainable Engagement scores has been reduced in all categories since 2016. Furthermore, the gap between our Sales and Operations teams, our largest areas by volume of employees, has also been reduced in the last years. Finally, we have seen major increases since 2016 in our Employee Net Promoter Score for our Product and Services (+30pp) and as an Employer (+27pp), with similar tendencies in both indicators for most countries.



DEVELOPING TOP TALENT AND UNLEASHING THE FULL POTENTIAL OF OUR WORLD-CLASS ORGANIZATION

We proactively manage performance to ensure we have the best possible talent in every position and to provide opportunities for personal and professional growth of our people.

In 2020, we launched STAR, our approach to regular performance management and career development centred around four structured and meaningful conversations between managers and colleagues throughout the year. STAR ensures that colleagues “Set priorities” for the year that are relevant and

measurable, helping them focus their efforts on what matters most. Colleagues review their performance and self-assess in “Talk achievements”; and put together a personalized action plan for the year ahead in “Accelerate your growth” so they can “Reach their goals”. In 2021, we completed our second full cycle of STAR with 100% of the target audience (around 7,000 colleagues) setting clear objectives for the year, and close to three-fourths documenting their “Accelerate your growth” discussion. Together, these four actions throughout

the STAR performance process help our people to unleash their full potential.

Every year we conduct our Talent Review, a process through which we not only review our talent base and identify potential talent gaps, but more importantly discuss action plans to ensure our people’s development and engagement. In 2021, five times more colleagues than in 2015 were subject to this process (close to 2,000 people), including all key leaders and colleagues identified as part of our talent pipeline.

OUR STAR APPROACH TO PERFORMANCE MANAGEMENT AND CAREER DEVELOPMENT





We also have robust professional programs to help develop our people's skills and capabilities. Training and development of our people is a key priority for us.

In 2021, we have developed online trainings through Workday Learning, where we have a broad and increasing offering of training content for our people. This platform is deployed through all our countries and group functions, empowering colleagues to take ownership of their personal development at their desired pace and enabling us to leverage content and know-how across functions and countries. In the past year, 80% of our colleagues have completed at least one course on Workday Learning.

We have also continued to improve the trainings that our colleagues take as part of our Sales and Operations Academies. Over 70% of our population works in Sales and Operations, and it is where we have the highest investment in training and the most structured trainings delivered.

Both our Sales and Operations Academies involve around 2-3 weeks of intensive training as part of the

onboarding process in those functions, which mixes theory and on-the-job training. Training typically covers sales, products and services, installation, leadership, and more. All onboarding programs reflect our DNA and Code of Conduct, to always do the right thing.

After initial onboarding, follow-on trainings are delivered across our countries to our Sales colleagues, linked to each step of their structured career path at Verisure, and includes courses related to leading and managing teams for our managers. Trainings are built around specific needs identified for our colleagues, leveraging our digital platform. For Operations, trainings are also delivered when colleagues specialize in a particular area. We also invest in specific programs in collaboration with universities and external providers to develop our people depending on their role and specialization area.

Outside of Sales and Operations, we invest throughout Verisure in our people's development of skills such as languages and digital and communication skills, and in our managers' personal and team management skills, when they onboard

into a new managerial role as well as to further develop and consolidate within their current position.

We are proud of our ability to recruit high-potential teammates and develop them for further growth and leadership in the organization. Over the past two years, close to 75% of our leadership positions have been filled by internal candidates. Moreover, in the last four years, we have moved from exporting talent from four countries to moving colleagues with valuable skillsets from nine countries in our footprint, with close to 140 international moves in 2021. As we continue growing, we will be able to develop even more of our people and accelerate their careers through internal promotions and international opportunities. This knowledgeable, diverse talent base will drive our growth in the years to come.

Our people recognize the efforts we have made to invest in their potential. Our overall score in the "Professional Growth and Development" category of our Sustainable Engagement survey reached 73% this year, a 10-point increase over 2016 and a 1-point increase over 2020.

WORKPLACE OF THE FUTURE

Supportive work environments allow our colleagues to deliver the best possible service to our clients, which is why we provide them with support systems that respond to and meet their needs. Our efforts have been recognized through various prestigious awards and certifications, increasing engagement in our colleagues and helping us attract best-in-class external talent.

In 2021, we are excited to announce that Brazil has been honoured with the 'Great Place to Work' certification for the third year running, and that Argentina, Belgium, Peru and Spain have received the same certification for the first time.

Spain was also awarded the 'Top Employer' certification for the third year in a row, and has been certified by Forbes for the second consecutive year.

**Great
Place
To
Work®**



EMPLOYEE HEALTH, SAFETY, & WELL-BEING

HEALTH AND SAFETY

2021 was another challenging year for individuals, families, and communities as countries went through additional waves of COVID-19 infections, restrictions, and continued loss of human lives. Since the beginning of the pandemic, we have lost Verisure teammates to the virus and we mourn their absence. Yet 2021 was also a year of greater hope, with amazing progress on vaccines, boosters, and new treatments. Lessons learned in 2020 on how to keep our colleagues and customers safe, how to work remotely whenever prudent, and how to continue providing our services while protecting the health and safety of our colleagues served us well this year as we built upon our responsibility to protect our colleagues, customers, and communities during this pandemic.

In 2021, we continued to prioritize the safety of our people and our customers with a strong focus on prevention

(e.g., social distancing, hygiene measures, masks and other personal protective equipment, testing where applicable, and reduced occupancy of offices). We put in place strict protocols for our people with face-to-face customer interactions to keep them and our customers safe, and pioneered new ways of working to allow greater flexibility and work from home options for our people. In all our protocols and policies, we complied with or went beyond WHO and national recommendations and guidance.

Our people have responded positively to the measures. In our 2021 Sustainable Engagement survey, management of COVID-19 continued to be one of the elements in which our employees rated us highly positively (84%), up by a further two points over 2020.

The health and safety (H&S) of our employees continues to be a priority for

us, both in the context of the pandemic and regular business. Health and safety is managed at the country level in accordance with local regulations and legal frameworks. Most countries have robust health and safety systems and documentation of key H&S risks and preventative measures. Most also have dedicated health and safety leaders or work environment committees, often appointed by trade unions in countries where they exist. At Verisure we conduct annual trainings on health and safety topics such as first aid, psychosocial risk, identification of labour risk, safe driving, and ergonomics, among others.

We report on health and safety related non-compliance matters to the Group Compliance Committee and Audit Committee on a quarterly basis, which results in interventions whenever appropriate to keep our people safe.



HOLISTIC WELL-BEING PROGRAM

The COVID-19 pandemic transformed the way companies operate, impacting workers and the workplace and changing behaviors and expectations on leadership, work practices, and well-being. 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. We have launched this framework and accompanying initiatives in our geographies during 2021, and plan to expand our holistic support services in the coming years.

Some examples of the initiatives we are working on below:

Our bodies, our health, and our physical surroundings

- Fitness facilities or subsidized gym memberships
- Verisure-sponsored sporting events
- Optical and physiotherapy services

Our financial stability and welfare

- Pension advice
- Financial advice
- Payroll advances

Our sense of belonging, our relationship with ourselves and others, and our ability to bond

- Team bonding events in person or online such as cooking sessions, team workouts, karaoke
- Gradual return after birth
- Flexible working hours and teleworking

Our brain, our intellectual side, and our learning capacity

- Online platform with well-being resources, challenges, and tests
- Personalized development plans
- Access to learning content such as edX



Our colleagues' expectations have evolved after working remotely for a prolonged period, and some ways of working made necessary by pandemic are expected to become the new normal. In this context, we have pioneered a New Ways of Working model to effectively adapt to this new reality, address the shift in employee expectations, and improve our people's well-being and satisfaction.

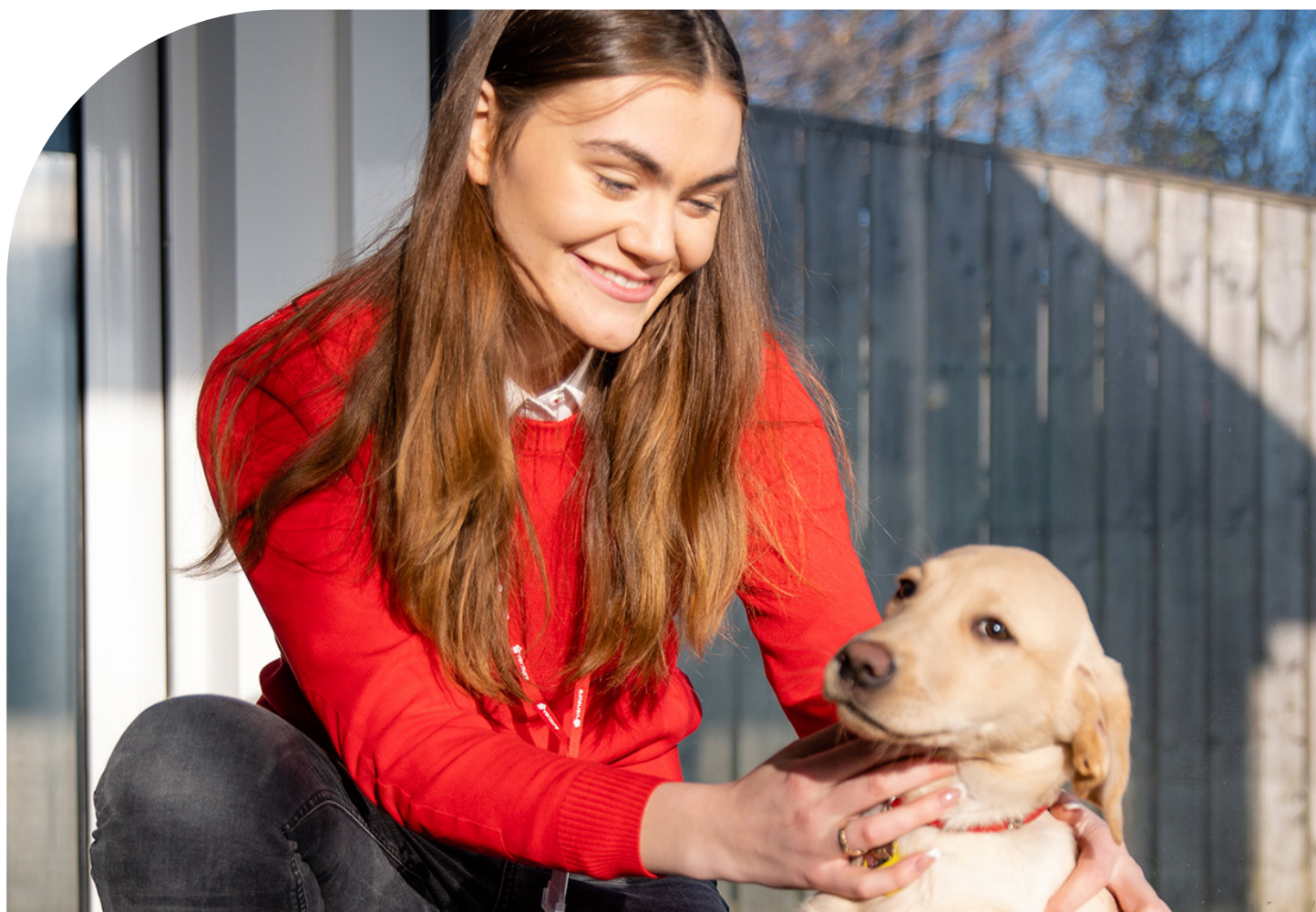
As part of this model, we are pioneering a work model that provides increased flexibility around where and when to work, and enhanced spaces to Create, Collaborate, Connect and Celebrate. We have been operating in a hybrid model across our company since March 2020, and are now rolling out a Post-COVID consistent model across countries as COVID-19 restrictions allow. We are piloting this model with a spirit of innovation and an open mind, applying rigorous measurement along the way to help us learn and adapt to best meet the needs of our people whose roles do not

require them to be on site 100% of the time (due to either the nature of their job or regulatory constraints). The pilot model includes several days of optional work-from-home each week, and flexibility to organize schedules within teams to improve collaboration. Eligible colleagues also have greater flexibility in when they check in and out, and have the option to work from another location for several weeks a year. In addition, we are redesigning our workspaces to best support our colleagues to Create, Collaborate, Connect and Celebrate when in the office, and have trained our managers on how to design teams in a flexible way to both accommodate the ever-changing needs and expectations of our organization and allow teammates to relax, recharge, and connect.

We expect these new ways of working to support the well-being of our colleagues by allowing them to customize their work schedules in ways that suit their specific needs and at the same time by

contributing to a more diverse and inclusive environment.

Additionally, we know that our colleagues are whole, unique individuals with vibrant lives outside the office, and the ability to take leave when life events arise is critical to them. We pay parental leave (including maternity and paternity leave) at or above legal and/or market standards across our geographies. We also ensure that colleagues receive their bonus during parental leave so as not to be unfairly affected for supporting their families. When employees face difficult times, we have a variety of programs across our countries to support our teams. In France, for example, we have a Days Donation program where fellow employees can donate vacation time to support colleagues in need, and for every two days off a colleague gives, Verisure adds a day. France also has a Solidary Fund, co-financed between Verisure and work councils, to support employees facing sudden financial difficulties.



LABOUR RELATIONS

We uphold the highest moral, ethical, and legal standards at Verisure as we strive to do the right thing, always. People whose work contributes to Verisure's success, whether as part of our company or as part of our supply chain, should be treated with dignity and respect and not be deprived of their human rights. We stand against any form of modern slavery, including forced or compulsory labour, child labour, human trafficking, and/or

deceptive recruiting for labour or services. 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, and we expect not only ourselves, but those in our supply chain and our investment partners, to share our

commitment to upholding these rights.

Internally, we support the labour rights of our colleagues to associate freely and bargain collectively. Over 80% of our colleagues live and work in countries with Collective Bargaining Agreements or work councils, giving our colleagues the choice to associate according to their needs and preferences.



SUSTAINABLE SOURCING & PROCUREMENT MANAGEMENT

Our Supply Chain and Procurement (SC&P) mission at Verisure 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.

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, procuring our finished products, and all the global and reverse logistics necessary to get our alarms from our suppliers, into our warehouses, and eventually onto our customers' premises.

To measure our performance, we rely on a set of KPIs aligned to our business goals as well as KPIs specifically aligned to ESG objectives. For instance, we measure the emissions from our car fleet and inbound/outbound transportation, as well as the emissions, energy consumption, and waste management practices from the suppliers and logistics partners that support our operations.

Verisure expects all colleagues involved in negotiations with suppliers, and/or with the authority to make decisions on purchasing management and contracting services, to conduct themselves professionally in an unbiased and honest manner, in which the interests of

the company prevail over third parties and over any individual interest.

We have outlined key principles for any procurement professional at Verisure Group, including:

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

We also hold our suppliers to high standards of behaviour. This year, we have reviewed our Supplier Standards and Ethical Code to ensure alignment with the Ten Principles of the UN Global Compact, and have included more Sustainability practices across social, ethical, and environmental pillars. Our updated Standards cover our expectations for suppliers when it comes to labour rights, health and safety standards, fair wage practices, prohibition of child and forced labour, and zero tolerance for discrimination and harassment.

We have also reinforced our supplier qualification process by adding the Supplier Standards and Ethical Code to our e-sourcing tool. As of 2021, all suppliers doing business with Verisure commit to our Supplier Standards and

Ethical Code. To support the enforcement of this commitment, we have developed a procedure to monitor and audit compliance, as well as develop mitigation plans if issues of noncompliance are found.

In addition to behaving ethically, we want to understand how our suppliers positively or negatively impact ESG criteria, so we can give preference to suppliers with positive impact and/or help lagging suppliers to improve their ESG performance. In December 2021, we launched an RFQ to search for a partner to help us identify ESG risks in the supplier qualification phase and build a screening process for risk mitigation. We expect to close the tender and start the risk mitigation process in 2022.

In the first half of 2021, we also built a Supplier ESG Dashboard where we track ESG KPIs for all our key suppliers on a quarterly basis. For example, we are monitoring their CO₂e emissions in manufacturing and logistics, energy consumption, and waste management (including hazardous waste) in relation to Verisure's operations and we are regularly following up on their action plans for improvement.

BUILDING A SUSTAINABILITY-FOCUSED PROCUREMENT CULTURE

In addition to incorporating Sustainability into our supplier qualification and selection processes, we aim to build a culture in our procurement practices that integrates Sustainability into every aspect of supply chain management. To that extent, we have rolled out our Sustainability Guidelines to all our SC&P teammates, covering how we can incorporate Sustainability into everyday operations. We have also made

training from the UNGC Academy on responsible sourcing mandatory for all SC&P colleagues, training them on how to integrate sustainability criteria into our processes and daily decision-making.

We also rolled out Waste Management Practices to our SC&P team, describing best practices for handling waste in our offices and our warehouses. These practices are now part of our HR

Welcome Package for all new hires within SC&P.

These are just some of the efforts underway to radically transform our SC&P operations and personnel into leaders in sustainable sourcing practices and methods.



COMMUNITY IMPACT

A POSITIVE ACTOR IN OUR CLOSEST COMMUNITIES

At Verisure we recognize that our responsibility to society at large goes beyond the bounds of our business, and we are committed to being a positive actor in our communities. As a company of People Protecting People, we focus

our corporate social responsibility efforts on protecting vulnerable communities, particularly children, women, victims of gender-based violence, the elderly, and people with disabilities.

Verisure financially contributes to local community organizations, as do our colleagues. Examples of some of the projects we are proud to support across our global footprint are highlighted below.:

GERMANY



Colleagues in Germany continued their longstanding partnership with CARITAS to provide holiday gifts to children. Because of local restrictions related to the COVID-19 pandemic, gift-giving was delayed until July, but this didn't stop our colleagues from getting in the holiday spirit. One colleague dressed up in a Santa's costume despite the 30°C heat for a memorable day supporting local children and families in need.



ITALY



Colleagues in Italy partnered with Legambiente, an Italian environmental association, to spend two days on a massive beach clean-up operation near Rome, volunteering more than 600 hours and removing more than 500kg of waste, including bottle caps, glass, and plastics.



SWITZERLAND



Our colleagues in Switzerland support the local food bank, Samedi du Partage, in Geneva. The food bank collects, manages and redistributes essential products to help people in need. Our people participated in several donations of free goods and made financial donations.



SPAIN



In 2021 in Spain, more than 1,000 colleagues participated in our Centimos Solidario program, where the cents on their paychecks exceeding their last euro were automatically donated at the end of the year to a project of their choosing, with Verisure matching all funds donated.

Colleagues participated in a virtual race to raise money to support Aldeas Infantiles, which supports families with children in high-risk situations. Verisure received an honourable mention for being the company with the most colleagues participating in the race. On a separate occasion our Spanish team brought 400 disadvantaged children to the movies across Madrid, Valencia, and Las Canarias to get them out of their routines to enjoy a day of play.

Colleagues actively collaborated to protect seniors. Among many things, they organized a virtual bingo for people living in retirement homes in Sevilla, supported the organization Grandes Amigos by volunteering to call elderly people that live alone for a chat, and have done the same with our internal program Solidario Senior, where they called some of our elderly customers for an amenable chat to make them feel more connected and less alone.

At Christmastime, some of our colleagues volunteered to support Mensajeros de la Paz, whose organizational mission is to support the most economically disadvantaged in society. They delivered special Christmas baskets and helped to serve breakfast to participants. Throughout the year, Verisure colleagues participate in supporting the breakfasts and dinners served by Mensajeros de la Paz through our volunteering program.



FRANCE



Colleagues actively contribute to the association Sport Dans la Ville by supporting five football teams of disadvantaged youth across France to help them access better schooling and employment opportunities. Verisure colleagues also lead workshops to answer questions on recruitment and prepare youth for success in their job search.



FRANCE



BELGIUM



Verisure volunteers across Belgium and France work with the organization Constellations to build houses for mentally handicapped young adults.



BELGIUM



Sales colleagues in Belgium demonstrated their Proud to Protect spirit by helping victims of flooding across Wallonia. Over three days in July, colleagues drained flooded cellars, removed debris, and couriered food to stranded communities.



NETHERLANDS



Colleagues in the Netherlands sponsored women's soccer team FC Binnenmaas to promote women in sports. One of our security experts coaches the team.



CHILE



Colleagues supported the San José Foundation, which provides support and shelter to women who find themselves in dangerous situations during their pregnancy. The team spent weeks volunteering to complete vital repairs for the shelter, clean and paint the space, and install lamps, curtains, and other furniture to make it a safe and comfortable place for those women during difficult times.



PERU



To support local communities and bring colleagues together in the spirit of integration and unity, teams organized "Christmas Chocolate" parties where they volunteered at various soup kitchens to provide food assistance and distribute gifts and chocolates in a festive atmosphere to over 500 children and parents.



Colleagues collaborated with the Ministry of Health to organize a vaccination point for our employees, their families, and their communities. Through three separate Verivacunación campaigns, hundreds of COVID-19 and flu vaccines were administered in our Peruvian headquarters.



VERISURE AS A SOCIAL ELEVATOR

In addition to our corporate social responsibility initiatives, our everyday business operations contribute positively to the countries in which we operate. In the past year we have created over 2,000 new jobs across Europe and Latin America. Like all positions within Verisure, these roles provide opportunities for stable career

growth, which in turn creates economic stability for their families and communities. Many of our colleagues, particularly those entering our sales function, lack a traditional educational background. We train and equip them with the skills they need for their current role, and for future leadership and promotion opportunities. We celebrate

the fact that the majority of our team leaders and managers in sales started in entry-level positions. 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.



OUR APPROACH TO TAX

Our approach to tax is designed to be aligned with our purpose, our strategic vision and the needs of our clients, shareholders, employees, tax authorities and the communities in which we operate. We recognise our long standing ethical and regulatory responsibilities to act professionally, fairly, with integrity in all our business dealings, and in accordance with applicable tax laws and regulations in all the locations where we operate. It is Verisure's DNA to always act with trust and responsibility and not commit any harmful tax practices that may affect communities.

As such, we have implemented and enforce effective systems to counter tax evasion from employees, workers, agents, or service providers.

Verisure takes a zero-tolerance approach to Tax Evasion or facilitation of Tax Evasion under the law of any city, state, or country in which we operate or do business. Our strategy is to pay the fair and right amount of tax in all jurisdictions in which we operate, as dictated by local requirements. We pay at the corporate level all applicable taxes such as income taxes,

property and local taxes, green tax, stamp duties, employment, and other taxes. We also collect and pay employee income taxes, and indirect taxes such as import duties and VAT. The taxes we pay and collect, which amounted to more than 500 million euros in 2021, form a significant part of our economic contribution to the countries in which we operate.

For more information on our approach to tax, compliance with tax law, and tax planning, please see our 2021 Annual Report.

ENVIRONMENTAL

PROTECTING **OUR PLANET'S FUTURE**





Climate change is one of the most pressing issues of our time, as emphasized by the 2021 Intergovernmental Panel on Climate Change (IPCC) report, and one which UN Secretary-General António Guterres has called a “code red for humanity”.

Verisure has a lower environmental impact compared to companies in other industries, such as fast-moving consumer goods (FMCGs) companies that create large volumes of disposal products. Our alarm systems are designed to have a very long lifecycle, and stay in client homes and businesses for decades; the

majority of our products are recovered and reused. That being said, we know that transformational change in the way we operate our societies and businesses is necessary to limit the impact of climate change. We take our responsibility seriously to do our part to create a more sustainable future for the planet.

GHG REDUCTION

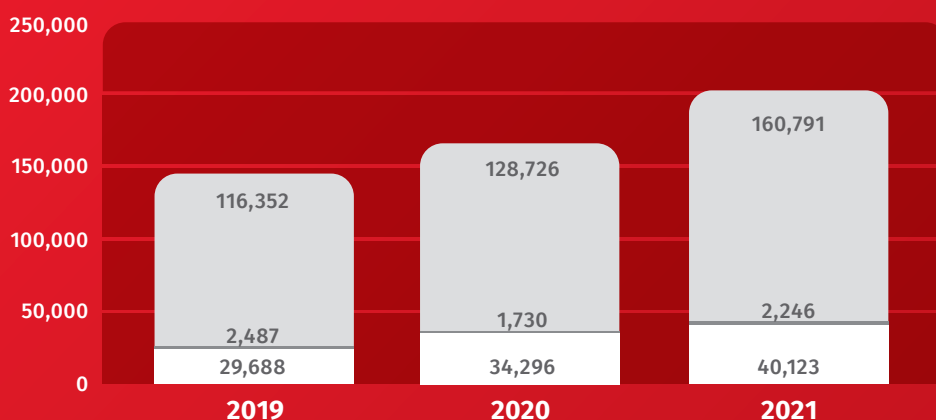
CALCULATING OUR CARBON FOOTPRINT

Our carbon footprint model has been developed in alignment with the international accounting standards set by the GHG Protocol, covering direct emissions (Scope 1), indirect emissions

generated by indirect emissions generated by electric utilities during energy production (Scope 2), and all other indirect emissions generated by our suppliers or through the use of our

products (Scope 3). We are taking a 'control approach' to our emissions accounting, meaning we account for 100% of the emissions from operations over which we have operational control.

TOTAL EMISSIONS 2019-2021 (TONNES CO₂e)



DESCRIPTION OF EMISSIONS TYPES AND SOURCES

SCOPE 1	SCOPE 2	SCOPE 3
Fuel consumed by our fleet of vehicles	- Electricity consumption in our buildings, offices, etc. - Electricity consumption from electric/hybrid vehicles in our fleet	- Fuel production as part of the Well-to-Wheel of our own fleet emissions - Fuel consumption and production from 3rd party fleet of vehicles - Alarm equipment production and disposal - Inbound/outbound transportation of our alarm equipment - Business travel - Employee commuting - Electricity consumed by our products use - Telecommunications - IT devices and usage - Advertising and Marketing Costs - Other office costs, consulting, and audit services

As a technology-enabled human service company, it comes as no surprise that the majority of our carbon footprint derives from people traveling to their workplace. Importantly, this includes three critical jobs to deliver our promise that need to be performed on site at the customer premise: 1) the professional on-site installation of our alarm system by our

security experts, 2) periodic maintenances by our technicians, and 3) emergency interventions, all of which require a trip to the customer's premises. We look for efficiencies within those constraints to reduce our footprint. For instance, we have been increasing the ability of our customers to undertake some maintenance themselves. The share

of such DIY maintenance grew from 25% in 2019 to 34% in 2021, thus reducing the need for our maintenance technicians to drive to customer locations. We are also continuously growing a more sustainable vehicle fleet across our countries, and systematically include emissions as a key decision-making criteria when selecting car models.

RENEWABLE ENERGY

As part of our commitment to reducing emissions we are also prioritizing renewable energy to meet the energy needs of our offices and buildings. Spain, Finland and Italy all run entirely on 100% renewable energy, with countries like France and Brazil also making strong progress. Verisure Italy in particular

has been recognized this year as a “virtuous company” for energy sustainability by Italian energy company Repower, a recognition of our use of renewable energy as well as substantial work over recent years to improve energy efficiency and promote environmental sustainability.

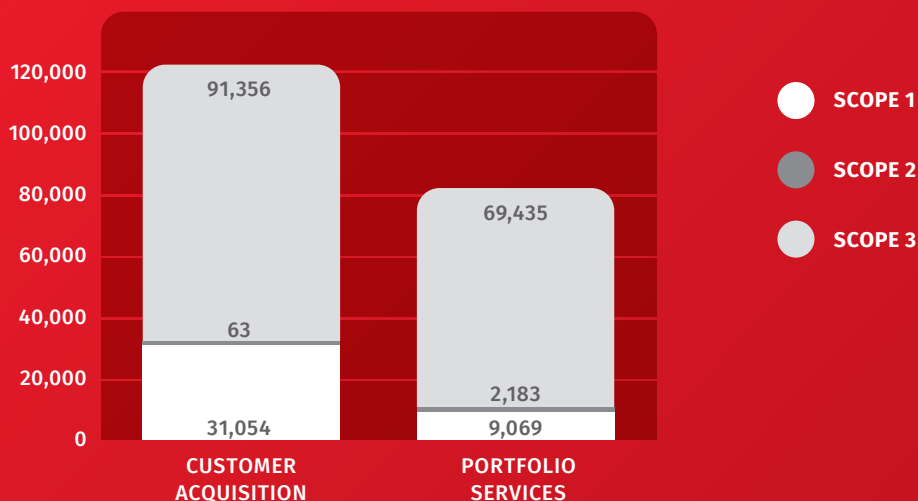


Our separate business segments of Portfolio Services and Customer Acquisition provide an effective framework to understand how all our activities contribute to our carbon footprint and to develop actionable reduction strategies. Accordingly, we look at the recurring GHG emissions produced by delivering our services to

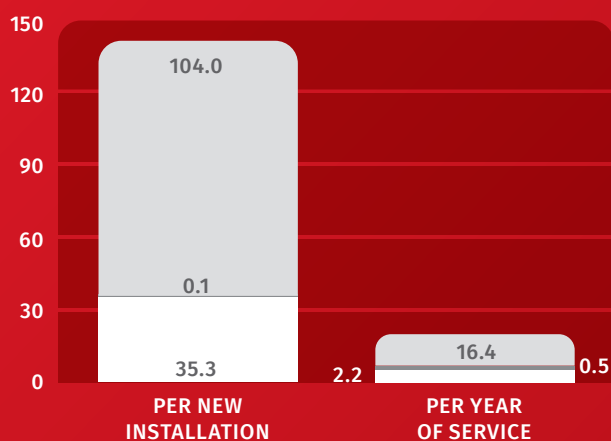
our existing customers separately from the one-off GHG emissions generated upfront to acquire new customers and grow the portfolio. Both in absolute and intensity terms, most of our emissions come from acquiring new customers and professionally installing our alarm system at their premise. In 2021, our Customer Acquisition segment

accounted for 60% of our total carbon footprint, or 139.4 kg of CO₂e per installation (on a per new customer basis). In comparison, servicing customers once they have been equipped has a much lower footprint, contributing to only 19.2 kg of CO₂e emissions per year per installation in our portfolio.

VERISURE TOTAL EMISSIONS 2021 (TONNES CO₂e)



EMISSIONS PER CUSTOMER (KG CO₂e)



Now that we have a clear picture of our total carbon footprint and key emission sources and drivers, we are in a position to identify concrete steps to reduce our environmental impact. We plan on developing clear targets to minimize our carbon footprint for this critical decade of climate action. We will also continue to refine and fine-tune our model for measuring emissions, collecting more precise data from our operations and suppliers.

PRODUCT LIFECYCLE MANAGEMENT & CIRCULARITY

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

Waste management and waste reduction are central to our vision. Our suite of alarm and monitoring devices have a long, durable lifetime. Our products typically spend more than 15 years at client premises, resulting in a relatively low environmental footprint. Even once our alarms reach disposal phase, we do everything possible to

salvage, reuse or recycle those products. During 2021, our Reverse Logistics centres have allowed us to refurbish and reuse 71% of the product value returned from client premises. We are continuing to improve our waste management practices to lower our footprint and increase our Sustainability. When it comes to products themselves, we are actively pursuing opportunities to introduce more sustainable practices into their design. Our R&D teams are currently conducting an assessment and testing materials to see how we can bring more recycled plastic into our products. During 2021, we also began to examine opportunities for plastic reduction in our product packaging,

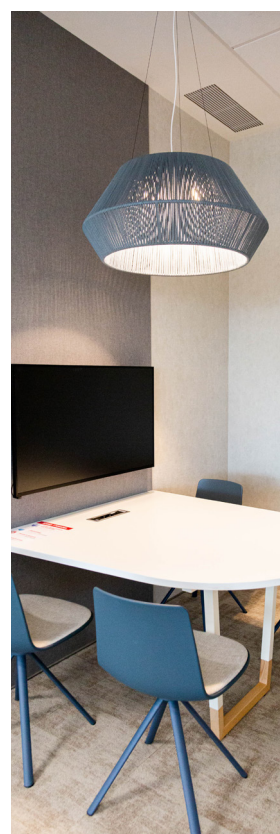
engaging with our key product suppliers in the search for alternative materials.

In our offices and workspaces as well, we are committed to increasing our green footprint. Our headquarters in Switzerland, are Minergie-certified, a registered quality label for low-energy-consumption buildings, while our Technology North office in Malmö is LEED Platinum and WELL Gold certified. Our extensive renovations to our Spanish headquarters in Madrid in 2021 have also focused on sustainability and green spaces, creating an environment in which our teams can best collaborate.



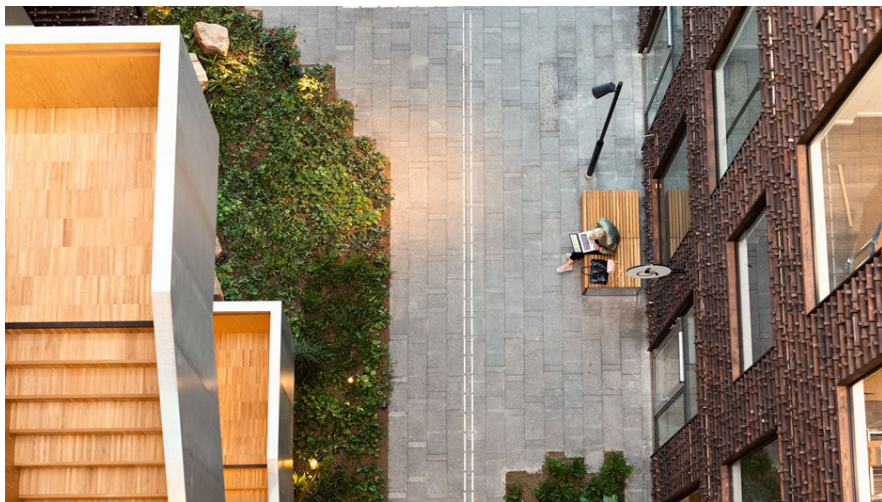
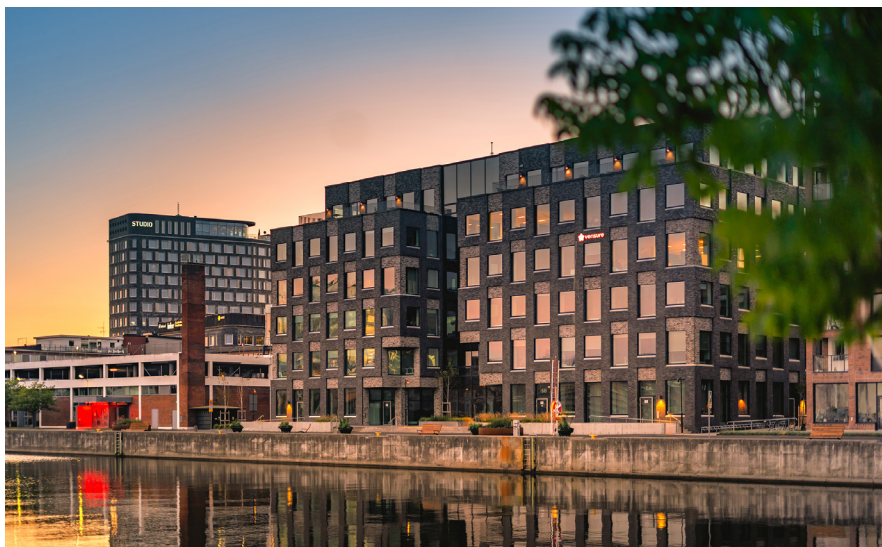
MADRID

Our NET project in our Madrid offices (New Ways of Working, translated from Spanish) is exemplary 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 teams to work and collaborate on a day-to-day basis, adapted to the needs of our diverse teams. Sustainability was one of the main criteria in redesigning our offices in 2021, and we have created numerous green spaces within the new offices. Buildings were designed to optimize water and electricity usage, and a key focus was put on promoting responsible consumption and recycling. As a result of our renovations, our Victoria Building has received the LEED Platinum certification. We offer healthy meals for free in our employee cafeteria, and have a program for employees to purchase leftovers at the end of the day at greatly reduced cost to reduce food waste.



MALMÖ

Our Technology North offices 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. 35,000 meters of window frames and beams from demolition projects were reused for the wood panelling, and over 77,000 recycled PET bottles were used for sound-absorbing canvas in the façade. Because of its sustainability characteristics, our building has been LEED Platinum certified. It is also WELL Gold certified, a recognition that the building is designed to optimize the health, safety and well-being of our colleagues. The jury explained the WELL certification of our building saying “with a full focus on health, both for those who built and for those who work in the building, this is a project of epic proportions. The fact that they have also managed to scale up recycling to this level is both impressive and inspiring”.



In addition to the workspaces themselves, we strive to make operations within our offices more sustainable. We have worked closely with our Global Office Material supplier across our countries to increase the

number of sustainable office products available in our catalogue, and to consolidate orders to reduce transportation and associated emissions. Though we are still at the beginning of this process, progress in

2021 has already been positive, with a 5% decrease in orders per office and an increase in purchases of sustainable office products of 3%.

GOVERNANCE

ETHICS AND COMPLIANCE
IS EMBEDDED IN HOW WE
CONDUCT OUR BUSINESS



Ethics and Compliance is embedded in how we conduct our business, reflecting the commitment in our DNA to always act “With Trust and Responsibility”. Over the past years, we have increased our focus in

this area, and are pleased to see continued improvement in our Sustainable Engagement survey scores related to ethics, now 14 points higher than it was seven years ago.

BUSINESS ETHICS, REGULATORY COMPLIANCE, AND INTEGRITY

GROUP COMPLIANCE PROGRAM AND KEY POLICIES

Acting with Trust and Responsibility is a key part of our corporate DNA, and as such we are committed to having our people act with high standards of ethics and integrity. Every leader, manager, and colleague in our organization is responsible for not only role modelling but championing behaviours in line with our policies and DNA, with zero tolerance for misconduct. Together, we actively create and uphold a culture of compliance in our day-to-day conduct and ways of working.

We take doing the right thing very seriously and are committed to strengthening our practices every day in driving compliant behaviours. Our efforts form part of our Group Compliance Program, which consists of our compliance framework, governance, culture, process, and evaluation.

Our Group Code of Conduct sets out the standards we hold for all our people. It provides the guidance that directs our day-to-day decision-making and reinforces our company culture. Our Code of Conduct describes a company that treats everyone fairly and respectfully, both internally and externally, and where all colleagues model behaviours consistent with our DNA. Our Group Code of Conduct is available on our investor website.

Our Group Code of Conduct is complemented by a number of Group compliance policies and standards, including a Group Privacy Policy, Group Fair Competition Policy, Group Anti-Bribery Policy, Group Anti-Harassment and Non-Discrimination Policy, Group Speak up Policy, and our Supplier Standards and Ethical Code. Our Group Code of Conduct and compliance policies are available in local languages in all our countries and form part of our employment agreements.

We have a Group Compliance Committee, as well as Compliance Committees in

each country and with key functions. The Committees meet on a regular basis to drive action and continuous improvement. In 2021, each country Compliance Committee adopted action plans to address compliance risks or areas for further strengthening in that country, led by Group Compliance. As part of these action plans, and an ongoing effort, we further strengthened our sales business processes in our countries in 2021.

We are committed to fostering a strong compliance culture, with a strong Do the Right Thing tone from the top and training program. In 2021, we reinforced our training and awareness efforts by launching several new Group trainings, including on Data Privacy, Acceptable Use of IT Resources and Sales Force compliance, and introducing two new Trust Agents that now appear in all our compliance communications to maintain a regular drumbeat around compliance topics, create a recognizable identity for our Compliance training and awareness initiatives, engage employees and encourage active participation in discussions around Compliance.

In addition, we in 2021 in several countries implemented strengthened controls in our sales process, building on the best practices of some of our countries, including Spain. For example, in France, we developed tools based on key word identification in the interactions of our Customer Care team with customers to detect potential cases of sales malpractices. The tools allow us to identify and address at an early stage potential cases of non-compliance. Regular contact between the French Customer Care, Sale Quality, Compliance and Internal Controls teams to share experiences and cases has also been implemented to improve detection and the definition of action plans. Furthermore, we in 2021 introduced so-called Welcome Calls in an increasing number of countries, whereby we

contact customers a few days after alarm installation to amongst others ensure that the sales and installation process was completed in line with our policy and sales framework. These ongoing efforts to further strengthen controls serve to deliver on our commitment to always act with high standards of ethics and integrity.

We encourage and expect colleagues to voice concerns relating to noncompliance either via our regular internal channels or via our Group-wide Speak up third party platform, Whispli, that allows anonymous reporting and ensures confidential case management. We are committed to promptly investigate all good-faith reports and act with urgency on substantiated cases. Our actions include awareness raising, disciplinary and corrective measures, including warning letters, suspensions and dismissals, and we in an increasing number of countries have disciplinary action protocols to ensure that like cases are treated alike. We are committed to ensuring the integrity of our investigations and related processes and we have zero tolerance for retaliation against whistle-blowers. Our compliance cases are reported to Group Compliance Committee on a quarterly basis, and subsequently to the Group Audit Committee, to identify risks and opportunities, spot any trends, and support the countries in their efforts to address compliance issues. In 2021, we undertook a full review of our Speak Up process ahead of the coming into force of the EU Whistleblower Directive in December that year. This included reinforcing our third-party Speak Up platform, adopting a new Speak Up Policy and developing new compliance investigation standards and related processes.

Finally, as part of the evaluation element of our Compliance Program, we in 2021 finalized an Enterprise Risk Management exercise in which Group functions and all

countries participated, with one of the four key risk categories assessed being compliance risks. This exercise will be repeated on an annual basis going forward. We also conduct compliance reviews using third parties. For example,

our Criminal and Anti-Corruption Compliance System deployed in Spain had been certified under the local UNE 19601 standard for Criminal Compliance Systems and the ISO 37001 standard for Anti-Bribery Management Systems in

2020, a certification that was renewed in 2021. The use of this evaluation measure as part of our Compliance Program will be further expanded on within the Group going forward.

OUR SPEAK UP FRAMEWORK

As we prepare for the EU Whistleblower Directive, in addition to implementing the new Speak up platform Whispli, we adopted a new, strengthened Group Speak Up Policy. This new policy explains what types of misconducts colleagues should report and how to raise any concerns. It also outlines the protections available to colleagues who speak up and what they can expect from the Company when reporting misconduct.

It 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 to not undertake investigations on their own.
- We count on our colleagues to speak up in good faith.
- We are committed to keeping the identity confidential of those

speaking up. The same applies for information about persons involved in, concerned by, or handling a concern. We will only share such data on a need-to-know basis.

- We make our Speak up platform available for those wanting to raise concerns anonymously.
- We are committed to ensuring the integrity of investigations and related processes.
- We will always presume good faith on the part of all persons involved, unless demonstrated otherwise. At the same time, we do not tolerate reporting in bad faith.
- We do not tolerate any form of retaliation against those who speak up in good faith.

Verisure also developed a Group Compliance Investigations Standard and a Group Monitoring and Investigations Using IT Resources Standard this year, both to be deployed in 2022.

The Group Compliance Investigations Standard provides clear guidance for conducting internal investigations into potential compliance breaches involving the Verisure Group Code of Conduct, Policies or Standards. It details the steps of the process from the initial analysis and process planning, through the fact-finding exercise, to the issuing of recommendations and remediations and closing the case. It also outlines which key stakeholders must be involved and how to communicate at each step of the process. In addition to providing guidance, the document contains basic principles to follow for all investigations (i.e., objectivity and fairness, confidentiality, no retaliation, and proper resourcing and prioritization).

In addition, the Group IT Resources Investigation and Monitoring Standard complements the Speak up Policy and the Group Investigations Standard to define the standards for planning, authorizing, and managing monitoring and investigation activities that involve Verisure IT Resources.

COMPLIANCE CASES

In 2021, we noted a healthy increase in Speak up cases, but no material case of misconduct in core compliance areas, including antitrust, anti-bribery or corruption.

In November 2020, the Norwegian Competition Authority issued a decision to fine Verisure Norway AS and Verisure Midholding AB a total amount of

approximately EUR 75 million (NOK 766 million) for alleged breaches of the Norway Competition Act. We filed an appeal with the Norwegian Competition Appeals Board (CAB), which in November 2021 issued a decision that upheld the NCA findings. While we are disappointed with the outcome of the appeal process and continue to firmly disagree with the CAB's decision, we nevertheless chose

not to further appeal the case to the Court of Appeal and to instead pay the fine, which we did in December 2021. This allows us to put an already lengthy process behind us so that we can place all of our focus on delivering peace of mind to our customers, families, and small businesses.

GROUP BOARD & MANAGEMENT TEAM

The Group's corporate governance is based on external and internal regulatory frameworks, including the Articles of Association, the Swedish Companies Act and other applicable country legislation and regulations, as well as internal rules of procedure, policies, and guidelines.

The main Group Board of Directors is that of Verisure Topholdning AB ("Group Board"). The Group Board is responsible for the Group's organisation and administration. It is also responsible for regularly assessing the Group's financial situation and ensuring that the organisation is structured so that the

accounting records, financial management and other financial aspects are satisfactorily overseen. Certain topics must be discussed and approved by the Group Board according to the Group Board Rules of Procedure, and certain other matters are reserved for the Group Board according to the Group

Delegation of Authority Policy under development in 2021. The Group Board Rules of Procedure also determine what matters are reported to the Group Board on a regular basis.

THE GROUP BOARD MEMBERS

NAME	STATUS
Stefan Götz (Chairman)	Non executive
Patrick Healy	Non executive
Adrien Motte	Non executive
François Cornelis	Non executive
Henry Ormond	Non executive
Andrew Barron	Non executive
Carlos Ortega Arias-Paz	Non executive
Austin Lally	Executive
Antonio Anguita	Executive
Luis Gil	Executive

THE GROUP MANAGEMENT TEAM

NAME	TITLE	DATE OF APPOINTMENT	NATIONALITY
Austin Lally (Mr)	Group CEO	2014	British
Vincent Litrico (Mr)	Group CFO	2016	French
Marta Panzano (Ms)	Group CHRO	2014	Spanish
Nina Cronstedt (Ms)	Group CLO	2019	Swedish/Swiss
Cristina Rivas (Ms)	Group CTO	2020	Spanish
Olivier Horps (Mr)	Group CMO	2022	French
Luis Gil (Mr)	President of Expansion	2014	Spanish
Antonio Anguita (Mr)	President of Iberia & Latin America	2014	Spanish
Olivier Allender (Mr)	General Manager France, Belgium & Arlo Europe	2015	French
Anthony Loiseau (Mr)	General Manager Nordics	2020	French

BOARD COMMITTEES

The Group Board has established an Audit Committee, a Remuneration Committee, and a Valuation Committee. The members of the committees are appointed by the Group Board. The major tasks of these committees are preparatory and advisory, but the Group Board may on occasion delegate authorisation to the committees to determine in specific matters. All committee meetings must be recorded in minutes.

Audit Committee

The primary function of the Audit Committee is to monitor the Company's financial reporting, internal controls, compliance program and risk management. In this regard, 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 program, including its data privacy program. In 2021, for COVID-related reasons, only two Audit Committee meetings was held. The members of the Audit Committee are Stefan Götz, Adrien Motte and Henry Ormond. Meetings are generally also attended by Austin Lally, Vincent Litrico and Nina Cronstedt.

Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Group Board regarding the Group's framework for executive remuneration and the accompanying costs. It reviews and determines, on behalf of the Group Board, the remuneration and incentive packages for management in order 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 respect to the strategic objectives and operational performance of the Group. The members of the Remuneration Committee are Stefan Götz, Austin Lally, Marta Panzano, Adrien Motte, and Henry Ormond.

Valuation Committee

The primary responsibility of the Valuation Committee is to assist the Group Board in calculating the fair market valuation of the various share classes issued by our holding Company. The members of the Valuation Committee are Francois Cornelis, Adrien Motte, and Vincent Litrico.



RISK ASSESSMENT

Enterprise Risk Management (ERM) is an essential element of the strategic management in the Group's organization and is embedded in the ongoing activities of the business. The Verisure Group is following the COSO Framework and strategy for ERM. COSO is an international committee in the global marketplace leading the development and guidance in the areas of risk and control which enable good organizational governance and reduction of fraud. Enterprise risks are categorized in Strategic, Operational, Financial and Compliance risks.

The Group's annual ERM exercise is initiated by considering what drives

the Group value during the strategy/objective setting, such as competitive advantage, new strategic initiatives, key product lines, etc. Once the key drivers are identified, the ERM process will begin the risk identification process by evaluating relevant risks that can potentially hinder the success of each key driver. The Group Internal Control and the Group Legal / Compliance Functions initiate the risk identification through workshops with the risk owners and have created a risk library based on the COSO framework, which serves as a tool for the risk owners when they perform the risk identifications. Risk impact and likelihood is determined by the risk owner for each risk along with the mitigation strategy that

results in the residual risk. Furthermore, the Group Internal Control and Group Legal/Compliance Functions challenge and support the risk owners in the process and Group Management inputs to help calibrates the final outcome.

Responsibility and reporting

Group Head of Internal Controls, reporting into Group CFO, is responsible for the framework, with support from Group Legal function.



WHAT'S NEXT

**WE ARE INCREDIBLY PROUD OF
OUR TALENTED AND DRIVEN PEOPLE
WHOSE PASSION FOR DOING THE RIGHT
THING MAKES OUR ESG AMBITION
POSSIBLE.**

We are very proud of the work completed at Verisure over the past year to accelerate our Sustainability journey, and know there is much more to achieve in the years ahead.

As we move into 2022, we will continue to develop our Sustainability Framework as well as draw a detailed roadmap of programs and initiatives to achieve our sustainability goals. Across all our areas of focus, we will continue to boost our KPI and metric-tracking abilities to identify areas of improvement and measure progress towards ambitious improvement targets.

Over time, our ambition through this work is to become the industry leader when it comes to sustainability. We are very proud of our talented and driven people, whose passion for doing the right thing will make this ambition possible.



APPENDIX



GRI CONTENT INDEX

Verisure has reported the information cited in this GRI content index for 2021 with reference to the GRI Standards.

GRI		
GENERAL DISCLOSURES		
102-1a	Legal Name Organization	Verisure Midholding AB
102-1B	Ownership and legal form	Verisure Midholding AB (publ) is an organised public limited liability company incorporated on May 26, 2011, I and under the laws of Sweden with the registration number 556854-1402 and with its registered office in Malmö. Verisure Midholding AB (publ) is directly and wholly owned by Verisure Topholding AB. The ultimate parent entity is Aegis Lux 1A Sarl, which operates in and under the laws of Luxembourg Aegis Lux 1A Aarl, and is controlled by Hellman & Friedman, a global private equity investment firm.
102-1c	Location of HQ	Chemin Jean-Baptiste Vandelle 3 1290 Versoix, Switzerland
102-1d	Location of operations	Verisure operates across 16 countries across Europe in Latin America: Spain, Portugal, France, Italy, Belgium, Germany, the Netherlands, the UK, Finland, Sweden, Denmark, Norway, Argentina, Chile, Brazil, Peru, with headquarters in Switzerland.
102-2A	Entities including in sustainability reporting	All entities included in our financial reporting are also included in our sustainability reporting. Please see our Annual Report 2021 for more information.
102-2b	Audited financial statements	The information contained in our audited consolidated financial statements, as reporting in our 2021 Annual Report, covers the same entities as discussed in this Sustainability Report.
102-3A	Reporting period sustainability report	January 1, 2021 to December 31, 2021
102-3b	Reporting period financial reporting	January 1, 2021 to December 31, 2021
102-3c	Reporting frequency	Annual
102-3d	Contact Point	Senior Director of ESG, Enrique Bofill, email: sustainability@verisure.com
102-4	Restatements of information	Verisure has not made any restatements in this reporting period.
102-6a	Sector(s) in which we are active	People Protecting what Matters Most A Business Model for Profitable Growth
102-6b	Activities, products, services, and market served	A Business Model for Profitable Growth Leading Across a Broad Footprint
102-6b	Organization's Supply Chain	Sustainable Sourcing & Procurement Management
102-6c	Other relevant business relationships	Leading Across a Broad Footprint
102-7d	Significant changes to the organization and its supply chain	There have been no significant changes to the organization and its supply chain during this reporting period.
102-7	Employee information	Diversity, Equity, and Inclusion
102-9	Governance structure and composition	Business Ethics, Regulatory Compliance, and Integrity
102-11	Chair of the highest governance body	Stefan Götz is the Chair of the Board of Verisure Topholding AB. He is not a senior executive in the organization.
102-12	Role of highest governance body in overseeing the management of impacts	Business Ethics, Regulatory Compliance, and Integrity
102-21	Process to determine remuneration	Business Ethics, Regulatory Compliance, and Integrity

GRI		
GENERAL DISCLOSURES		
102-22	Statement on sustainable development strategy	Letter from the Group CEO
102-23	Policy commitments for responsible business conduct and respect for human rights	Verisure has been a participant in the United Nations Global Compact since June 2021.
102-26	Mechanisms for seeking advice and raising concerns	Business Ethics, Regulatory Compliance, and Integrity
102-27	Compliance with laws and regulations	Business Ethics, Regulatory Compliance, and Integrity
102-29	Approach to stakeholder engagement	Our Commitment to Sustainability
102-30	Collective bargaining agreements	Labour Relations
ECONOMIC PERFORMANCE		
201-1	Direct economic value generated and distributed	A Business Model for Profitable Growth Community Impact Additional information can be found in our Annual Report 2021
ANTI-CORRUPTION		
205-3	Confirmed incidents of corruption and actions taken	Business Ethics, Regulatory Compliance, and Integrity
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Business Ethics, Regulatory Compliance, and Integrity
TAX		
207-1	Approach to tax	Community Impact: Our Approach to Tax
207-2	Tax governance, control, and risk management	Community Impact: Our Approach to Tax
207-3	Stakeholder engagement and management of concerns related to tax	Community Impact: Our Approach to Tax Additional information can be found in our Annual Report 2021
MATERIALS		
301-3	Reclaimed products and their packaging materials	Product Lifecycle Management & Circularity
EMISSIONS		
305-1	Direct (Scope 1) GHG emissions	GHG Reduction
305-2	Energy indirect (Scope 2) GHG emissions	GHG Reduction
305-3	Other indirect (Scope 3) GHG emissions	GHG Reduction
WASTE		
306-1	Waste generation and significant waste-related impacts	Sustainable Sourcing & Procurement Management Product Lifecycle Management & Circularity
306-2	Management of significant waste-related impacts	Product Lifecycle Management & Circularity
SUPPLIER ASSESSMENTS		
308-1	New suppliers that were screened using environmental criteria	Sustainable Sourcing & Procurement Management
414-1	New suppliers that were screened using social criteria	Sustainable Sourcing & Procurement Management
EMPLOYMENT		
401-1	New employee hires	Diversity, Equity & Inclusion Community Impact
401-3	Parental leave	Employee Health, Safety and Well-being

GRI		
TRAINING AND EDUCATION		
404-2	Programs for upgrading employee skills and transition assistance programs	Talent Management & Sustainable Engagement: Developing Top Talent and Unleashing the Full Potential of Our Workforce
404-3	Percentage of employees receiving regular performance and career development reviews	Talent Management & Sustainable Engagement: Developing Top Talent and Unleashing the Full Potential of Our Workforce
DIVERSITY AND EQUAL OPPORTUNITY		
405-1	Diversity of governance bodies and employees	Diversity, Equity & Inclusion: Building a Diverse and Inclusive Workplace Business Ethics, Regulatory Compliance, and Integrity
POLITICAL CONTRIBUTIONS		
415-1	Political contributions	Community Impact Verisure expressly prohibits political contributions.
CUSTOMER HEALTH AND SAFETY		
416-1	Assessment of health and safety impacts of product and service categories	Best-in-Class Protection & Peace of Mind: Health & Safety Protections for Our Customers
MARKETING AND LABELING		
417-2	Incidents of non-compliance concerning product and service information and labelling	Verisure has not identified any non-compliance with regulations and/or voluntary codes relating to product and service information and labelling.
417-3	Incidents of non-compliance concerning marketing communications	Verisure has not identified any non-compliance with regulations and/or voluntary codes relating to marketing communications.
CUSTOMER PRIVACY		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Verisure has not identified any substantiated complaints concerning breaches of customer privacy and/or losses of customer data.

SASB CONTENT INDEX

SASB provides guidance for businesses to provide the most material KPIs on the financial aspects of Sustainability for investors. SASB has generated 77 industry standards that identify the most relevant KPIs based on industry.

Under this classification, Verisure is in the Professional and Commercial Services industry. According to the SASB guidance, the most material KPIs for Verisure relate to data security, workforce diversity and engagement,

professional integrity, as well as GHG emissions. We have mapped the SASB metrics we have included in our report in the table below.

TOPIC	METRIC	CODE	LOCATION
Data Security	Description of approach to identifying and addressing data security risks	SV-PS-230a.1	Data Privacy & Cybersecurity
	Description of policies and practices relating to collection, usage, and retention of customer information	SV-PS-230a.2	Data Privacy & Cybersecurity
	(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected	SV-PS-230a.3	Data Privacy & Cybersecurity
Workforce Diversity and Engagement	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	SV-PS-330a.1	Diversity, Equity, & Inclusion: Building a Diverse and Inclusive Workplace (race/ethnic group excluded)
	Employee engagement as a percentage	SV-PS-330.3	Talent Management & Sustainable Engagement: Highly Engaged and Satisfied Organization
Professional Integrity	Description of approach to ensuring professional integrity	SV-PS-510a.1	Business Ethics, Regulatory Compliance, and Integrity
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	SV-PS-510a.2	Business Ethics, Regulatory Compliance, and Integrity
Emissions	Direct emissions in the form of Scope 1		GHG Reduction
	Indirect emissions in the form of Scope 2		GHG Reduction
	Indirect emissions in the form of Scope 3		GHG Reduction



OUR PEOPLE ARE
THE FOUNDATION OF OUR SUCCESS.
THEY ARE VERISURE.

Verisure Midholding AB

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