



Varma's Code of Conduct

Varma's core task, securing pensions, is a significant social mandate that requires a high level of ethics and transparency.

In our operations, we comply with the laws and official regulations that are in effect. Varma's Code of Conduct complements the laws and regulations that must be complied with, and it reflects our way of operating.

Every Varma employee is expected to know and abide by the Code. Learning about the Code of Conduct is part of induction at the start of an employment relationship with Varma, and knowledge of the Code is maintained regularly, for example, through online refresher courses in responsibility matters. The task of supervisors is to ensure compliance with the Code.

Responsible operations stem from our values – reliability, courage and sustainability – with joy and passion.

Varma is politically and religiously independent.

The Code of Conduct was approved by Varma's Board of Directors on 20 August 2020.

We operate responsibly

Corporate social responsibility (CSR) is part of Varma's daily operations. We actively communicate what CSR means to us and how we operate responsibly in society. We continuously develop our responsible ways of operating.

For Varma, operating responsibly means, above all, the smooth implementation of pension provision, securing solvency

and developing a good working life and work ability. We take environmental aspects and climate change mitigation into account in our operations and in our investments. The transparency of our operations and open communication are important to us.

Varma has signed the UN Principles for Responsible Investment (UN PRI). The Principles for Responsible Investment cover the company's investment assets in their entirety. Key criteria for selecting investees are, in addition to expected returns, compliance with legislation, respect for human dignity, assumption of social responsibility and responsibility related to working conditions, and consideration of climate change and environmental protection matters.

We respect human rights

Varma is committed to promoting human rights and to operating in accordance with the UN's principles concerning business and human rights. We also require our suppliers to operate according to the same principles.

We require that our investees comply with international agreements and standards, the most important of which are: the UN Global Compact, the OECD guidelines for multinational enterprises and the ILO labour conventions.

**Every Varma employee helps uphold
our good reputation.**

At Varma, we do good work

Varma's success is based on the competence and well-being of its staff. We inspire and train our employees to act responsibly.

Varma is a fair workplace that does not tolerate discrimination, bullying or harassment. Inappropriate treatment and harassment are dealt with without exception, and the consequences range from a notice, warning or, ultimately, termination of employment.

The implementation of equality and non-discrimination principles is monitored regularly through personnel surveys and an equality and non-discrimination survey.

Prevention of the grey economy and money laundering

Varma co-operates within the earnings-related pension system to combat the grey economy. We promote conditions for honest work and business. To help identify the grey economy, we participate in joint audits of the pension system and we hand over information in accordance with the act on contractors' obligations. In our operations, we comply with the provisions and regulations concerning the prevention of money laundering, including, e.g., customer due diligence. Guidelines concerning the prevention of money laundering are part of our processes. Our personnel regularly receive training to ensure compliance with the rules.

We comply with good insurance practices

Varma takes the interests of its policyholders, insured and benefit recipients into account in all its operations.

Varma treats its customers equally and fairly. All transactions with customers take place on market terms. Investments in client companies are, in terms of Varma's investment operations, founded and made on market terms.

Varma only practices the business activities it is authorised to pursue and operates independently of other insurance companies.



Varma's own acquisitions and other transactions are carried out on market terms. We require our service providers and suppliers to commit to taking responsibility for the economic, social and environmental impacts of their operations (Supplier Code of Conduct).

We engage in responsible co-operation within the earnings-related pension system

Varma provides statutory earnings-related insurance and invests pension funds such that it competes in this task with other operators engaging in the same task.

We take the requirements of competition law into account in our operations and we promote Varma's competitive advantage. At the same time, we engage in statutory co-operation where the implementation of matters that are managed jointly within the earnings-related pension system is required and we ensure the equal treatment and legal protection of the pension system's customers. We assess participation in the earnings-related pension sector co-operation from a competition law perspective.

Bribery is prohibited at Varma

Bribery is a crime and is explicitly prohibited in Varma's operations. Varma does not tolerate direct or indirect bribery, corruption or inappropriate influencing of any kind.

Varma's employees do not offer or accept gifts, payments, hospitality or other benefits whose purpose is to influence a decision. Gifts that are given or accepted must not call into question the giver's or receiver's independence. Prior approval must be sought from supervisors for gifts valued at more than EUR 100 or hospitality valued at more than EUR 150. The Compliance Officer must always be notified of such gifts and hospitality.

If a Varma employee has been invited to an event organised by a third party outside of the capital city area or the area where she/he works, attendance always requires the permission of a supervisor. In such cases, Varma will pay the travel and accommodation costs. The organiser of the event can, however, pay the travel costs if said organiser is Tela, the Federation of Finnish Financial Services, or another organisation for which Varma is a major provider of financing.

Varma has drawn up a separate [Anti-Bribery Policy](#).

Avoid conflicts of interest

A conflict of interest refers to a situation where a person's decision is guided not by Varma's interests, but rather by his or her own, a friend's or a family member's interests, for example. Every Varma employee has a duty of loyalty towards Varma.

A conflict of interest may also arise from concurrent work, entrepreneurial operations or being an outside member of the board of a business enterprise.



Conflicts of interest can be avoided by not accepting work from another earnings-related pension company or from Varma's partners. Do not commit to a third party's operations that will consume your time and require measures to be taken during your working hours.

Varma's senior and middle management and employees who make investment decisions must always seek their supervisor's approval for board membership in companies outside of Varma.

An exception to this rule is board membership in housing companies, sports clubs, unions, political parties or other similar organisations.

In pension insurance operations, Varma is bound by the Administrative Procedure Act's disqualification provisions.

Abuse of insider information is prohibited

Varma follows insider guidelines confirmed by the Board of Directors. The purpose of the guidelines is to promote the public reliability of the company's investment operations and personnel's knowledge of insider regulations so that they are not violated, even unintentionally.

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The prohibition of abuse of insider information concerns all Varma employees. In addition, Varma has separately specified individuals who must comply with insider information guidelines in all securities trading.

The abuse of insider information is considered to be actions in which someone uses non-public, material information related to securities to their advantage in trading securities on their own or another person's account. Insider information must also not be shared with another person unless it is a regular part of the work or tasks being performed.

Varma's public insider register can be accessed through Euroclear Finland Oy.

Data protection and information security as a part of responsible operations

Taking data protection and information security into account in all our operations is part of responsibility at Varma. We process confidential information in compliance with laws and good data processing practices, and we respect insurance secrecy.

Confidential information includes, e.g., our customers' and personnel's personal data, as well as information related to the transactions and financial situation of Varma, Varma's client companies and Varma's co-operation partners. This information is processed only by Varma employees who require the information as part of their tasks. We comply with the guidelines given on confidentiality, data protection and information security. We continuously maintain the legality of our operations and the data protection and information security knowledge of our personnel, for example, through an annual online refresher course.

More information about personal data processing at Varma is available in [our privacy statements](#).

What to do if a problem arises

This Code of Conduct and Varma's other guidelines are co-ordinated by the Compliance Officer. In unclear situations, please contact your supervisor or the Compliance Officer.

If you are not sure about something, contact your supervisor or the Compliance Officer.