



Code of Conduct

Varma provides pension insurance for work carried out in Finland. Varma provides pension cover for almost 1 million employees, entrepreneurs and pensioners.

Varma's responsibility for managing pension assets, and for our customers, employees and shared environment spans far into the future. Our work is guided by our values: reliability, courage and sustainability – with joy and passion. Our vision is: We support you in a world that's going through incredible change.

Varma's core task, securing pensions, is a significant social mandate that requires a high level of ethics and transparency. In all our operations, we comply with the laws and official regulations that are in effect. Varma's Code of Conduct complements the applicable laws and regulations and describe how we operate. Our work is also guided by other internal policies and guidelines.

Our Code of Conduct supports our sustainability work, which is a key part of Varma's operations and daily life.

Every Varma employee must follow the policies in our Code of Conduct. We are responsible for acting ethically, and thereby earning the trust of our customers and society.

Risto Murto

President and CEO

Values guide our operations

Responsible behaviour derives from our values: reliably, boldly, sustainably – with joy and passion

- **Boldly:** We have the courage to do things in new ways together with our customers. Our courage comes from trust, co-operation and strong expertise.
- **Reliably:** We act openly and frankly. We keep the promises we make to our customers, partners and each other.
- **Sustainably:** We are constantly developing our responsible ways of operating. For us, sustainability means long-term choices for securing pensions and making operations more efficient.
- We work and implement our values in everyday life with **joy and passion**.

We operate in accordance with regulations

Varma's core task, securing pensions, is a significant social mandate that requires a high level of ethics and transparency. The Code of Conduct was approved by Varma's Board of Directors on 27 October 2022.

In addition to the Code of Conduct, we comply with the laws and official regulations that are in effect at the time. Our ethical business principles complement the applicable laws and regulations and describe how we operate.

The Code of Conduct is complemented by other internal policies and guidelines that Varma has established to ensure, among other things, data security and privacy, conflict of interest identification, money laundering prevention and compliance with insider regulations. There are also separate anti-bribery principles in use, compliance with which is monitored, for example, by means of a gift register maintained by the Compliance Officer. Our tax accountability is guided by a separate [tax policy](#).

Varma is politically and religiously unattached. Varma does not provide financial support for political activities nor donations for political purposes.

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. In order to help identify the grey economy, we participate in joint audits of the pension system and we disclose information in accordance with the Act on the Contractor's Obligations and Liability when Work is Contracted Out. Our operations comply with the regulations and regulations on the prevention of money laundering, which includes, for example, customer due diligence. The anti-money laundering guidelines are part of our processes. Our staff receive regular training to ensure compliance.

Bribery is strictly forbidden at Varma

Bribery is a crime and strictly forbidden in Varma's activities. Varma does not tolerate direct or indirect bribery, corruption or undue influence in any form.

Varma's employees do not offer or accept from third parties 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. The supervisor must be asked for prior approval if the value of the gift exceeds EUR 100 or the value of the hospitality exceeds EUR 150. Such gifts and hospitalities must always be reported to the Compliance Officer.

If a Varma employee has been invited to an event organised by a third party outside of the Helsinki Metropolitan Area or his/her business area, 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](#).

We avoid conflicts of interest

A conflict of interest arises when a Varma employee who is involved in making a decision is motivated 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 to act with loyalty to Varma.

Conflicts of interest can also be caused by parallel work, business activities or external board membership in a business.

Conflicts of interest can be avoided by not accepting work from another earnings-related pension company or from Varma's partners. No Varma employee commits to a third party's operations that will consume time and require measures to be taken during their working hours.

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

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

In addition to the Conflict of Interest Guidelines approved by the Board of Directors, there are also department-specific Conflict of Interest Guidelines.

In pension insurance operations, Varma is also bound by the provisions on disqualification in the Administrative Procedure Act.

We co-operate responsibly in the employment pension system

Varma carries out statutory employment pension insurance and the placement of pension assets in such a way that we compete for the performance of this task with others carrying out the same task.

In our operations, we take into account the requirements of competition law and promote the competitive advantage of Varma. At the same time, we carry out statutory co-operation in matters requiring the implementation of jointly managed matters in the employment pension system and take care of the equal treatment and legal protection of clients of the employment pension system. We assess participation in co-operation in the field of employment pensions from the point of view of competition law.

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 the personnel's knowledge of insider regulations, so that they are not unintentionally violated.

The abuse of insider information concerns all Varma employees. Varma has additionally appointed individuals who must comply with insider information guidelines in all securities trading.

The use of insider information is considered to be actions in which someone uses non-public, important information related to securities to their own or another person's advantage in securities trading. 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's online service.

Data protection and information security

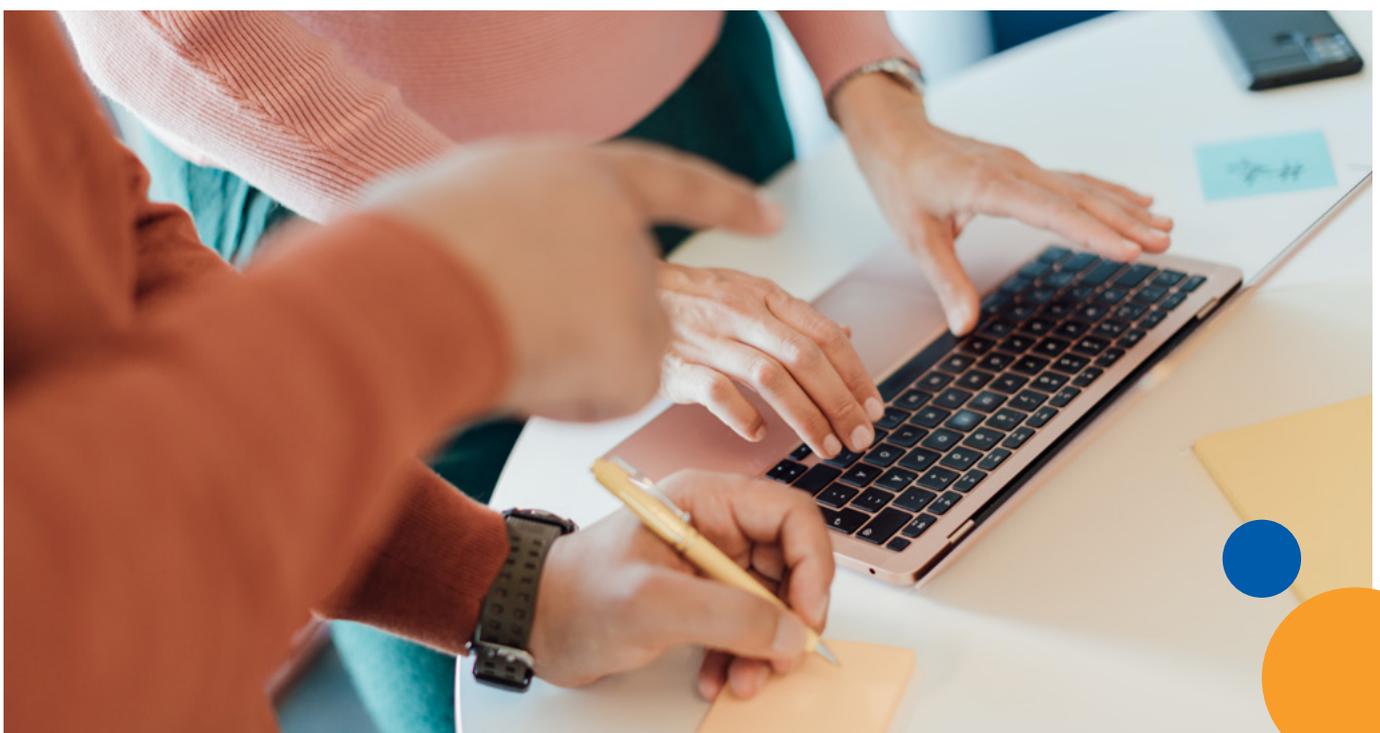
Ensuring data protection and information security is part of Varma's responsible operations. We process confidential information in accordance with laws and good data processing practice, while respecting insurance confidentiality.

Confidential information includes, for example, the personal data of our customers and Varma employees, and information relating to the business and financial condition of Varma, our client companies and partners. This information is processed only by Varma employees whose jobs entail it. We adhere to the guidelines issues on confidentiality, data protection and data security. We continuously maintain the legality of our operations and our personnel's data security and data protection expertise, for example, by reviewing these matters in an online course every year.

We explain the processing of personal data at Varma in [our privacy statement](#).

We operate responsibly and sustainably

Sustainability is part of Varma's daily operations. Varma has responsibility for pension asset management, our customers, Varma employees and environment. This responsibility extends far into the future. We actively communicate what sustainability means to us and how our responsible operations are visible in society. We are constantly developing our responsible ways of operating.



Our Code of Conduct supports our sustainability work. Sustainability at Varma is guided by the [Sustainability Programme](#) and the commitments and objectives in accordance with it. Responsible investment is guided by the principles of responsible investment, the climate policy of investments, the principles of active ownership and engagement, and the principles of ownership policy. Varma's Board of Directors approves all the principles guiding responsible investment. In addition to expected returns, the key criteria for selecting investments are compliance with legislation, respect for human rights, awareness of social and working conditions, and climate change and environmental considerations.

Varma is involved in the world's largest corporate responsibility initiative, the UN Global Compact, which promotes and develops the ecological, social and economic responsibility of companies and communities. Varma has also signed the UN Principles for Responsible Investment, and annually reports its activities based on these principles.

At Varma, we do good work

Varma's success is based on the competence and well-being of its staff. We inspire and train every employee in responsible operations in all work positions. Varma is a fair workplace that does not tolerate discrimination, bullying or harassment. Inappropriate treatment and harassment are always addressed. A responsible approach to personnel and work means:

- the clarity of targets and expectations,
- opportunities to develop at work and improve skills,
- the systematic nature and transparent principles of competitive and equal pay and remuneration,
- everyone's responsibility for the smoothness of work and the atmosphere of the work community, and
- providing support for the maintenance of working capacity and taking care of its prerequisites.

We value inclusion and diversity. Acceptance of difference is based on the fact that everyone can be themselves at work. The implementation of equality and non-discrimination is regularly developed and monitored through personnel and gender and equality surveys.

We respect human rights

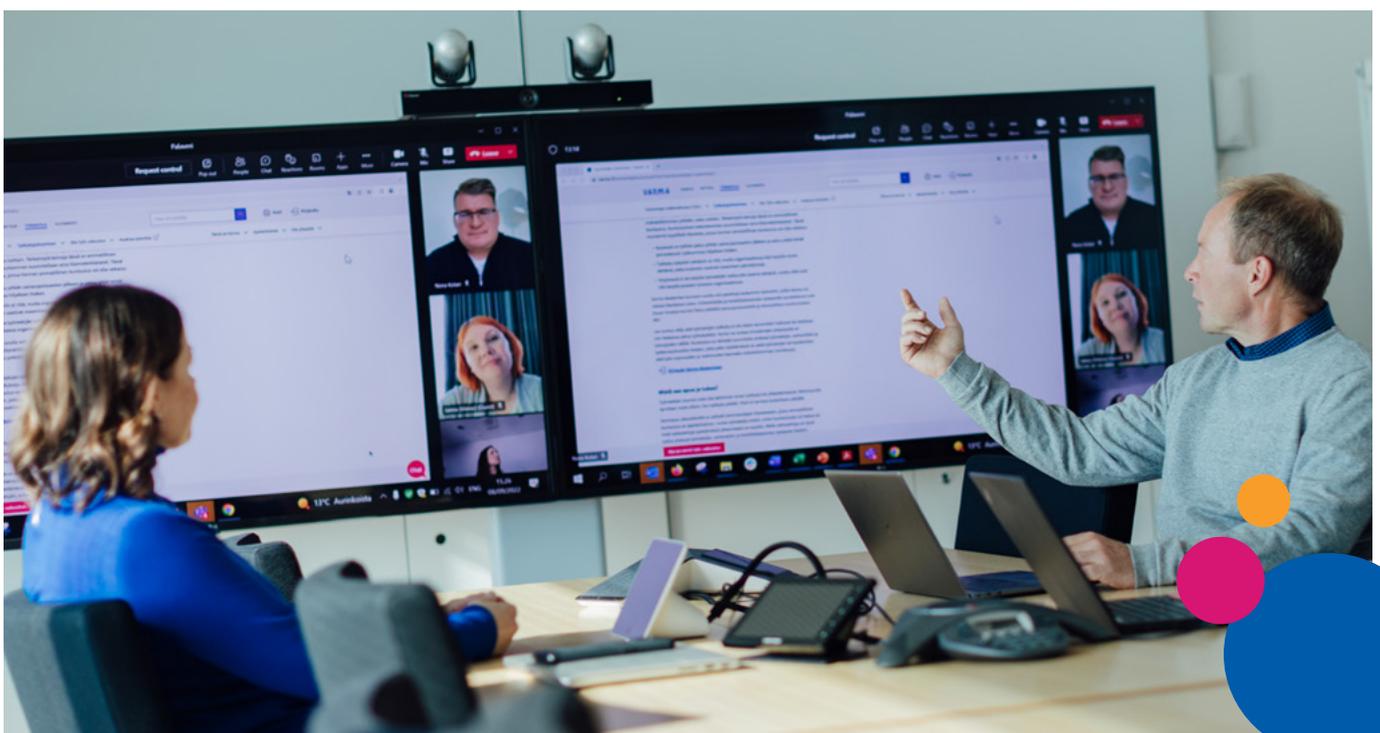
Varma is committed to respecting internationally recognized human rights and promoting their implementation in accordance with the UN principles on business and human rights. In addition, we are committed to the OECD Guidelines for Multinational Enterprises, the ILO's eight core conventions and the principles of the UN Global Compact initiative.

Our human rights work is also guided by the actions and commitments of our Sustainability Programme. In accordance with the Sustainability Programme, we assess the human rights risks and impacts of our investments and promote the minimisation of negative impacts.

We take into account the impact of our activities on human rights throughout the value chain. We require that our suppliers also act in accordance with the same principles. Our suppliers must commit to our [Supplier Code of Conduct](#).

Minimising the environmental impacts of our operations

We take into account environmental impacts in our own operations and in our supply chain. We have identified climate change and biodiversity as important themes in our operations. We have signed the Science Based Targets initiative (SBTi), which promotes science-based emission reduction targets (SBTi). By joining the initiative, we are committed to reducing our greenhouse gas emissions in accordance with the Paris Agreement.



We comply with good insurance practices

In all its activities, Varma takes into account the interests of Varma's policyholders, insured parties and compensation recipients.

Varma treats its customers impartially and fairly. All transactions with customers are made on market terms. Investments in client companies are justified from the point of view of safe investment operations and market conditions.

Varma only carries out its activities under its operating license and operates independently of other insurance companies.



Varma's own procurements and other business transactions are carried out on market terms. We require that our service and goods suppliers undertake to take responsibility for the economic, social and environmental impacts of their operations (Supplier Code of Conduct).

Every Varma employee is expected to know the Code of Conduct and to act in accordance with it

Familiarization with the Code of Conduct is part of the induction of Varma employees at the beginning of their employment, and knowledge is regularly maintained, for example, by reviewing sustainability issues in an online course. The supervisors must ensure that the code is observed.

Every Varma employee must follow the policies in our Code of Conduct. Actions that do not comply with these policies must be discussed primarily with your supervisor. If this is not possible, the supervisor's supervisor, HR partner or Compliance Officer can be contacted.

All Varma employees should regularly assess the risks of abuse in our own working environment. We encourage everyone to raise concerns about possible unethical or illegal activities and other abuses whenever there are grounds for doing so. Abuse refers to any negligence or act in which someone seeks, directly or indirectly, an unjustified economic advantage or other gain for themselves or others.

Varma also has a [Whistleblowing Channel](#), where suspected abuse can be reported anonymously. Such reports are handled confidentially by the Whistleblowing Team, which consists of representatives of compliance and internal audit. We will take measures to prevent abuse and to correct actions that violate our Code of Conduct on a case-by-case basis in an appropriate manner.