

Product name: ATP Livslang Pension

Legal entity identifier: 549300Y1IIQ0WYJR9F68

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Did this financial product have a sustainable investment objective?

Yes

It made **sustainable investments with an environmental objective: ___%**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective: ___%**

No

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

In 2022, ATP has continued to work on its climate ambitions, where, despite momentum, there are still a number of challenges associated with reaching the goals of the announced ambitions.

With regard to ATP's policy for social responsibility in investments, in 2022, ATP maintained and carried out its processes, which, among other things, led to the exclusion of the company Yunnan Baiyao Group Co Ltd for breaching the policy.

● **How did the sustainability indicators perform?**

As far as the ambition for green investments is concerned, these increased from DKK 61.4 billion. DKK to 65.6 billion DKK. This figure includes DKK 51.8 billion DKK in green bonds, DKK 3 billion DKK in listed shares, DKK 5.2 billion DKK in properties and DKK 5.7 billion DKK in direct investments and funds. Indicators are measured based on ATP's published method.

Regarding the ambition of better CO2 reporting in portfolio companies, ATP noted progress for a number of companies, although a number of challenges remain.

For the ambition of reduced CO2 intensity in ATP's investment portfolio and properties, the development is as follows:

For stocks, the CO2 intensity was 16.6 tonnes Co2/DKKm, where the 2030 ambition is 9.6 tonnes Co2/DKKm.

For corporate bonds, the CO2 intensity was 28.4 tonnes Co2/DKKm, where the ambition is 4.2 tonnes Co2/DKKm in 2030.

For properties, the 2030 ambition is a CO2 reduction of 85 per cent per m2 compared to 2018, where in 2022 a reduction of 71 per cent has been achieved per sqm compared to 2018.

- *...and compared to previous periods? N/A*

- *What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? N/A*

- *How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective? N/A*

— *How were the indicators for adverse impacts on sustainability factors taken into account? N/A*

— *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details: N/A*

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

ATP's policy for responsibility in investments sets the framework for ATP's work with negative sustainability impacts. The workflows for this are described by ATP in the report on responsibility, which is available on ATP's website.

ATP has also worked with the reporting of negative impacts, as described in Article 4 of the disclosure regulation, where ATP has reported on the indicators for the first time in 2022.



What were the top investments of this financial product?

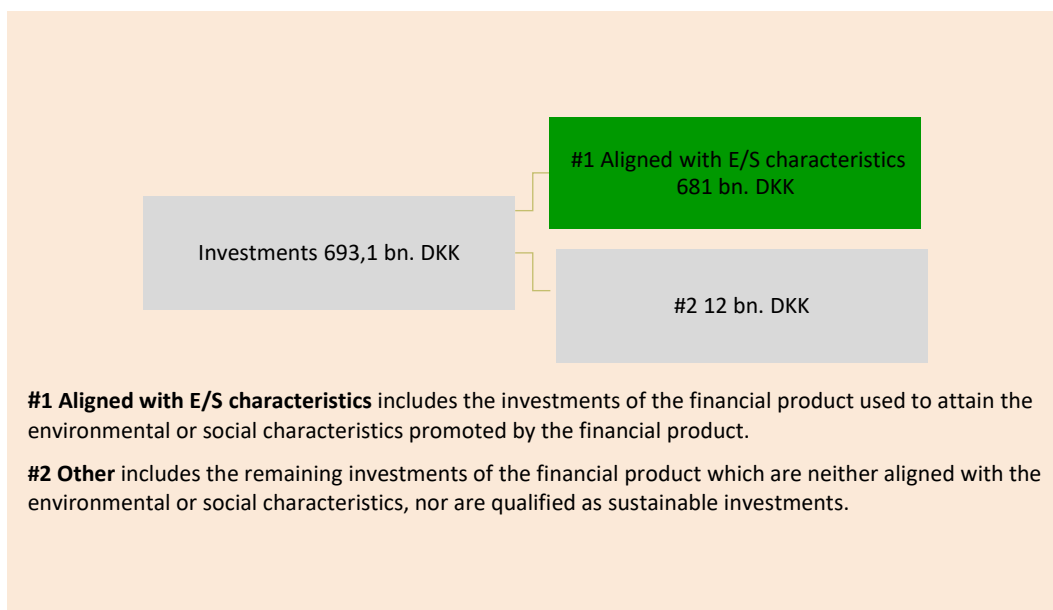
Largest investments	Sector	% assets	Country
Denmark sovereign bonds	Public	Not disclosed due to market considerations	Denmark
German Sovereign bonds	Public		Germany
Copenhagen Airports	Transport		Denmark
Red Mountain Timberlands	Materials		USA
Northvolt	Energy		Sweden
Boyd Corp	Consumer goods		USA
ESP Utilities	Diversified		UK
Leaseplan Corp	Financial		Netherlands
Redexis Gas	Utilities		Spain
TDC Holding	Communication		Denmark
Groupe B&B Hotels	Consumer goods		France
Tampnet	Communication		Norway
Horizon Roads	Financial		Australia
My Eye. Dr Optometrist	Consumer goods		USA
France Sovereign bonds	Public		France



The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01.01.2022-31.12.2022

What was the proportion of sustainability-related investments? N/A

● What was the asset allocation?



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **In which economic sectors were the investments made?** ATP invests broadly and in most sectors, and there is thus no demarcation as to which sectors ATP is invested in, apart from what can be derived from the Policy for Social Responsibility.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy? N/A

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**



Yes:



In fossil gas



In nuclear energy



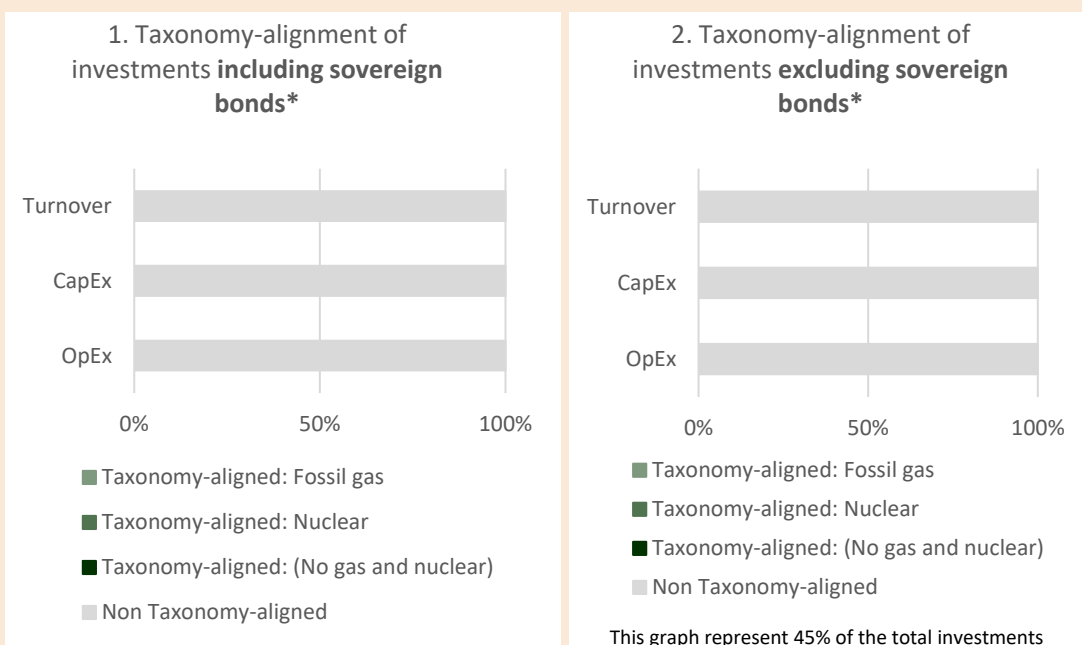
No

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

- **What was the share of investments made in transitional and enabling activities?** N/A

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?** N/A

- **What was the share of sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852?** N/A

- **What was the share of socially sustainable investments?** N/A

- **What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?** Category 2# other' consists of derivatives, deposits with credit institutions, as well as cash and cash equivalents. ATP uses derivative financial instruments to be able to maintain

an appropriate risk level in relation to ATP's business model. ATP's policy for social responsibility does not apply to derivative financial instruments. Deposits at credit institutions and cash and cash equivalents are used for the current account liquidity management. ATP's social responsibility policy does not apply to instruments used for liquidity management.



What actions have been taken to meet the environmental and/or social characteristics during the reference period? During the period, ATP has continued to work with screening and fact-finding, where the portfolio has been continuously checked. This has also been the case with ESG due diligence and ESG asset management. In our report on responsibility, we describe the various processes in ATP.

As far as our climate ambitions are concerned, ATP has worked with the portfolio companies' CO2 reporting primarily through active ownership. There has been progress in a number of areas within particularly listed companies, while particularly in our fund investments a number of challenges remain. We describe in more detail in the Report on Responsibility, how the work has progressed.



How did this financial product perform compared to the reference benchmark?
N/A

- **How does the reference benchmark differ from a broad market index?** N/A
- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?** N/A
- **How did this financial product perform compared with the reference benchmark?**
N/A
- **How did this financial product perform compared with the broad market index?**
N/A

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

