

**VERISURE MIDHOLDING AB  
SUSTAINABILITY REPORT**

# 2023



**We protect what  
matters most**



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# Another year delivering on our promise

In 2023, the world faced another challenging year. A number of significant macroeconomic factors impacted consumer confidence and spending power. For example, the aftermath of the pandemic, the war in Ukraine, higher energy costs, inflation, and increased interest rates. But, even in this more complicated environment, we continued to deliver on our promise to Protect What Matters Most.

We brought significant innovation to the market, continued to build our talented and engaged organisation, achieved another strong year of growth, formalised and advanced our ESG commitments, and received numerous external recognitions.

We celebrated our 35th anniversary and continued to grow our portfolio. By year-end, we protected over 5.1 million families and small businesses, strengthening further our impact through our core activities.

In 2023, our alarm receiving centres managed almost 70 million alarm signals and supported our customers in more than 345,000 incidents where on-site assistance was needed. This included emergencies, where our ability to react quickly and professional expertise saved lives. This is our core impact, to be there in the 'moments of truth', where the peace of mind of a family or the security of a business is at stake. Day after day, I am proud to see our more than 28,000 Verisure colleagues take responsibility for protecting our customers from burglaries, house fires, water damage, health emergencies, or feeling unsafe inside or outside their homes.

We ended the year with our teams as highly engaged as ever. This is crucial for us. We are people who protect people. We are a technology-enabled human services company. So, everything we achieve is thanks to our very special Verisure teammates. Time and again, they step up to protect our customers. We directly added more than 1,800 new positions on a net basis during the year and continued to invest in the professional growth and development of our people. We were once again



Austin Lally, Group CEO.

**“Without the trust of our customers, colleagues, investors, suppliers, partners and communities, we would not be able to fulfil our promise: Protecting What Matters Most.”**



recognised as one of the best companies to work for, with certifications across 11 countries as a 'Top Employer' and/or a 'Great Place to Work'. And, we have just been named a 'Top Employer in Europe' for 2024. These recognitions are important because they help us attract and retain the talent we need to grow.

We continued to foster our culture oriented to Diversity, Equity, Inclusion, & Belonging (DEIB). Last year we made progress in gender diversity, with women making up 38% of our company overall - 18 p.p. more than in 2015. We also created the role of grassroots diversity ambassador to further engage, listen, and implement suggestions across different diversity dimensions.

Across many of our countries in 2023, Verisure people found ways to help and protect those in need and provide specific services to vulnerable segments of our society. We supported the United Nations High Commission for Refugees and continued our work with the United Nations Global Compact to advance our ESG agenda. I would like to reiterate our support for the UN Sustainable Development Goals (SDGs), with a special focus on SDG 16 (Peace, Justice and Strong Institutions), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities), SDG 12 (Responsible Consumption and Production), and SDG 13 (Climate Action). Additionally, as we enter our fourth year as participants of the UN Global Compact initiative, we keep embedding its Ten Principles around human rights, labour, anti-corruption, and the environment into our strategies and operations.

Last year, we also formalised our global CSR strategy, which we will implement in 2024, allowing us to maximise our impact, support, and involvement with vulnerable segments of society. Doing The Right Thing is a key element in our culture and acting with Trust and Responsibility is embedded in our DNA. We maintained our focus on governance with a robust Group compliance program, covering compliance governance, policy framework, training, speak up processes, and risk assessments and evaluation.

As part of our risk assessment process, we carried out our first double materiality assessment in 2023, ahead of regulatory requirements. This exercise, which will be updated periodically, will help our stakeholders to understand not only the most external material impacts but also the financial opportunities and risks that ESG-related topics have for Verisure.

And our responsibility does not end here. In 2023, we made our sustainable sourcing strategy public – requiring us to maintain a clear engagement with our main suppliers. Thanks to this fruitful engagement, we are making progress towards our GHG emission targets for 2030.

Finally, as a testament to the strides made in ESG, Verisure Group (Midholding AB) has been recognised by Morningstar Sustainalytics<sup>1</sup> as an ESG Global 50 Top Rated company, as well as an ESG Regional and Industry Top Rated company.

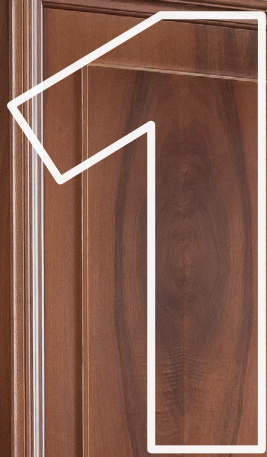
This progress would not have been possible without the support of all our stakeholders. Without the trust of our customers, colleagues, investors, suppliers, partners and communities, we would not be able to fulfil our promise: Protecting What Matters Most. With our talented team, our leading technologies, and the support of our stakeholders, I am optimistic and confident that we will reach our ESG targets for 2030 and beyond and make further strides in sustainable development. Thank you for your continued trust and support.

**Austin Lally, Group CEO.**  
Geneva, Switzerland, May 2024.

<sup>1</sup> In November 2023, Verisure Midholding AB received an ESG Risk Rating of 7.1 and was assessed by Morningstar Sustainalytics to be at Negligible risk of experiencing material financial impacts from ESG factors. In no event the labels above shall be construed as investment advice or expert opinion as defined by the applicable legislation.

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# OUR SUSTAINABILITY STRATEGY





# About this report

ESRS 2 BP-1

This document, the Verisure Midholding AB consolidated sustainability report (corporate identity number 556854-1402), is aligned with the financial statements and refers to the Environmental, Social and Governance (ESG) management of Verisure Group, including all its subsidiaries. Additionally, it also covers sustainability topics for our upstream and downstream value chain.

This report, together with our Annual Report and financial statements, is part of our commitment to transparency with our stakeholders.

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

Regarding methodology changes, in our carbon footprint methodology, we have applied several changes to the following scope 3 categories to increase the quality of the information:

- **Category 3:** fuel and energy related activities. For 2023 we have also included emissions from upstream natural gas production.
- **Category 6:** business travel. For 2023, only for European countries, we have obtained business travel data from our travel agency, which allows for a more precise estimation.
- **Category 7:** employee commuting. In 2023 we conducted a new fine-tuned employee commuting survey with more detailed information, and as a

consequence, improved our emission calculation methodology. We have extrapolated the 2023 results based on the employee number for 2021 and 2022, applying the corresponding emission factor to each year. This restatement has not had an impact on our 2030 targets.

We also actualised the 2022 data for scope 1, 2 and 3, as we received a better-quality data:

- Fuel consumption adjustment and emission factors actualisation.
- Adjustment of electricity consumption.
- Adjustment of spend for Group functions.

RESTATED COMPARATIVE FIGURES FOR 2021 AND 2022	2021	RESTATED 2021	2022	RESTATED 2022
Gross Scope 1 GHG emissions (tCO <sub>2</sub> eq)	-	-	41,748	43,959
Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	-	-	2,526	2,431
Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	-	-	815	721
Electricity consumption (MWh)	-	-	17,110	17,020
Total gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> eq)	126,886	118,337	128,395	125,636
Total GHG emissions per customer per year of service (kg CO <sub>2</sub> eq)	21.3	19.4	19.6	17.6
Total GHG emissions location-based, grid-average emission factor data, per net revenue (tCO <sub>2</sub> eq/€M)	66.6	63.2	61.1	60.9
Total GHG emissions market-based, grid-average emission factor data, per net revenue (tCO <sub>2</sub> eq/€M)	66.2	62.7	60.5	60.2

Our team can provide further information about this report through [sustainability@verisure.com](mailto:sustainability@verisure.com).

# 1.1 Verisure at a glance

ESRS 2 SBM-1

## Who we are

At Verisure we are the leading provider of professionally monitored security systems with 24/7 response services, and one of the leading providers of camera video surveillance systems for residential households and small businesses in Europe.

We believe it is a human right to feel safe and secure and we are now proud to **protect more than 5.1 million families and small businesses in Europe and Latin America.**



**“We protect what matters most. This is our purpose and the promise we make to our customers, partners, and other stakeholders.”**

Austin Lally, Chief Executive Officer.

### **Protecting what matters most since 1988**

Since we started protecting in 1988, our history has been one of cautious but regular expansion. From our roots in the Nordic countries and Spain, now **we operate in 17 countries across Europe and Latin America.** Moreover, since we acquired the European Operations of Arlo Inc. in 2019 through a strategic partnership, we also became a leading provider of camera video surveillance systems in Europe, serving users in over 50 countries, as Arlo Europe.

## - 2023 in numbers -



**5.1 M**  
customers.



**~800,000**  
new customers in 2023.



**€3,090 M**  
revenue.



**€1,885 M**  
portfolio services adjusted EBITDA.



**>28,000**  
dedicated colleagues.



**17**  
countries in Europe and Latin America.



# 17 countries in Europe and Latin America



## What we do

**We focus on bringing peace of mind to families and small business owners** through our professionally monitored alarms and camera video surveillance systems.

Our protection service includes professional installation, 24/7 monitoring, expert verification and response, customer care, maintenance, and technical support.

As well as protecting against intrusion we safeguard our customers from fire, attack,

theft, or life-threatening emergencies, among other hazards.

Our business is driven by organic growth based on our differentiated business model: we attract customers with a long-term perspective, and then we work hard to ensure that they are satisfied and stay with us. As a result, we keep one of the lowest attrition levels of the industry.

However, **we couldn't do this without the commitment of our more than 28,000 colleagues.**

We like to say that we are a technology-enabled human services company because our business model combines technology and human expertise. In fact, more than 80% of our colleagues interact with customers every day, leveraging best-in-class technology.

This connection provides the insights that inspire our innovation and fuels pride in our teams which, in turn, drives engagement.

# How we do it

**Our strategy fits on a single piece of paper.** We call it our 'SOAP' (Strategy On A Page).

We believe in the importance of making clear choices. This is the reason why our SOAP contains four straightforward sections:

- Vision, Mission and Objectives for the Company.
- Where to Play.
- Where Not to Play.
- How to Win.

**We base our strategy on customer-centred growth.**

We have grown strongly in the past and yet we still see major opportunities ahead of us. One of those is that home

security remains an underpenetrated business category.

To further grow our subscriber base, we will continue to refine and execute our differentiated business model: innovation, category-creating marketing, go-to-market excellence, customer-centred service, superior verification, and response.

## ***Innovation: the core of our business***

**Our investment in innovation to create differentiated security propositions allows us to offer premium solutions to customers,** which are seen as great value.

We have a strong, long-term track record of innovation. Our in-house development

teams cooperate closely with our technology partners in Israel, Silicon Valley (USA), France and elsewhere to design and deliver award-winning security products and services.

This is driven by insights gained because we are vertically integrated across key stages of our value chain. We focus our technology investment choices on where we can deliver clear differentiation to customers, and we intend to continue investing to support our premium positioning and extend our leadership position.





## World-class customer experience

We are committed to doing everything we can to keep our customers protected, a goal embedded in our operations that also creates a strong business.

An excellent customer experience drives loyalty and referrals. With this in mind, we aim to have the most satisfied and loyal portfolio of customers in the industry. To achieve this, we analyse how we perform at important 'moments of truth': sales, installations, service, monitoring, and response. This analysis helps us improve our operating processes and performance, so that tomorrow we can do things better than today.

At the end of the day, **we aim to provide a service which delights customers, exceeds their expectations and leads the industry.** An approach that helps to build pride in our people and creates value for our shareholders, our customers, our colleagues and society at large.



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

Marta Panzano,  
Group Chief Human Resources, Communications, and ESG Officer.



# 1.2 Our ESG Strategy

Our commitment to ESG is intrinsic to our company purpose, mission, and corporate values. Our main focus is on our customers, our people, and our communities, and for this reason the social aspect of our ESG strategy is the one that bears the biggest weight.

Also, our ESG strategy contributes to a wide range of SDGs through our daily activities.





# Engagement with our stakeholders

ESRS 2 SBM-2 / S1-2

Our ability to deliver our commitment to stakeholders has guided us throughout the years, teaching us that listening to them is the best way to adapt our strategy to changing contexts and to accelerate action.

We listen to our stakeholders carefully and discuss risks and opportunities with the Board to make the right decisions

with transparency, honesty, and responsibility. This engagement process takes place at a global and country level in accordance with our Code of Conduct.

To make a difference to society at large is an ambitious goal that runs through our entire value chain, from suppliers to final customers, including colleagues, investors, and communities. However,

we are convinced that we can do this by embracing a sustainability-driven approach across our value chain. A chance to empower one another to do the right thing, every day.

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

## How we engage with our stakeholders

(key channels – not exhaustive)

### EMPLOYEES

Group Code of Conduct and related policies.  
Sustainable Engagement survey and pulse surveys.  
Performance management and development process (STAR).  
Growth, including internal and international mobility.  
In-person and online training (e.g. through Sales and Operations Academies, Leadership programmes, and Workday Learning).  
Local and global dialogue with our management team (Verisure and country meetings).  
Holistic well-being programme.

### CUSTOMERS

24/7 Customer service.  
Customer visits for new installations and maintenance.  
Information disclosure on website (e.g. customer data disclosure).  
Customer satisfaction surveys (including the NPS for our products and services).

### COMMUNITIES

Social contribution activities (corporate volunteering, special product offering to more vulnerable people, targeted financial donations, tax payment and collection...)  
Job creation across Europe and Latin America.

### SUPPLIERS

Supplier Standards and Ethical Code.  
ESG assessment (e.g. ESG supplier risk assessment in qualification process and ESG dashboard for key product suppliers).  
Audits of suppliers of products and third-party logistics.  
Regular meetings (e.g. discussion of opportunities to decrease our carbon footprint).

### INVESTORS

Disclosure of Verisure policies in our investor relations website.  
Publication of Annual Report and Sustainability Report.  
Response to ESG surveys and rating agencies.  
Quarterly investors calls.  
Meetings with analysts and institutional investors.

### REGULATORS

Direct contact with the key public stakeholders in each country we operate in, including the police and fire brigade.  
Participation in government workstreams.  
Membership of private security associations at the European level and in most of the countries we operate in.

As a result of this engagement process, ESG has been part of our strategic plan since 2015. Moreover, as we state in our SOAP, it will continue to transform our company until we become a cross-industry benchmark for consistent measurable progress on environmental, social and governance issues. With our actions, we want to contribute positively to society in the countries we can influence through our value chain.

### **Our colleagues: relevant stakeholders**

We invite our colleagues to provide qualitative and quantitative input on an ongoing basis and in different ways. This regular and open dialogue helps us consider their viewpoints, guide our decision-making process, manage current and potential impacts and gain insight into risks and opportunities.

Every year we conduct a Sustainable Engagement Survey, our company-wide

annual listening exercise. It's one of the main ways to understand what our colleagues think, what is working well and what can be improved. After analysing the feedback, we deploy internal think tanks and action plans for improvement.

On top of that, in 2023 we launched Peakon globally: a monthly pulse survey that allows us to hear people's voice on a recurrent basis, providing real time feedback based on it.

Finally, we also have launched the Employee Lifecycle and eNPS pilot, to measure process satisfaction and gather additional feedback in key moments of the employee lifecycle: joining the company, onboarding process, changing job or departing.

In addition, around 80% of our colleagues are covered by internal or external systems of representation, such as Trade Union Representatives or Work Councils. These channels enable us to consult the representation of

our colleagues on a variety of topics: business decisions, compliance programmes or other initiatives.

Furthermore, we have other individual and direct ways to engage with our colleagues. For instance, our STAR Performance Management Process includes three key moments in the employee lifecycle to gather input: from assessing the year to establishing priorities or discussing opportunities for individual growth.

Another way to get direct feedback is our Speak-Up Channel, which is globally available and enables our colleagues to report any inappropriate conduct in our current work environment, guaranteeing the anonymity and protection of each user. The type and number of claims are consolidated in our Quarterly Compliance Reporting, which helps us understand the main compliance risks from our workforce and decide appropriate remediation actions.



# Double materiality assessment

ESRS 2 IRO-1 / ESRS 2 IRO-2 / ESRS 2 SBM-2 / ESRS 2 SBM-3

We identify our material issues, topics that influence the perceptions of our stakeholders on our performance and ability to create and sustain value, carrying a double materiality assessment. **This process evaluates the impact of sustainability factors** on both financial materiality and impact materiality.

- **Financial materiality** focuses on the identification of sustainability issues that could have a financial impact on the company.
- **Impact materiality** assesses the impact of our activities on broader Environmental, Social and Governance aspects.

By considering both financial and impact materiality, the Double Materiality Assessment provides a comprehensive understanding of the company's sustainability IROs (Impact, Risk and Opportunities), helping stakeholders make more informed decisions regarding investment, risk management, and corporate strategy.

Our first double materiality assessment has been conducted following the CSRD, which contains guidelines on how to consider the aspects involved with actual and potential impacts, positive or negative, on stakeholders. It also guides how to determine the double relative importance of those matters: for the stakeholders and from a financial perspective.

To carry out our assessment, we gathered input from representatives of our key stakeholders: customers, investors, suppliers and employees. Additionally, some of our senior leaders shared their perspectives through interviews, facilitating an evaluation of the significance of each subject. In addition, a comprehensive analysis of the main ESG analysts in our industry was carried out, guaranteeing that the report presents a comprehensive and nuanced perspective of the current scenario. Several peers were also considered to gather the importance of their materiality impacts.

## Identified material topics and subtopics

In this assessment we have finally confirmed the same 11 material topics that we had already encountered in our first single materiality assessment, available in our 2022 Sustainability Report.

Each material topic is scored based on its impact materiality and financial materiality. These topics comprise 28 subtopics, considering more than 70 IROs. The overall materiality score for each topic is derived from the highest-scoring subtopic, while each subtopic derives its score from the highest-rated IRO, whether it represents a positive or negative impact (Impact Materiality) or a risk or opportunity (Financial Materiality).

The table on the next page displays the list of topics, subtopics, and whether they represent an impact, risk or opportunity with the corresponding name of the main IRO. The highest-rated are signalled in bold:





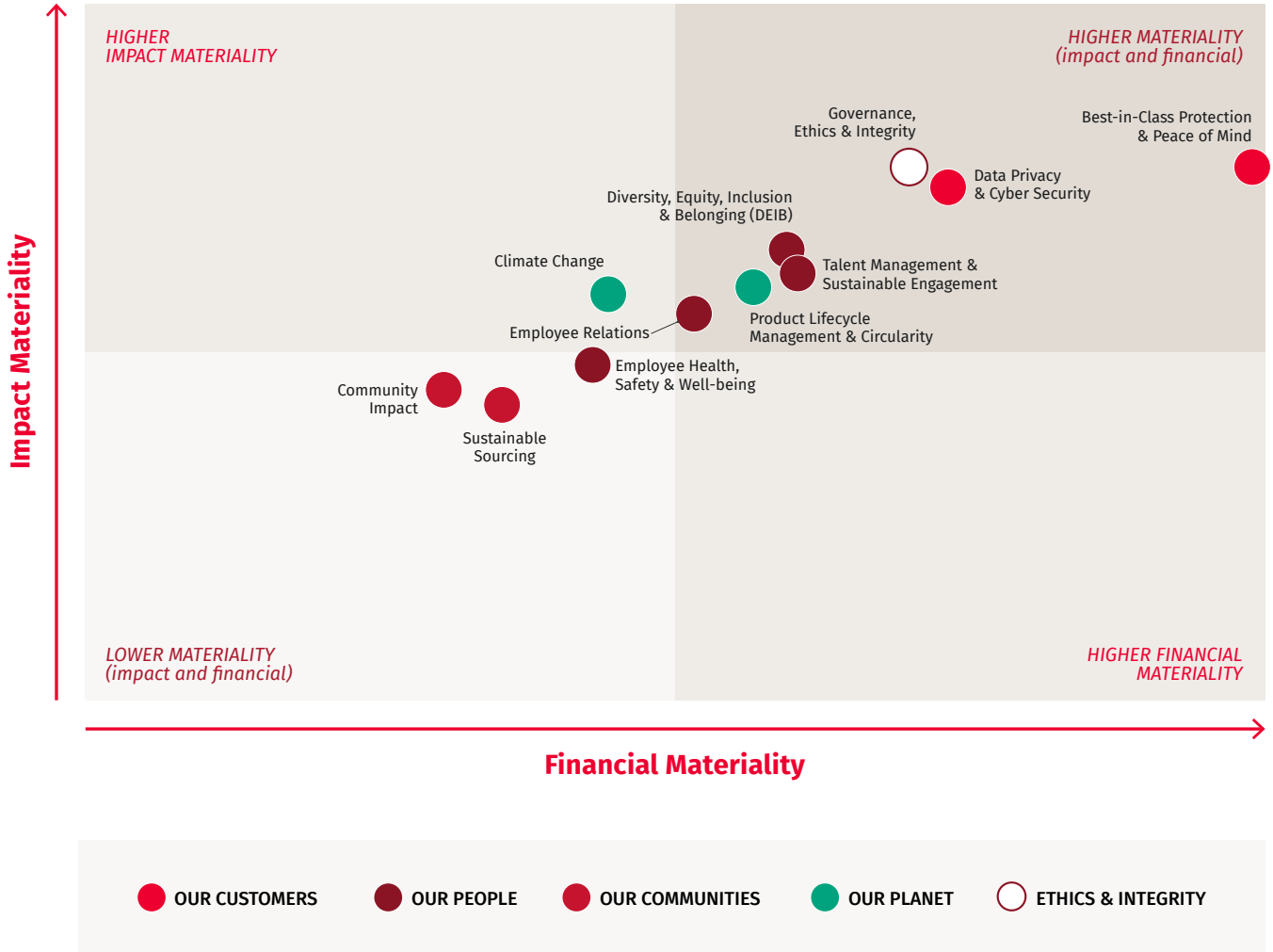
	TOPIC	SUBTOPIC	MAIN IMPACT	POSITIVE/ NEGATIVE IMPACT	MAIN RISK OR OPPORTUNITY	RISK/ OPPORTUNITY
E	CLIMATE CHANGE	Minimisation of our GHG emissions	High GHG emissions from vehicle fleet.	Negative	Higher costs due to higher electricity and fuel prices as a result of the current geopolitical situation and global decarbonisation requirements.	Risk
		Energy efficiency	Energy savings through the installation of presence detectors or timers in passageways, such as corridors toilets, etc.	Positive	Economic losses and slow improvements due to difficulties in managing and implementing new energy measures (led lighting updates, building envelope improvements, etc).	Risk
		Adaptation to the effects of climate change	-	-	Cost reduction due to the implementation of energy efficiency measures.	Opportunity
	PRODUCT LIFECYCLE MANAGEMENT & CIRCULARITY	Use of sustainable and long-term solutions	Consumption of non-renewable raw materials in the production chain.	Negative	Short-term cost increase resulting from the adoption of product lifecycle improvement policies.	Risk
		Waste management and recycling	Implementation of policies and actions promoting the circular economy.	Positive	Reputational and brand enhancement due to proper waste management achieving zero-landfill strategy by 2035 goal.	Opportunity
S	BEST-IN-CLASS PROTECTION & PEACE OF MIND	Ensuring customer peace of mind 24 hours a day	Implementation of leading surveillance techniques to ensure high-quality service for customers.	Positive	Reputational loss due to failures in security systems produced by third parties (internet, phone lines, etc.).	Risk
		Protection of vulnerable segments	-	-	Adaptation to new specialised technological solutions for vulnerable individuals.	Opportunity
		Fastest possible response in case of emergency	Enhancement of safety and protection through reduced emergency response times.	Positive	-	-
		Solution innovation and quality	-	-	Attracting customers through superior value proposition when compared to competitors, offering innovative products with a high degree of safety.	Opportunity
	DIVERSITY, EQUITY, INCLUSION & BELONGING (DEIB)	Employment opportunities for people who have difficulty finding work	Increasing job creation and recruitment by promoting diversity.	Positive	Reputational loss due to the limited representation of diverse groups (women, youth, disabled, etc.) and the absence of initiatives in this realm.	Risk
		Ensuring DEIB for our employees, customers, and communities	Strengthening internal equity, reducing the gender pay gap, and addressing gender diversity inequities through the implementation of a specific strategy.	Positive	Enhanced reputational standing, better functioning, engagement, and productivity resulting from the reduction of the gender gap.	Opportunity
		Meritocracy and Inclusion	Promoting internal growth through a performance-based professional development policy.	Positive	-	-
	DATA PRIVACY & CYBER SECURITY	Transparency	-	-	Deterioration of trust due to a perceived lack of transparency by the company.	Risk
		Ensuring privacy and data protection in our products and services	Security gap in the company's products stemming from a lack of readiness for emerging threats.	Negative	Economic losses incurred as a result of a security breach within the company's systems.	Risk
		Promoting a strong corporate culture of privacy and information security	Violation and/or leakage of personal data of stakeholders.	Negative	The enhancement of stakeholder confidence through the assurance of correct personal data management strengthens loyalty to the company but also has a positive impact on its reputation and long-term growth.	Opportunity

	TOPIC	SUBTOPIC	MAIN IMPACT	POSITIVE/ NEGATIVE IMPACT	MAIN RISK OR OPPORTUNITY	RISK/ OPPORTUNITY
S	EMPLOYEE RELATIONS	Commitment to respect for the Human Rights of UNGC	<b>Improvement of individuals' working conditions as a result of the guarantee and safeguarding of Human Rights in the workforce.</b>	Positive	<b>Enhanced reputation resulting from stakeholders' perception of the company's commitment to advocating for and respecting Human Rights.</b>	Opportunity
	TALENT MANAGEMENT & SUSTAINABLE ENGAGEMENT	Involvement of staff in achieving sustainable engagement	<b>Enhancing the company's impact through the achievement of sustainability objectives because of increased staff engagement.</b>	Positive	Achieving the company's sustainable goals through enhanced employee involvement.	Opportunity
		Encouraging internal growth and training opportunities	-	-	<b>Attracting talent through the offering of positions with an appealing professional growth trajectory.</b>	Opportunity
	EMPLOYEE HEALTH, SAFETY & WELL-BEING	Promoting employee safety, health, and well-being	<b>Promotion of occupational health and safety, along with the enhancement of the living and economic conditions of the company's employed personnel.</b>	Positive	<b>Enhancement in productivity as a result of ensuring well-being and reducing work absences due to safety and health measures.</b>	Opportunity
	COMMUNITY IMPACT	Relationship with communities mainly through job creation	<b>Enhancing dialogue and engagement with stakeholders through the creation of job opportunities.</b>	Positive	Reputational loss due to a lack of dialogue and contribution to the needs of stakeholders.	Risk
		Corporate volunteering and social action	Contribution to society through volunteer programs and social action initiatives.	Positive	<b>Increased volunteering and social action initiatives enhance awareness of societal needs, leading to greater engagement and improved brand recognition.</b>	Opportunity
	SUSTAINABLE SOURCING	Sustainability of the value chain	<b>Strengthening the environmental and social commitment of the value chain through the establishment of ESG criteria in the supplier homologation process.</b>	Positive	Increase of reputational risks linked to subpar sustainability performance within the value chain.	Risk
Human Rights in the Supplier Base		Promotion of Human Rights through the establishment of policies and programs within the company and across the supplier chain.	Positive	<b>Enhancement of the RFQ process by having access to more a diverse supplier base.</b>	Opportunity	
G	GOVERNANCE, ETHICS & INTEGRITY	Regulatory compliance and good corporate governance practices	Enhanced investor and stakeholder confidence through a robust and transparent governance framework.	Positive	Inefficiencies in the strategic decision-making process stemming from inadequate governance structure (lack of role allocation, insufficient diversity of profiles in the Board, etc.).	Risk
		ESG risk management	The lack of management and strategies for unidentified social and environmental impacts.	Negative	Enhancement in the development of mitigation strategies and plans through the effective management of ESG risks.	Opportunity
		Responsible and ethical business practices	<b>Promoting internal ethics and transparency for the benefit of the environment and society.</b>	Positive	Reputational damage and economic sanctions resulting from unfair competition practices (such as price-fixing, bid coordination, collusion, etc.).	Risk
		Fiscal Transparency	The economic and social development of local communities through strict adherence to fiscal obligations.	Positive	Financial losses due to non-compliance with fiscal legislation.	Risk
		Standardised reporting of ESG information	-	-	<b>Enhancement in reputation and visibility as a result of standardisation, accessibility, and disclosure of the company's ESG information.</b>	Opportunity



The main conclusions of the Double Materiality assessment are shown in the Double Materiality Matrix below:

### DOUBLE MATERIALITY ASSESSMENT 2023








# Committed to action

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. In this regard, 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.







As part of our sustainability journey, three years ago we became participants in the United Nations Global Compact (UNGC). This initiative is the world's largest voluntary corporate sustainability action, which catalyses business awareness and action in order to achieve the Sustainable Development Goals (SDGs).

As participants in the UNGC, we are committed to acting responsibly and incorporating the Ten Principles of the UNGC in relation to human rights, employment, anti-corruption and the environment into our strategies and operations. At the same time, we are committed to identifying further opportunities to advance and promote a positive impact on the SDGs aligned with our framework and issues: 5, 8, 10, 12, 13 and 16.

## Commitment table by material topic, with SDG

CHAPTER	MATERIAL TOPIC	COMMITMENT
OUR CUSTOMERS	<b>BEST-IN-CLASS PROTECTION &amp; PEACE OF MIND</b> 	We protect what matters most to families and small businesses through our industry leading, professionally monitored security solutions.
		Our “award-winning” innovations help ensure our customers' peace of mind around the clock.
		Beyond providing peace of mind, we also work to save human lives in emergencies.
		Our highly trained experts at our 24/7 alarm centre are ready to respond rapidly and effectively to any emergency.
		We partner with security and emergency services to ensure a rapid response when every second counts.
		We aim to support more vulnerable members of society through adapted services.
	<b>DATA PRIVACY &amp; CYBER SECURITY</b> 	Verisure’s products and services are also designed for data privacy and protection, as one of our core promises to our customers.
		Our organisation works in a structured way, driving a strong privacy and information security culture, to safeguard the interests of all individuals and entities entitled to protection of their data privacy, including our customers and employees.
		We are committed to transparency in our responsible and proactive approach to data protection and cyber security.
OUR PEOPLE	<b>DIVERSITY, EQUITY, INCLUSION &amp; BELONGING (DEIB)</b>   	We are committed to supporting our colleagues through DEIB by promoting better talent attraction, retention, engagement, and performance.
		We provide job opportunities for those in our society who have difficulty finding work. We draw on this very valuable source of talent for our continuous growth while improving our competitive advantage. <ul style="list-style-type: none"> <li>• <b>OUR TARGET:</b> Increase women’s representation to 40% of the company overall by 2030</li> <li>• <b>OUR TARGET:</b> Increase women’s representation to 33% in leadership positions by 2030</li> </ul>



CHAPTER	MATERIAL TOPIC	COMMITMENT
<h2 data-bbox="172 322 320 405">OUR PEOPLE</h2>	<h3 data-bbox="485 322 751 394">DIVERSITY, EQUITY, INCLUSION &amp; BELONGING (DEIB)</h3> 	<p data-bbox="794 322 1398 400">We promote diverse representation with a strong focus on gender, followed by age and disability, ensuring access to opportunities for everyone through meritocracy and inclusion.</p> <p data-bbox="794 448 1398 548">We aim to mirror the diversity in the communities in which we operate to understand our customers' needs better so we can further adapt our products and services to provide peace of mind in a more customised way.</p>
	<h3 data-bbox="485 598 719 645">EMPLOYEE HEALTH, SAFETY &amp; WELL-BEING</h3> 	<p data-bbox="794 598 1398 676">We take the safety and health of our colleagues very seriously, by promoting their holistic well-being, as employees and as individuals.</p>
	<h3 data-bbox="485 837 715 907">TALENT MANAGEMENT &amp; SUSTAINABLE ENGAGEMENT</h3> 	<p data-bbox="794 837 1398 916">We work hard to ensure high levels of sustainable engagement with our mission and values for our people, across functions, countries and demographics.</p> <p data-bbox="794 963 1398 1041">We focus sharply on providing our colleagues with continuous learning and growth opportunities to build critical skills so they can unleash their full potential and perform at their best.</p>
	<h3 data-bbox="485 1084 715 1106">EMPLOYEE RELATIONS</h3> 	<p data-bbox="794 1084 1398 1184">We are committed to respecting fundamental human rights through the United Nations Global Compact principles and agenda, including fair employment conditions, internally and across our supply chain.</p>
<h2 data-bbox="172 1279 437 1361">OUR COMMUNITIES</h2>	<h3 data-bbox="485 1279 740 1301">SUSTAINABLE SOURCING</h3> 	<p data-bbox="794 1279 1398 1379">We promote sustainable sourcing through engagement with our suppliers, providers and partners, conducting ESG assessments and requesting compliance with our Supplier Standards and Ethical Code.</p> <ul data-bbox="794 1402 1398 1581" style="list-style-type: none"> <li>• <b>OUR TARGET:</b> 100% supplier acceptance of our Ethical Code by 2025</li> <li>• <b>OUR TARGET:</b> 100% of Strategic Product Suppliers Evaluated via Audit by 2025</li> <li>• <b>OUR TARGET:</b> 100% of strategic and important suppliers rated in ESG by 2025</li> </ul> <p data-bbox="794 1626 1398 1682">We aim to promote diversity in our supplier base through our supplier-diversity programme.</p> <ul data-bbox="794 1704 1398 1749" style="list-style-type: none"> <li>• <b>OUR TARGET:</b> 15% of diverse suppliers within the supplier base on our e-Sourcing platform by 2030</li> </ul>
	<h3 data-bbox="485 1794 699 1816">COMMUNITY IMPACT</h3> 	<p data-bbox="794 1794 1398 1850">We are committed to being a positive actor in our communities, making a difference through job creation and social impact.</p> <p data-bbox="794 1895 1398 2018">We support more vulnerable people in our communities who need protection by offering our time, skills and knowledge of our colleagues and partners, to enhance their opportunities to feel safe and secure, as well as selectively providing our products and services for protection and targeted financial donations.</p>

CHAPTER	MATERIAL TOPIC	COMMITMENT
<h1 style="color: white; margin: 0;">OUR PLANET</h1>	<h3 style="color: white; margin: 0;">CLIMATE CHANGE</h3> 	<p>We are committed to reducing our GHG emissions on a revenue-intensity basis by 2030 vs 2021 in our operations (Scope 1 and 2) and our value chain (Scope 3) by more than 40%. We are committed to achieving Net Zero by 2050.</p> <ul style="list-style-type: none"> <li>• <b>OUR TARGET:</b> -40% Scope 1+2 revenue-intensity based emissions by 2030 vs. 2021 (Car Fleet)</li> <li>• <b>OUR TARGET:</b> -40% Scope 3 revenue-intensity based emissions by 2030 vs. 2021</li> <li>• <b>OUR TARGET:</b> Commitment to Net Zero by 2050</li> </ul> <p>As part of our strategy, we aim to increase the use of renewable energy in our buildings to more than 80% by 2030.</p> <ul style="list-style-type: none"> <li>• <b>OUR TARGET:</b> Increase the use of renewable energy in our buildings to more than 80% by 2030</li> </ul>
	<h3 style="color: white; margin: 0;">PRODUCT LIFECYCLE MANAGEMENT &amp; CIRCULARITY</h3> 	<p>We choose long-term solutions across our supply chain throughout the lifecycle of our products and services.</p> <p>We are pursuing a zero-landfill strategy by 2035, through optimisation of our waste management and recycling opportunities.</p> <ul style="list-style-type: none"> <li>• <b>OUR TARGET:</b> -50% Single-use Plastics usage in Product Packaging by 2025 vs. plastic weight per unit in 2021</li> <li>• <b>OUR TARGET:</b> -75% Single-use Plastics usage in Product Packaging by 2030 vs. plastic weight per unit in 2021</li> <li>• <b>OUR TARGET:</b> -100% Single-use Plastics usage in Product Packaging by 2050 vs. plastic weight per unit in 2021</li> <li>• <b>OUR TARGET:</b> 100% Total Waste recycled In the distribution centers by 2025</li> </ul>
	<h3 style="color: white; margin: 0;">ETHICS &amp; INTEGRITY (CORPORATE GOVERNANCE)</h3> 	<p>Doing The Right Thing is a key element in our culture and acting with trust and responsibility is embedded in our DNA. We lead by example and enable our people to deliver on our commitment to act ethically at all times.</p> <p>We compete fairly and we are committed to responsible and ethical business practices.</p> <p>We work as a trusted partner with public bodies to ensure high standards of regulatory compliance. We follow strict corporate governance principles.</p>



To encourage impact on these SDGs, we are part of the UNGC SDG Ambition Accelerator Program, which is helping us understand how to set ambitious targets and develop consistent action plans to reach them.



### ESG Roadmap 2023-2025

Our ESG roadmap for 2023-2025, a formalised strategy approved by the ESG Board Committee, helps us translate priorities into goals, considering our internal priorities, reporting, and stakeholder requirements.

We see policies, regulation and training as key operational enablers, together with active leadership, sharing of best practices, and internal and external communication. These are all aspects that will be tracked in the coming years through monitoring and governance.

An important milestone for 2023 has been the implementation of an ESG data tracking and reporting tool, which enables us to have a powerful data

acquisition, validation and verification process. It also gives us flexibility and the possibility to customise our KPIs in response to our needs, stakeholder interests and regulations. This tool will also facilitate a third-party assurance of our KPIs as it will be required by the CSRD in 2026.

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

# External assessment

In the last quarter of 2023, we engaged with Morningstar Sustainalytics to obtain our first solicited ESG risk rating. These ratings measure the exposure of a company to industry-specific material ESG risks and how well it manages those risks to achieve comparable results across industries.

The rating distinguishes five levels of risk: negligible, low, medium, high, and severe. **Verisure received an ESG Risk Rating of 7.1 and was assessed by Morningstar Sustainalytics to be at negligible risk of experiencing material financial impacts from ESG factors.**

During this process, the company has also been recognised by Morningstar Sustainalytics as an ESG Global 50 Top Rated company, as well as an ESG Regional and Industry Top Rated company<sup>1</sup>.

We are proud of all our colleagues for their efforts in helping us land these remarkable recognitions. We know the path towards sustainability does not end here, so we will continue to build on this momentum in our ESG journey.



<sup>1</sup> In November 2023, Verisure Midholding AB received an ESG Risk Rating of 7.1 and was assessed by Morningstar Sustainalytics to be at Negligible risk of experiencing material financial impacts from ESG factors. In no way should the labels above be construed as investment advice or expert opinion as defined by the applicable legislation.

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2



OUR  
CUSTOMERS



# 2.1 Best-in-Class Protection & Peace of Mind

**Our reason to exist is to bring peace of mind to families and small businesses.**

We believe this is one of our key contributions to society, in alignment with the United Nations SDG 16 which aims to promote peace, justice and strong institutions. This is why we are continuously challenging ourselves to innovate and do better.

Our ambition is to broaden access to our services, especially to vulnerable segments of society, as well as widen the scope of protection we offer.

**We want to be there to protect what matters most to people**, whenever and wherever they need us, both in and out of the home.



**“In 2023, our teams received almost 70 million alarm signals and supported our customers in more than 345,000 incidents with on-site assistance.”**

Cristina Rivas, Group Chief Technology Officer.

## Our commitments

ESRS 2 SBM-2 / ESRS 2 SBM-3



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



2. Our ‘award-winning’ innovations help ensure our customers’ peace of mind around the clock.



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



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



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



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

# Technology innovation and human response

ESRS 2 SBM-3

**The best protection for our customers comes from continuous innovation in our technology**, enabling our people to detect, verify and intervene in security, fire, and health emergencies more effectively. Our solutions provide greater protection and peace of mind, so our customers can rest assured that the installation of a Verisure security system reduces the risk associated with these kinds of events and that we will respond immediately if necessary.

We have a track record stretching back more than 30 years of innovating, creating new technologies and providing better and more affordable high security that became the industry standard. In 2023 we focused on:

- **The effective deployment and enhancement of our latest detection and protection technology.**
- **The advancement of important innovations:** for example, the GuardVision Business Video Detector, our new two-in-one camera for small

businesses, which enables them to benefit from video surveillance and alarm detection in one device. This allows us to enrich our offering to this important segment.

- **The expansion and evolution of our digital services**, such as our In-App Automation Features, created to simplify app functionality for our customers.

We have also worked on **improving our collaboration with police and emergency services.**

Over the years we have built close relationships with the police in several of our countries. In some of these geographies, we have a direct connection with police force, so we can share live information with them in the event of an incident, contributing to an effective and efficient action and aiming to also reduce the risks to their officers. Our aim is to further expand such collaboration across our geographies.



**“Beyond providing peace of mind, our ultimate mission is to save lives. This is why we partner with emergency services, to ensure the fastest and best possible response when every second counts.”**

Olivier Allender,  
President for France, Belgium & Arlo Europe.



In this regard, our actions and collaborations not only contribute to world-class protection for our customers but will also improve protection for the public, reduce risks and enable emergency services to allocate resources to other incidents or needs.

As a result of these efforts, **the size of the network we operate is continuing to grow rapidly**. In 2023 our teams managed tens of millions of 'Internet of Things' devices, operating 24/7 and generating more than 1.3 trillion signals.

Our devices enable us to protect customers day in and day out, rapidly providing our monitoring centres with the data needed to detect and verify alarm incidents.

Our agents are very proficient and use best-in-class technology in our alert centres worldwide. They have the crucial role of

reacting to emergencies fast and efficiently. They support our customers when they face their most difficult times.

Our detection devices enable us to identify intrusions even before the intruder enters the building and, in the event of an emergency, our Verisure alarm customers can contact us directly using a panic or SOS button or calling us through their alarm device.

Through our alarm systems, in 2023, we received almost 70 million alarm signals and protected families and businesses in more than 345,000 incidents where they needed on-site assistance.

Thanks to our quick and effective response, we contribute to an essential basic human right: to feel safe and protected.

## Our technology in 2023, at a glance

**>30**

years innovating.

**24/7**

protection.

**>345,000**

incidents with on-site assistance.

Almost

**70M**

alarm signals.

**>1.3T**

signals.



# Customer satisfaction and loyalty

S4-2 / S4-3

**Our aim is to have the most satisfied and loyal portfolio of customers in the industry.**

The marketing teams across our geographies are responsible for overseeing overall customer satisfaction. To achieve this, we set high standards for how we perform during the ‘moments of truth’ that arise in sales, installations, services, monitoring, and alarm responses.

We make sure we are operating at the highest standard by monitoring a broad range of metrics to ensure we take data-driven decisions that have a measurable and meaningful impact on our customers and society.

In doing so, we apply our expertise in human behaviour and **perform an open and constant communication process with our customers**, which allows us to listen to them, understand their needs and offer them the best solution, continuously improving the performance of our systems and the quality of our service.

We also deliver high-quality customer service through a wide range of channels across our countries, using telephone, email, chat, social media, and face-to-face communications.

An important part of this process is our transactional NPS survey<sup>1</sup>, a tool that helps us gather feedback within 48 hours after each customer interaction. This survey is sent primarily by email and followed up with a call if needed. We also conduct research into a representative sample of customers to measure relationship NPS<sup>2</sup>, twice a year. Its performance is then shared at the level of the executive team and the Board.

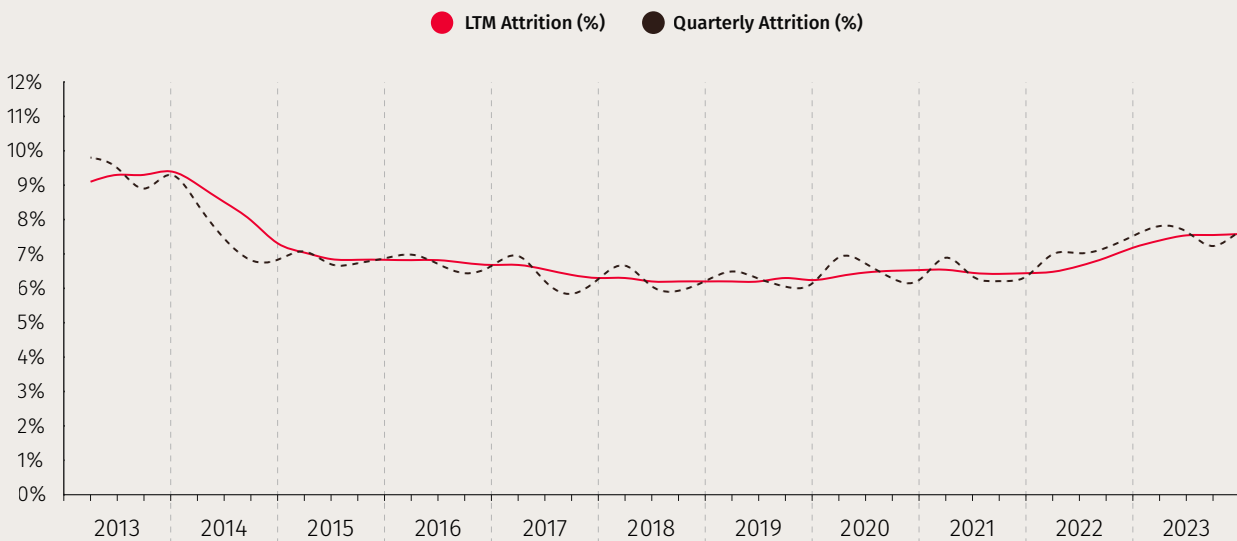
The results show that, in general, families and businesses are highly satisfied with the protection we provide. We are very proud of the trust our customers place in us and of having the lowest attrition rates in our industry. Last year we did see an uptick in attrition, reaching 7.6%, as households and small businesses have been under considerable cost-of-living pressure.



**“Once we attract our customers we retain them by working hard to ensure that they are satisfied. This is how we contribute to a long customer lifetime.”**

Olivier Horps, Group Chief Marketing Officer.

## Verisure’s attrition rate



<sup>1</sup> Transactional NPS scores are produced on a real time basis and are measured by each market.

<sup>2</sup> Relationship NPS is measured twice per year, with performance shared at the level of the Group Executive Team and the Board of Directors.

# Customers' health and safety protection

S4-2

**Our protection extends to making sure that all our products are safe for customers.** We have implemented robust steps during our product development to ensure we avoid Health & Safety (H&S) risks.

Every one of our products is tested and CE marked according to the Directive 2014/53/EU Radio Equipment. At the same time, all our batteries and power connectors are certified according to the Eco-design Requirements for Energy-Related Products Directive (ERP

2009/125/CE). Our Zerovision™ product is subject to the same requirements, with additional certification under the Pyrotechnic Articles Directive (2013/29/EU). The product safety information is always attached to our products and the corresponding Declarations of Conformity are published on our website.

In addition, the products our customers interact with, such as key fobs and wristbands, are subject to additional testing on top of what is required under

the aforementioned regulations. To ensure they are safe we conduct testing on chemical resistance, abrasive wear, thermal stability, UV resistance, thermal shock, and mechanical resistance. We also perform nickel and other allergy tests on devices that come into contact with human skin.

As a result of these measures, we haven't recorded any significant H&S incidents involving our customers' interactions with our products.



# Protecting the most vulnerable segments of society

We are very conscious of the safety and security challenges faced by specific segments of the population, such as seniors, more dependent people living or travelling alone, and women victims or at risk of gender-based violence.

In addition to our core security services, we continue to innovate and develop solutions to support and protect people in these situations.

## Senior Protection

Our senior services in Spain are designed **to provide senior citizens and their families with protection, wellness, and peace of mind, leveraging the latest technological innovations to make their lives safer and easier.**

Our services are supported by a team of highly trained professionals in our Senior Citizens Emergency Centre with the help of different devices:

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

and tele-pharmacy and telemedicine services, as well as connection to others. It's equipped with an SOS button and voice-activated assistance to provide urgent attention 24/7.

- The smartwatch has many of the same features, like an SOS button, but it also measures the daily activity of its user. This smartwatch is also capable of detecting falls, inside or outside the home, and locating the wearer so help can be sent immediately.

Through our special senior protection, we protect over 136,000 senior citizens, working closely with our partners to expand our portfolio. In 2023 alone, we received around 1.2 million signals in our dedicated Senior Citizens Emergency Centres and, through our Senior Protection service in Spain, we have reacted quickly to more than 32,000 emergencies.

It makes us proud to have highly professional and well-trained colleagues who are fully committed and dedicated to saving lives.

**>136,000**  
senior citizens  
protected in Spain.

**>1.2M**  
signals received  
in Spanish Seniors  
Emergency Centres.

**>32,000**  
real senior  
emergencies  
attended in Spain.



## Guardian: Personal protection outside the home

The Verisure Guardian app available in an increasing number of our countries provides protection and peace of mind to people facing potentially dangerous situations, no matter where they are.

In case of an emergency outside the home, our customers can push the SOS

button on their mobile phones. Then, our GPS enabled technology allows us to locate their exact position and send help immediately, alerting relatives and the emergency services while one of our security representatives stays on the line until help arrives.

People travelling alone or along a route that makes them feel unsafe can activate our 'Walk with Me' feature, through which we track their progress and ensure they arrive at their destination safely. Our customers just need to set their

destination and the length of the journey so we can monitor the signal as their location moves along the route. If safe arrival is not reported by the specified time, emergency protocols are activated to inform relatives and the emergency services of their location.

Through this technology and our highly trained and committed professionals, we are proud to have reached a record-high number of users of our personal protection service.

## Verisure Guardian, step by step

With Verisure Guardian we want to protect people out of their homes. For instance, our customers can activate the 'Walk with me' feature when they start a journey or outdoor activity that makes them feel unsafe.

This is how it works:



The user defines the estimated time needed to reach a destination.



We receive periodic signals with the user's location.



If the user doesn't confirm their safety within the set time, we receive an alert together with the user's location.



We call the user and, if needed, the user's registered contacts. If the situation is confirmed, we can notify emergency services.



## What others say

While the best recognition of our innovation is in the protection and service we provide to our customers, **we have been honoured with several awards in 2023**, such as the Red Dot Award we received for our GuardVision camera and In-App Automation Features.

We were also recognised by industry bodies and received several customer recognition awards for our product suite, including 'Product of the Year' awards in Spain, France, Italy, Portugal and Belgium.



reddot winner 2023



**We want to be  
there to protect  
what matters  
most to people.**





# 2.2 Data Privacy & Cybersecurity

At Verisure our continued success depends on our ability to maintain the trust of our customers, colleagues, and business partners.

## Data Privacy

### Our focus on data privacy

ESRS 2 SBM-3 / S4-1

Our customers trust us with their personal data, so we live up to our promise of trust and responsibility by collecting, storing, and using these securely and responsibly.

Strict privacy standards also intertwine with our promise of trust and responsibility and enhance trust in our brand moreover. In 2023 we have launched a Group Privacy internal site across all countries which references our Group Data Privacy Policy, amongst other key documents, setting out the principles and rules to be followed in our operations to continue deserving the trust that we have earned and fostered throughout the years.



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

Srebrenka Hanak,  
Group Communications Director.

## Our commitments

ESRS 2 SBM-2



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



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



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

## Ensuring data privacy

S4-2 / S4-3

We have a comprehensive Group Data Privacy Programme to ensure data privacy and protection and we are continuously **strengthening our data privacy framework and fostering Group-wide awareness through robust training efforts.**

The comprehensive Group's Privacy Program is GDPR-based and built on six pillars:

1. Governance, structure, people.
2. Policy, standard, procedures.
3. Digital operational processes.
4. Transparency & privacy commitments.
5. Awareness, training & communications.
6. Risk management, audit, trends & benchmarking.

We rely on recognised software and system providers for managing operational privacy compliance.

In this regard, for our pillar '**awareness, training & communications**' we have continued rolling out our data privacy e-learning training, mandatory for all our colleagues during onboarding. In 2023, we also developed five tailored Group trainings for specific audiences, including HR and Talent Acquisition, Monitoring, Customer Care, Sales, and Marketing, to distribute them across all geographies.

Each country has specific procedures and guidance on how to continuously strengthen data privacy practices and manage relations and contacts with customers. The Group data privacy e-learning training, which achieved an overall completion rate in the Group of 82% in 2023, complements the dedicated data privacy training in the countries.

**Our products, services and related processes are designed to protect the personal data** of our customers and users of our services. Detailed data privacy impact assessments form part of the product and service development process and our contracting process with third parties. Our data privacy



professionals work closely with each of the functions and businesses to ensure that our commitment to data privacy and protection is reflected in everything we do.

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



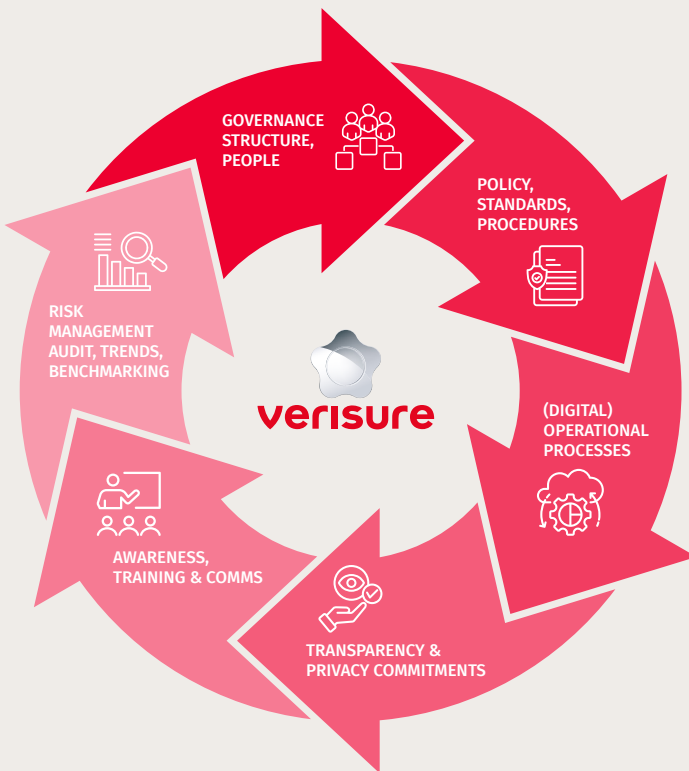
Data privacy incidents are handled according to set procedures using digital reporting tools. We follow up on data privacy incidents with appropriate remedial measures and report them to our Audit Committee on a quarterly basis, complying with all applicable laws in our reporting and notifications, including the General Data Protection Regulation (GDPR).

**Our Head of Group Privacy** manages the Group Data Privacy Programme together with a Group Data Privacy Council, with members representing each of the Clusters. She has been building a team of Group Data Privacy professionals. Developments, incidents, and cases related to the Group Data Privacy Programme are also reported to the Audit Committee on a quarterly basis.

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

## Our tools to ensure data privacy

A Group Data Privacy Programme, based on 6 pillars:



### With 2023 key efforts on:

- Data privacy training.
- Data privacy in product design (privacy-by-design and by-default).
- Transparency on data management.
- Reporting tools and remediating measures for data privacy incidents.
- Shared responsibility and governance/ people allocation improvements: CLO, Group Head of Privacy, Group Data Privacy team, Group Data Privacy Council, DPOs, Data Privacy Champions, Audit Committee.

### Data privacy risk assessment and third party-audits

S4-3

**Data privacy risk assessments form part of our key business processes and initiatives.** As part of our processes, we are committed to conducting Privacy Impact Assessments 'PIAs' for all initiatives involving personal data. Significant focus goes into upholding privacy-by-design solutions for new camera device propositions.

During the year we have also maintained our practice of conducting rotating **third-party privacy audits** with a renowned accounting firm, with four countries completing an audit in 2023. No significant issues surfaced during these audits.

# Cybersecurity



**“We live in a digitalised world, where the protection of customer data and company assets is critical. This is why we are proud of having obtained once again our ‘advanced’ classification in terms of cyber security from BitSight in 2023.”**

Fabien Casteran,  
Group Information Security Director.

## Governance of cybersecurity

ESRS 2 SBM-3 / S4-1

**As a company whose mission is protecting and providing peace of mind, we are conscious of the importance of protecting the data our customers entrust us with.** This is why cybersecurity is at the core of our security mission and company purpose.

We foster a strong privacy and information security culture and offer increased transparency through a responsible and proactive approach, making our organisation fully conversant with privacy topics.

We strive towards integrating not only Privacy by Design, but also Information Security by Design in all our products, services, and business activities. To this end, we have a strong Information Security programme, sponsored by the Board and CEO, in which we invest heavily to ensure the security of our customers and our estate.

Our overall investment in our Cybersecurity programme is regularly benchmarked against investment in the financial services sector, rather than consumer electronics companies.

Underpinning our security programme is a robust set of internal and external processes to identify risks and vulnerabilities, which ensures regulatory compliance.

Our core information security management processes are:

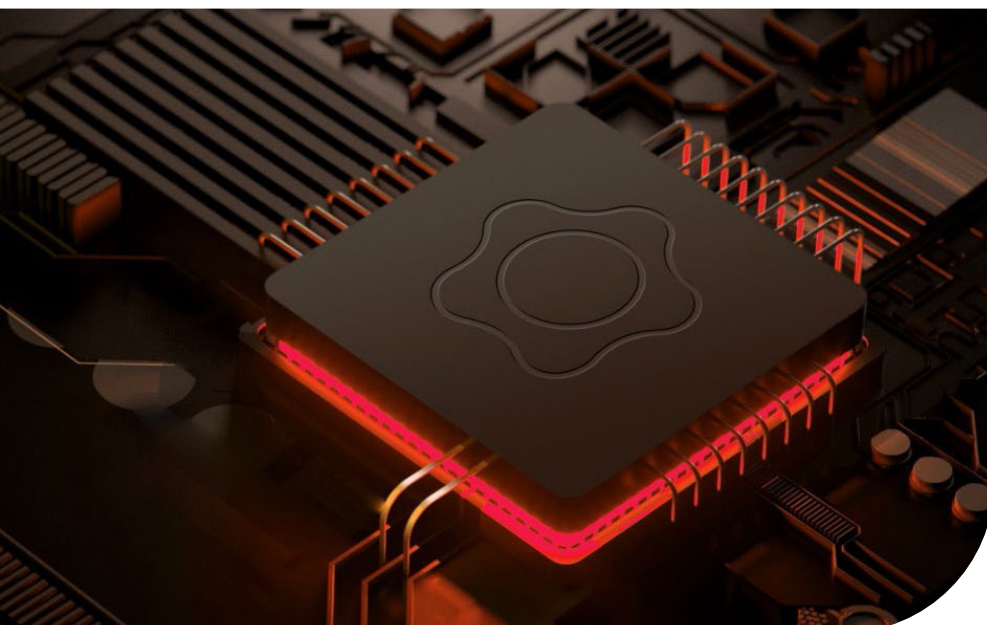
- Designed in accordance with best practices, such as ISO 27001.
- Complemented by sector-specific requirements and legislation, such as BS7858 for the vetting of our monitoring centre personnel.
- Strengthened compliance with all relevant European and UK standards on alarm handling, such as EN50518.

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

Our in-house Security Operations Centre has a global remit and provides 24/7 coverage to help identify and manage our response to potential security incidents, further supported by Trustwave, our external global digital forensics and incident response partner.

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

During 2023, both our Group Information Security Policy and the Group Acceptable Use of IT Resources Policy were reviewed and formally approved by the Board in September 2023.





## How we reinforce cybersecurity

S4-1 / S4-4

In 2023 we have continued developing several solutions for enhanced protection of privacy and data security and have further expanded the coverage of our tools to consolidate our strong security foundation.

This focus resulted in the implementation of new solutions for network and application security, a logical continuation of our journey to evolve our information

security programme towards adaptive defences that will increase our resilience to potential cyberattacks.

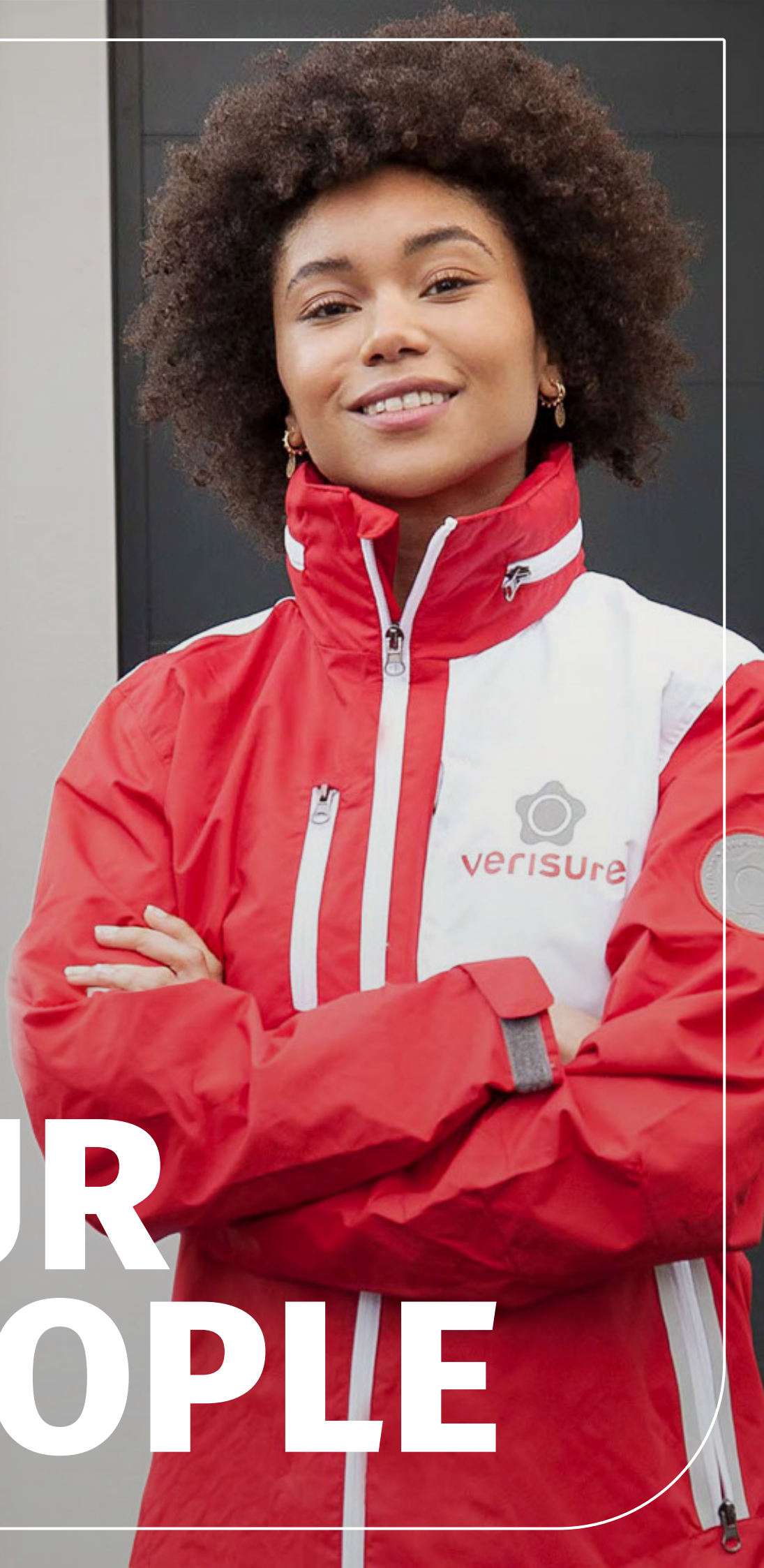
To achieve this, we have implemented an extensive company-wide security education and awareness programme. This programme uses artificial intelligence to manage a comprehensive simulated phishing and microtraining programme and provides role-specific training and mandatory online training on our Group Information Security Policy and our Acceptable Use of IT Resources Policy.

During the year we have continued to make progress on all aspects of information security, and we further reinforced our capabilities to address the rapidly evolving threat landscape. Our efforts in this area were again recognised in 2023, with BitSight, a leading cybersecurity ratings solution, rating our cybersecurity position as “advanced” and ranking us in the top quartile of our industry peers.





3



OUR  
PEOPLE



**The success of our organisation is built on the commitment, passion, and talent of its members.** As a technology-enabled human-services company, our colleagues stand ready to respond in an instant, in order to protect what matters most.

We work hard to ensure diversity-conscious management and an inclusive experience, key elements in the relationship with our colleagues and their sense of belonging. Our aim is that our people embody our DNA wherever they go and whenever they act.



# 3.1 Diversity, Equity, Inclusion & Belonging (DEIB)

DEIB is a key asset for our company. Embedded in our business and ESG strategies, it has also been recognised as one of our material topics within our double materiality assessment.

We aspire to mirror the diverse representation of the societies we work in by creating an inclusive environment where everyone can share their identity and uniqueness. We want to ensure access to opportunities and meritocracy in all our HR processes, minimising potential biases and nurturing a culture and leadership that champion inclusion and generates a greater sense of belonging.

## Our commitments



1. We are committed to supporting our colleagues through DEIB by promoting better talent attraction, retention, engagement, and performance.



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



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



4. We aim to mirror the diversity in the communities in which we operate to understand our customers' needs better so we can further adapt our products and services to provide peace of mind in a more customised way.



# Verisure DEIB Strategy

ESRS 2 SBM-3 / S1-1

DEIB is consolidated as a steadfast business priority for us, integrated as an objective within our strategic plan since 2015. In 2023, we continued to make strides in our DEIB ambition and strategy, developing a unified equity and inclusion agenda and a 2023-2025 roadmap to guide our efforts.

Our strategy continues to follow a broad approach to DEIB, where **Verisure has a key role as an employer, as a business and as social actor**. We strongly believe we unlock the value of human capital, gain long-term competitive advantage, and improve our impact and perception by playing these three key roles.

On the one hand, **as an employer, we are dedicated to establishing an inclusive environment** where everyone can bring their best-selves to work.

In this regard, our 2023-2025 roadmap includes shared initiatives, where applicable, and standardised Key Performance Indicators (KPIs) across our various countries and functions to both ensure and monitor progress effectively.

Thus, our goal is to ensure access to opportunities and meritocracy for all, mitigating unconscious bias in all critical HR processes. Therefore, we cultivate a robust culture and leadership that promotes inclusion, reinforces belonging

and improves employee experience. In terms of diverse representation, we embrace a holistic approach towards various forms of diversity, generating a unique value through characteristics such as gender, age, disability status, nationality, sexual orientation and gender identity, socio-economic background, education and work experience, race and ethnicity, religion, moment in lifecycle, personality and working style.

On the other hand, **as a business and social actor, we observe an opportunity in DEIB to make a positive impact on our business, our customers, and our communities**.

## How we work on each diversity aspect

During 2023 we have focused on improving gender equity across the organisation, prioritising the areas of sales, technology, and leadership. This focus has been followed by age and disability diversity. Moreover, local talent in the geographies we operate in, especially in management and frontline services, becomes a relevant diversity dimension.

Considering our goal to accurately represent the communities we serve, we take into account their local diversity landscape. For some of our markets, race and ethnicity become relevant and specific topics to address. Our purpose is to prevent and manage any potential inequality based on this identity, especially when it becomes a social priority. Additionally, we approach sexual orientation and gender identity dimensions by ensuring an inclusive culture and promoting a sense of belonging.



To help our people excel and maximise their potential, we offer the necessary tools, support and environments to our colleagues, considering their unique needs and personal attributes.

Discrimination and harassment in any form are unequivocally prohibited across our HR processes, including recruitment, compensation, job assignments, promotion and support. Our colleagues' satisfaction with our

DEIB efforts is reflected in the answers to the Sustainable Engagement survey question related to diversity and inclusion support in the workplace. Since 2016, this question has improved its score by 14 points, reaching its record high in 2023. Additionally, during 2023, Diversity category remained the second highest-rated category in the Sustainable Engagement Survey, maintaining results as the previous year.

**+14 pp**  
increase to the Sustainable Engagement survey question on DEIB since 2016.

## DEIB strategic framework

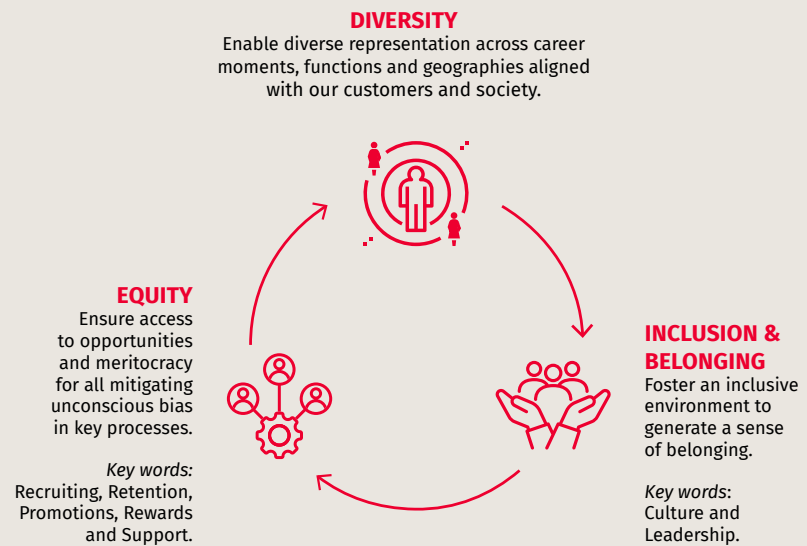
### Verisure as an Employer

### Verisure as a Business

Perform better by building diverse, high performance teams that better protect the diverse range of customers we serve.

### Verisure as a Social Actor

Increase social impact by a better protection of the most vulnerable, offering job opportunities to a diverse range of candidates in our communities.



#### DEIB DIMENSIONS

- > GENDER
- > AGE
- > DISABILITY STATUS
- > NATIONALITY
- > SEXUAL ORIENTATION & GENDER IDENTITY
- > SOCIO-ECONOMIC BACKGROUND
- > EDUCATION & WORK EXPERIENCE
- > RACE & ETHNICITY
- > RELIGION
- > MOMENT IN LIFECYCLE
- > PERSONALITY & WORKING STYLE

#### KEY ENABLERS

- OPERATIONAL ENABLERS**
  - > Systems, Processes and Tools.
  - > Policies and Regulations.
  - > Training and Learning.
- ACTIVATION AND COMMUNICATION ENABLERS**
  - > Leadership activation.
  - > Internal and External Communication.
  - > Best practice sharing.
- TRACKING ENABLERS**
  - > Monitoring.
  - > Governance.

# Our pillars for an inclusive workplace

S1-1

We focus our efforts on building a truly inclusive environment across three pillars: culture, leadership and governance.

## Our Culture, our DNA

At Verisure, we work every day to protect what matters most. Our performance is driven by our unique DNA, our values and Doing the Right Thing Together. Our values are intended to build a consistent employee experience and generate a positive impact in our customers. This employee experience includes the recognition of the intrinsic worth of varied perspectives, backgrounds, and talent that we actively cultivate in an inclusive environment where our DNA is challenged every day, across every process.

As stated in one of our core values, Winning as a Team, we are determined to listen to one another, collaborate and work together, which implies experiencing inclusion in everything we do. We leverage our strengths and our diversity to deliver even better outcomes, while developing and supporting one another.

At the same time, our leaders consider inclusion while growing high-performance teams, ensuring the best talent with complementary skills and perspectives. We value, respect and seek diversity, creating a safe and inclusive work environment for every colleague.

## Leadership activation

**At Verisure we have strong leadership commitment and support for our DEIB initiatives**, sponsored personally by our CEO, Austin Lally. DEIB has a prominent position in our SOAP (Strategy On A Page) and we continue to invest in cultivating inclusive leadership capabilities as a cornerstone of our Verisure Leadership Model.

During 2023 we consolidated our Verisure RISE Leadership Model, explained in the section [Talent Management and Sustainable Engagement](#) of this chapter. This Leadership Model incorporates the **input gathered from over 60 of our leaders**, representing different generations, functions and geographies.

As part of this new leadership model, we defined a pillar by the name 'We strengthen and grow a high-performance, diverse organisation' in which we also refer to how we expect our leaders to lead using a diverse and inclusive approach. Additionally, the statement 'We build high-performance, diverse teams', extracted from this pillar, contains the behaviours we expect from our leaders on diversity:

- We ensure we have the best talent for the right role, with complementary skills and perspectives.
- We value, respect, and seek diversity, creating a safe and inclusive work environment where everyone can bring their true self to work.



Some DEIB ambassadors, united for the first time in September 2023.

## Governance

**Our CEO sponsors our Verisure Diversity, Equity, Inclusion & Belonging Committee (VDEIBC)**, which met twice during 2023, reviews the DEIB roadmap and ensures progress and focus on key strategic actions, discussing country-specific needs and how to support them. In terms of leadership, the local management teams and the managing directors have been deeply involved in DEIB progress focusing on main local DEIB challenges in our geographies.

On top of that, **we also assigned DEIB country representatives and created cross-country and cross-function forums** to strengthen collaboration and best practice sharing. During 2023 we have held DEIB country dialogues, with 100% of the countries committed to updating local and global challenges, initiatives and KPIs evolution.

Furthermore, to ensure our colleagues are represented, **our Group DEIB team called for DEIB Ambassadors**. They are committed to promoting DEIB across our Verisure geographies. During 2023, we welcomed 22 DEIB ambassadors from 13 locations. As a company, we acknowledged the need to nominate these essential roles to help us define the company DEIB roadmap. They help progress and are committed to leading the way forward for a more inclusive organisation.



# Diversity in our workforce

## Representation

S1-6 / S1-9

We are proud to have more than 28,000 highly engaged and committed colleagues. Since 2016 we have expanded the Verisure family by 15,600 colleagues and, in 2023 alone, our teams increased by 1,822 professionals.

**+15,600**  
colleagues vs. 2016.

**1,822**  
net jobs created  
in 2023.

**28,137**  
active employees in  
2023 (headcount).

As we continue to grow, our priority remains on attracting and retaining best-in-class talent, fostering an inclusive environment where everyone can thrive and evolve alongside us. We aim to provide a supportive and dynamic workplace that empowers individuals to reach their fullest potential.

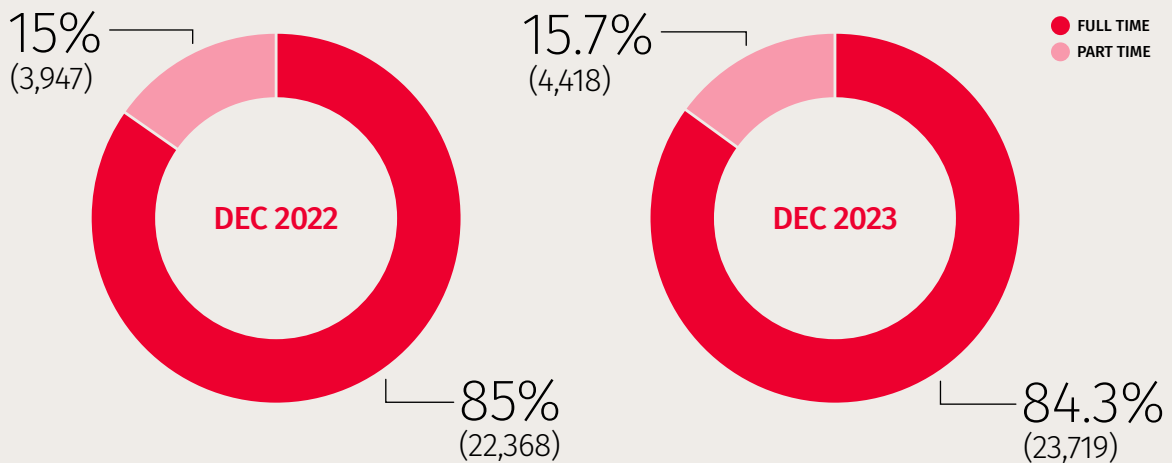
We constantly monitor the evolution of our policies using different KPIs, and to ensure an inclusive environment, our people processes are reviewed on a regular basis.

These outcomes serve as crucial tools in assessing our performance, understanding our methodologies, and identifying areas where we can improve.

**Total number of colleagues by gender and age (active headcount)<sup>1</sup>**

TOTAL EMPLOYEES	DEC 2022	DEC 2023
<b>WOMEN</b>	<b>9,866</b>	<b>10,647</b>
Under 30	12.2%	12.2%
30-50	22.9%	22.3%
Over 50	2.4%	3.3%
<b>MEN</b>	<b>16,417</b>	<b>17,460</b>
Under 30	21%	20.8%
30-50	36.1%	34.9%
Over 50	5.3%	6.3%
<b>Total (excludes gender non declared)</b>	<b>26,283</b>	<b>28,107</b>
Non declared / Not informed	32	30
<b>TOTAL</b>	<b>26,315</b>	<b>28,137</b>

**Total number of colleagues by contract type: full-time vs. part-time**



<sup>1</sup> Calculated using headcount, all active permanent and temporary colleagues at the end of the period. Calculated considering colleagues that are 50 years old as part of the 'over 50 years' old category.

## Gender diversity

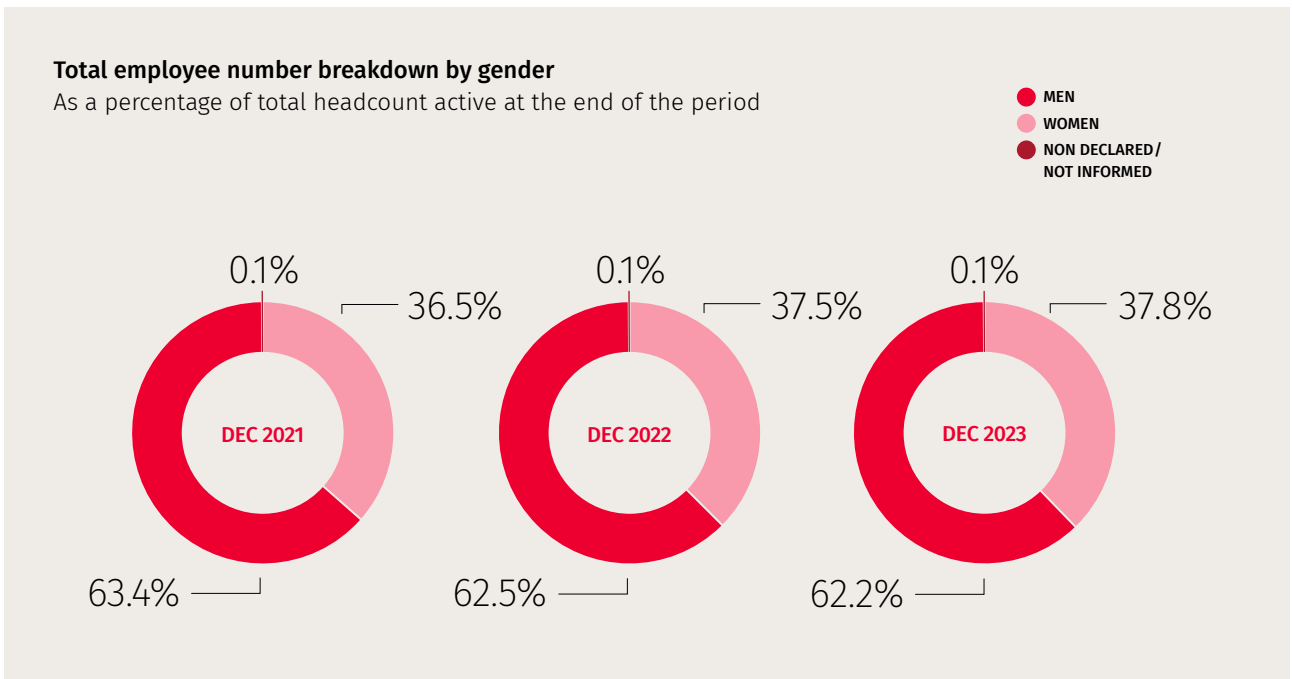
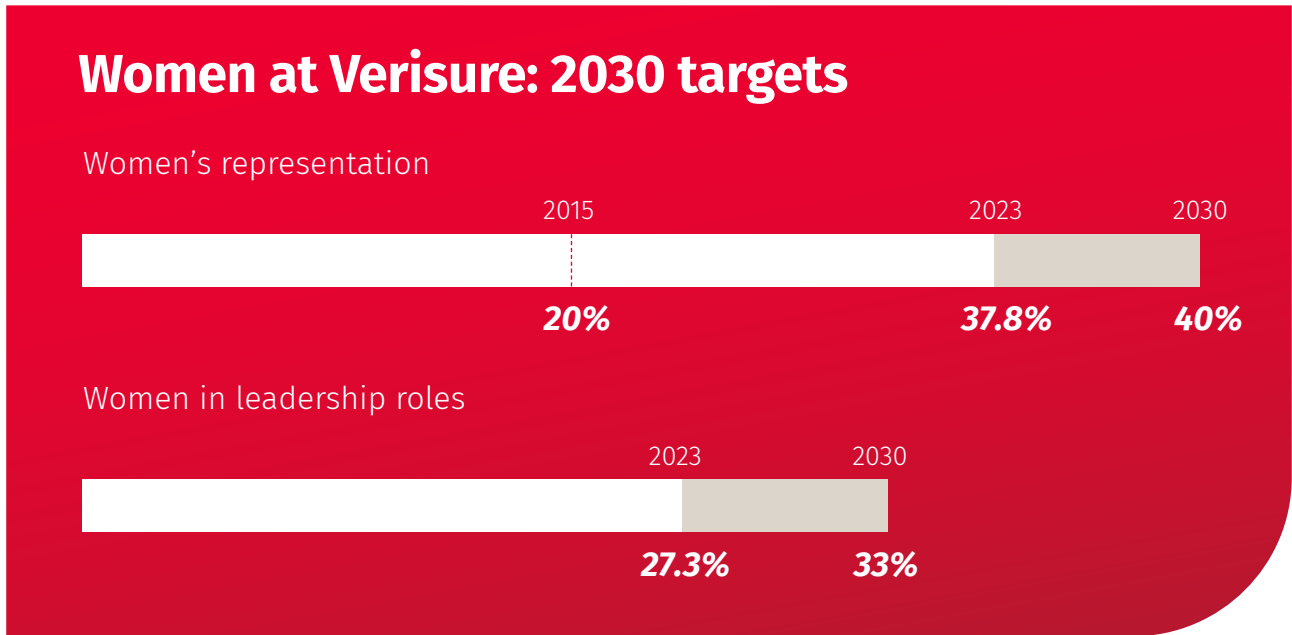
S1-6 / S1-9

In recent years, our main objective has been focused on improving gender equity across various sectors of our organisation, specifically within our sales and technology functions, as well as within leadership roles.

The global representation of women at Verisure currently stands at 37.8%, a significant increase from 20% in 2015. Women in leadership roles account for 27.3% of these types of

positions. In 2022, Verisure established gender targets, aimed to elevate female representation globally to 40% by 2030, with a minimum target of 33% in leadership positions.

Notably, in countries such as Spain, Brazil, Sweden or Italy, women's representation already exceeds 40%. Accordingly, 43% of Verisure's total net hires in 2023 were women.



At an organisational level, women representation already surpasses our overall set objectives in the Human Resources (HR), Finance, Operations, Legal, Administrative Business Support, Communications, Sourcing and Supply, Marketing Acquisition and Marketing Portfolio areas. Additionally, some of the aforementioned areas with the highest number of employees, are operating on equal terms, with balanced gender share.

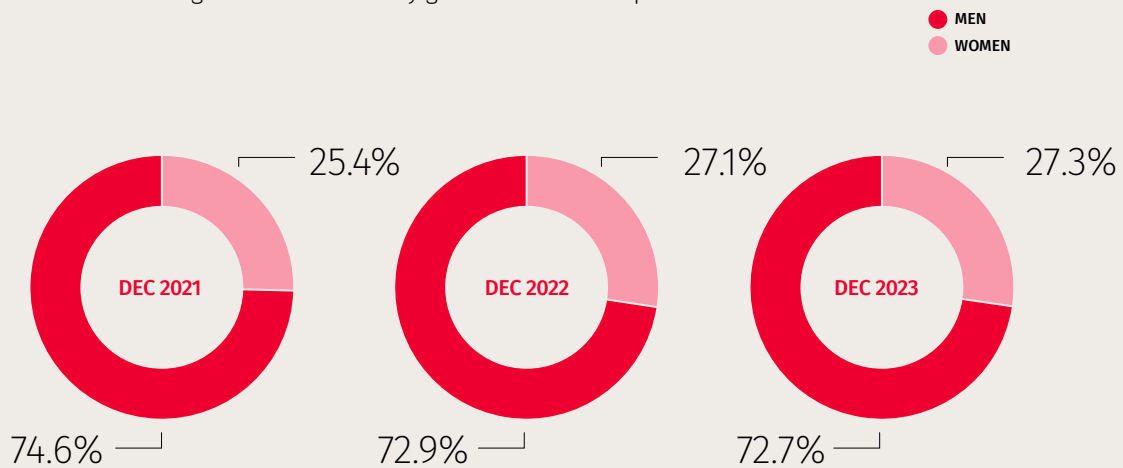
Conversely, departments such as Technology and Sales are actively striving to enhance gender diversity, making notable progress. Our Technology sector aligns with global benchmarks for gender representation, showcasing our commitment to gender equality within the technological landscape.

With our ambition in mind, we are motivated by the increasing number of women we identify as key talent and potential successors within our leadership talent pipeline.

For reference, seven years ago, female representation in the Group Executive Team stood at 9%, with only one female leader. **In contrast, looking at the end of 2023, women constitute 33% of our nine-member Group Executive Team, advancing gender diversity within our top leadership positions. Furthermore, during 2023 we appointed our first two women as managing directors.**

### Women in leadership roles at Verisure

Total number of colleagues broken down by gender in leadership





## Age diversity

S1-9

In our commitment to better reflect and cater to our diverse customer base, **we value age diversity as a fundamental component of our strategic framework.**

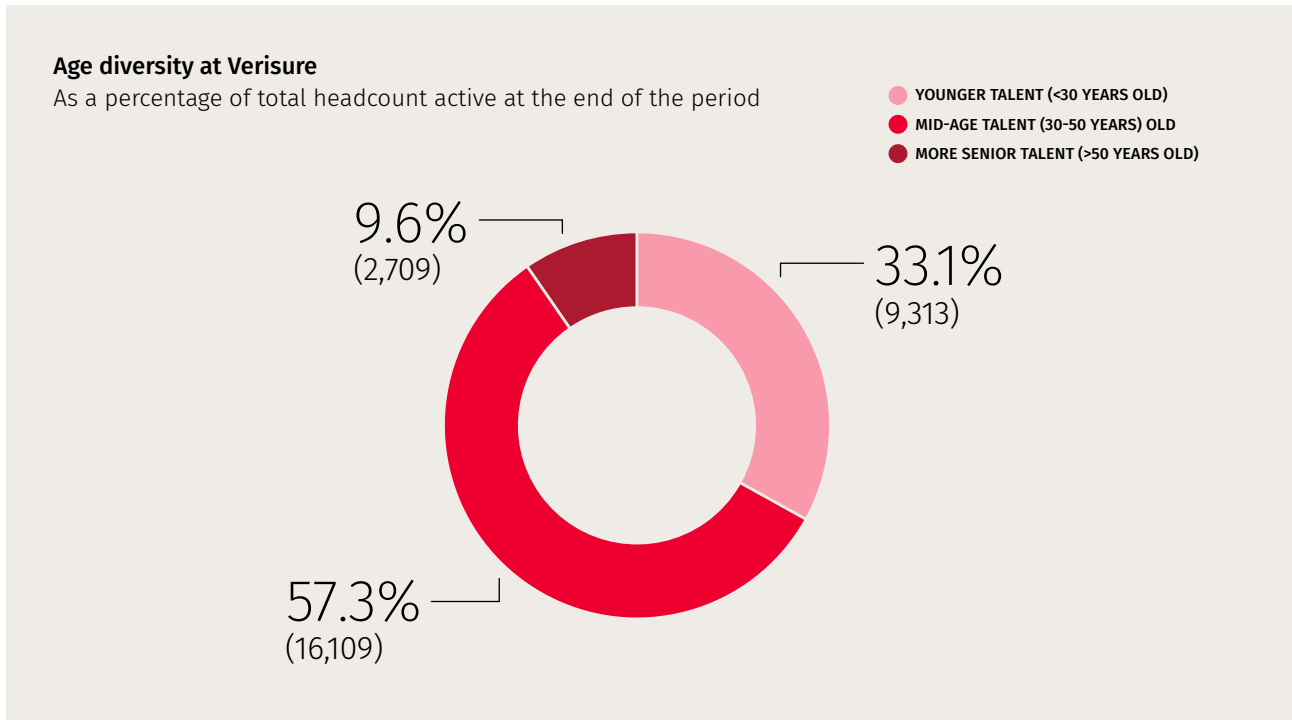
We recognise the valuable contributions of both younger and more senior colleagues, who collectively constitute 42.7% of our teams. Professionals under 30 years old comprise 33% of our team while those over 50 represent 9.6% of our workforce.

We want to focus on specific functions where younger talent could be underrepresented and that may benefit from new trends which younger generations especially command. At the same time, we work to offer job opportunities to more senior talent, leveraging their experience, not only for younger

generations but specifically to serve our customers at their expertise and know-how better serve our customer portfolio.

Also, we want to provide inclusive career opportunities, particularly in regions where unemployment rates are notably high. This is the reason why we strive to address the challenges faced by specific demographic groups.

To achieve this goal, we concentrate on attracting both younger and more senior talent, ensuring a fair and unbiased recruitment process that taps into previously overlooked talent pools. By diversifying our teams across age groups, functions, countries and subsegments, we aim to serve our diverse customer base better.



## Persons with disabilities

S1-1 / S1-12

During 2023 we have continued focusing on **raising awareness and fostering an inclusive culture** that supports colleagues with disabilities or with specific needs, approached through inclusion, culture and compliance.

In collaboration with specialised entities, we launched self-identification campaigns across various locations to support

colleagues in obtaining disability certification. Throughout the year, we have undertaken various initiatives to promote social and labour inclusion of people with disabilities involving internal and external stakeholders. And finally, different offices across our geographies are improving on accessibility and inclusivity within corporate spaces.

## Other DEIB dimensions

**During 2023, colleagues from 118 nationalities worked across Verisure geographies.**

We work to ensure appropriate representation of local talent, providing job opportunities to the communities where we have a presence and generating a positive social impact from our business performance.

In Verisure, 90.2% of colleagues are considered local talent, although 118 nationalities are represented in our workforce. In terms of leadership, more than 70% of our colleagues in key leadership positions are locals across nine countries, having increased in one country since 2022. And more than 70% of our colleagues reporting directly to key leadership roles are locals across 14 of our countries.

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

- **Most of our leadership teams combine talent sourced from leading companies** in consumer goods, tier-1 strategy consulting firms, telcos, software, technology companies and a broad variety of industries.
- **We have necessary global diversity within our corporate Group functions,** including 53 nationalities. This representation brings together a wealth of international expertise.

- **The professionals in our technology team include 51 different nationalities.** This diverse talent pool is instrumental in safeguarding what matters most for our customers.

Many of our colleagues, particularly those in our sales and operations departments, may not have had the opportunity to pursue higher education.

**We offer stable career growth and access to opportunities regardless of any educational background.**

We are continually working on defining an employee journey and value proposition that fosters inclusion and promotes a sense of belonging for our colleagues. We aim to cultivate an environment where everyone can feel supported, regardless of their characteristics or identity. To achieve this scenario, we regularly assess and review all processes, policies, communications, and leadership models related to the experience of our teams.

For the rest of the DEIB dimensions in the short and midterm, we are committed to creating an environment where every single colleague can reach their full potential, no matter their unique needs. A space in which everyone can access opportunities. **At Verisure everyone is valued, and we leverage our strengths and diversity to deliver even better outcomes.**

**118**  
nationalities  
in Verisure.

**53**  
nationalities  
working in Group  
headquarters.

**>70%**  
local colleagues  
in 14 countries are  
reporting directly to  
key leadership roles  
in 2023.

## Workplace Pride: Inclusion of our LGTBIQ+ colleagues

In 2023 we have strengthened our work on sexual orientation and gender identity dimension by consolidating our partnership with Workplace Pride, a not-for-profit foundation that focuses on the inclusion of LGTBIQ+ people in the workplace. Through awareness campaigns, training and networking opportunities, Workplace Pride strives for a world of inclusive workplaces where LGTBIQ+ professionals can truly be themselves, are valued and help to lead the way for others.

# Diversity in our HR processes

## Recruiting

**Verisure is committed to integrating DEIB criteria in all people processes.**

Starting from the beginning, we strive to guarantee that our recruitment processes promote equity and are unbiased and non-discriminatory.

**In 2023 we launched multiple campaigns and initiatives to attract and hire women and minority groups**, such as younger people and people with disabilities, for departments where they may be underrepresented.

Recruitment processes are progressively adapted and evolving and continually updated to hire more diverse talent and strengthen non-discriminatory and equal opportunities policies and practices. In this regard:

- As Verisure created 1,822 jobs during 2023, this achievement is the result of a doubling efforts through many employer branding initiatives across all our geographies. In our Technology areas **we have increased our participation and engagement in job fairs oriented at attracting female candidates**, at Group and country levels, and participated in Women Hack aiming to foster gender equity in

our technological areas and to attract women talent for Tech roles.

- **We launched our referral program** for Technology and other global functions, leveraging the best practices already in place for a few years in many of our operations. This applies to multiple countries and would potentially benefit a more diverse pool of candidates.
- **In terms of DEIB, different distinctives demonstrate our 2023 performance in this particular topic such as Empowering Women's Talent and Diversity Leading Company and Top Diversity Company in Spain** or Best Workplace 2023 for Young Talent 2023 and Best Workplace 2023 for Women in Argentina.
- France carried out a thorough **analysis of sales structure to better understand and improve women representation in sales jobs**, including co-optation campaign and re-definition of job offers among other initiatives.
- In Argentina **we celebrated the Recruitment Day for Women over 40**. The objective was to promote inclusion of women over 40 years old for sales and non-sales positions to increase our diversity in both gender and age.

- In Spain one of the most remarkable initiatives of inclusive hiring has been **an initiative aimed at hiring people for telesales following a process in which skills, aptitudes and values of the candidates were most valued**. On this Recruitment Day, 250 candidates visited our headquarters in Madrid to go through a series of activities such as speed dating and role plays, led by professionals from the company. This initiative led to the recruitment of a diverse group of 89 professionals.
- Some countries **worked with external organisations to develop specific action plans to recruit and onboard colleagues with a disability, such as Italy and France**. In Chile, Verisure continues to work with the Luz Foundation for the inclusion of colleagues with visual disabilities.

Finally, we rolled out training for our recruitment and hiring managers on how to generate awareness, mitigate bias, and foster inclusion in some countries. This type of training can be redefined and expanded progressively, advancing internal best practices.





## Retention

**We have launched multiple equity and retention initiatives across several countries.** These actions will be expanded through the leverage of internal best practices and are aimed at women, particularly in the areas of Sales and Technology, and for Leadership. This also includes other minorities, such as people with disabilities and older and young professionals.

- **We have launched the Employee Net Promoter Score (eNPS) project** as a pilot in some of our countries. This initiative helps us understand the engagement of our teams across their journey at Verisure, from onboarding to offboarding. The project aims to

anticipate potential retention issues and is planned to be deployed fully across all geographies during 2024.

- **We have policies that foster working flexibility in all our countries.** In 2021, we defined our New Ways of Working model to address the expectations of our colleagues on that matter. To do so, we implemented a smart hybrid working model across our countries, with some local variations by considering specificities such as regulations. This model, explained thoroughly in the section [Promoting well-being](#) of this chapter, is revisited every year and is still in place in all our countries.

- In France **we have developed a four-pillar strategy to improve the experience of our colleagues with disabilities** through hiring, retention, awareness, and training improvements. To achieve this, we deployed initiatives such as the implementation of a pilot for following up on the onboarding process, the creation of a specific position to accompany colleagues with disabilities in the Sales department and a process to adapt work tools, among others.



## Progression, growth, and recognition

**We empower and train our people through a variety of mentoring, development, and rotational programmes**, with specific support in terms of inclusion across all levels and for management and senior leadership positions.

During 2023 we have created inclusive workshops & awareness training related to different DEIB topics such as gender equity or disability in countries such as Italy, Chile or France. In Spain, Verisure conducted its third 'She Leads' female leadership programme, that aims to position gender diversity as a lever to increase organisation efficiency by empowering women professional development.

Following the journey started in 2022, Diversity has been embedded in Rise Leadership Model in 2023, ready to be cascaded to middle management performance in 2024.

**We also work to ensure that all our colleagues are equally paid** across functions, geographies, organisational levels, and annual base payments, regardless of their gender: women, men and non-defined. In 2023 we have been conducting a global gender pay gap analysis that will allow us to address equal pay for work of equal value.

It's relevant to note that, in Portugal, we have been distinguished with the Equal Pay Seal 2023 by the Portuguese Commission for Equality in Labour and Employment (CITE). This recognition acknowledges our good practices in promoting equal pay for women and men.

As a result of these improvements, we have been able to reduce the gender gap in all the categories of our Sustainable Engagement survey since 2017, with the 'compensation' and 'benefits' gender gap categories improving for the fourth year in a row.





## Support

SI-1 / SI-3

**Our commitment to opposing any form of discrimination and harassment remains strong.**

Proof of this is our Code of Conduct, which guides our day-to-day decision-making and our interactions with each other, as well as our customers, suppliers, partners, government officials and other stakeholders to ensure we operate according to the highest ethical standards.

To ensure the understanding and application of our Code of Conduct, we have launched various communication and training initiatives. For example, an e-learning course is now part of the onboarding process for all colleagues and we also regularly implement communication campaigns.

In addition, we have policies that complement our Code of Conduct, which are all published in local languages:

- **Group Anti-harassment and Non-Discrimination Policy:** defines harassment and discrimination and the different forms they can take and helps our colleagues identify these behaviours. Both issues run deep in the commitment expressed in our Code of Conduct.
- **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 provide an extensive explanation of these tools in chapter [6. Ethics & Integrity](#).

In addition, our countries provide the necessary support for diversity management. As an example, in Denmark, we have initiated an alumni

project to promote, recruit, or rehire talented female team leaders in our Field Sales departments. The main purpose of this initiative is to support a healthy organisation, placing diverse and skilled leaders as role models at both the manager and team leader level.

Our DEIB agenda guides us on the positioning of the company against any kind of discrimination, while raising awareness through communication campaigns.

Every year, to support our colleagues, we constantly adapt our processes, policies and practices, particularly in the Sales function, to help our talent succeed. We analyse potential gaps and create a supportive environment so they can perform at their best.





## Culture and leadership

As part of our DEIB Framework, during 2023 we launched awareness campaigns, trainings, and key communications and initiatives to promote a culture of DEIB, including leadership, aligned with our strategy:

- **Employee networks**

We have worked on an Affinity Groups playbook, designed to support DEIB, HR, and Communications departments to establish these networks within their geographies and/or areas. This playbook will serve as a guideline to launch, activate, manage, and build affinity groups, providing relevant information as countries establish them going forward.

- **International Day of Women and Girls in Science 2023**

We celebrated the day with colleagues who continue to pave the way for new generations of women and girls to succeed in technology and innovation. As part of our commitment to support women and girls in science, in Spain we launched the second Technovate Verisure Girls Club, connecting the daughters of some of our colleagues with passionate and talented Verisure mentors to help equip them with the skills to become tech entrepreneurs and leaders. As a result, 34 professionals have mentored 75 girls across 18 teams to develop an app or an AI project to enter the national Technovation competition.

- **Target Gender Equality Initiative from UNGC**

We have participated in this initiative from the UN Global Compact, an accelerator programme focused on supporting companies in setting and meeting ambitious corporate targets to advance gender equality. In 2022 we assessed our performance through the Women’s Empowerment Principles Gender Gap Analysis tool from the programme, receiving a score of 34% and we were labelled as ‘Improver’. In 2023 we improved our score to 53%, now labelled above average: ‘Achiever’.

- **DEIB agenda**

We make sure we celebrate important DEIB dates: International Women’s Day, Diversity Month, International LGBT+ Pride Day and the International Day of People with Disabilities. For each date, we defined specific actions. For example, we launched a webinar on disability etiquette for the International Day of Persons with Disabilities. This gave our teams the opportunity to learn how to interact with different types of disabilities through empathy, knowledge, and awareness. Because our approach and interaction with people with disability is crucial to understanding

their realities. Some countries are also developing their local DEIB calendar in addition to globally sponsored initiatives.

- **Inclusive language and content**

We are aware of the importance of using inclusive language and communicating in a way that is representative of everyone. In 2023, we started working on our Communications Guiding Principles. It aims to promote inclusiveness and covers the various characteristics that make people unique, such as gender, disability, age, sexual identity, ethnicity, religion or culture.



# 3.2 Employee Health, Safety & Well-being

In 2023, we continued to prioritise the safety of our people and our customers, focusing on our top priority: **to ensure high health and safety standards, as well as holistic emotional, mental, social, physical, and financial well-being.**

## Our commitments

ESRS 2 SBM-2 / ESRS 2 SBM-3



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

## A healthy and safe work environment

51-14

**Our duty of care ensures safe working environments, managed by local regulations and our Code of Conduct.**

Most of our countries have Health & Safety (H&S) systems already in place with specific training for the teams under specific risks. The majority also have dedicated leaders or Work Environment Committees responsible for including awareness policies and running campaigns. These are often appointed by trade unions in countries where they exist.

We diagnosed the key risks of our business and defined preventive measures. The prevention approach for non-employees in our largest countries, such as France or Spain, is based on joint action between Verisure and the different sub-contractor companies.

In 2023 there have been zero fatalities due to work-related accidents or ill health<sup>2</sup> among our colleagues and non-employee workers. We have recorded the following information related to accidents breakdown in three categories:

NUMBER OF WORK-RELATED ACCIDENTS, WORK-RELATED ILL HEALTH AND COMMUTING TO WORK ACCIDENTS PER AVERAGE HEADCOUNT IN 2023	2023
Work-related accidents	0.023
Work-related ill health	0.001
Commuting to work accidents	0.012

<sup>2</sup> Work-related accidents and ill health are defined as follows: work-related accident or work-related illness that results in any of the following: death, days off work, restricted work or transfer to another job or loss of consciousness.

## Promoting well-being

**The well-being of our colleagues has become a valuable key element of their experience**, especially following the COVID-19 pandemic. It's also a critical component of a healthy organisation, influenced by various factors: relationships with co-workers, intensity of work, number of tasks assigned, hours and remuneration, decisions, and resources.

**Our people can benefit from various well-being programmes and other benefits around their health and wellness needs and enjoy a healthier lifestyle.**

Significant efforts are made in our countries to promote well-being: for example, local programs that cover all well-being dimensions (emotional, physical, social, financial and mental),

a month dedicated to well-being, newsletters and web portals in our intranet to advertise activities.

This commitment is reflected in the Sustainable Engagement survey score on this topic. This score remains high, with 81 points, and has remained stable in 2023 compared to the previous year, with the general Sustainable Engagement score in 2023 increasing by 3 points compared to the previous year.

It's relevant to highlight that more than half of our countries have an Employee Assistance Programme (EAP) in place which offers free and confidential assessments, short-term counselling, referrals and follow-up services for our people. In 2023 1,855 colleagues have used the service.





## Flexibility and New Ways of Working

SI-15

At Verisure we recognise that supporting a flexible working environment is an important factor for our people and operations. In 2021 we started piloting our New Ways of Working model, aimed at meeting the expectations of our colleagues in this regard. Also, in 2022, we successfully implemented a smart hybrid working model in most of our countries. This model gives more flexibility around where and when to work, enhanced by new or updated office spaces in which to create, collaborate and connect.

This model was still being implemented in 2023, always in compliance with regulations. It allows some of our colleagues, depending on the country or Group function, to work from home up to two days per week, to have one-hour flexibility for check-in and check-out times, and to have work-from-another-

location weeks, enabling more flexibility around summer and holiday travel and improving the balance family and work life. There are also other flexibility initiatives across our geographies:

- In many of our countries, **this smart hybrid model applies policies to grant benefits that exceed statutory requirements** in terms of hybrid working policies and flexible hours. This is the case in the UK, Germany, Chile, and Brazil, for example.
- In Spain, **our Equity Plan includes flexible working measures**, such as hours for medical and emergency accompaniment of family members, the possibility of flexible working hours in areas where it's operationally possible, special leave for adoptions or the death of a partner or child, unpaid leave, and accumulated breastfeeding leave.

- Since 2020 in France, **we have a plan for equality between women and men and quality of work conditions**. These agreements include flexible working provisions related to days off for personal events such as marriage or death, as well as days off to care for dependent relatives. Some strategic areas, such as Operations, have already put benefits and initiatives into practice to foster equality through new ways of working, including flexible working and benefits to balance personal and professional life.

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

## Social Protection

SI-11

**Most of our countries have public programmes to protect our colleagues** against loss of income due to non-work-related illnesses, accidents, work-related injuries, unemployment, parental or adoption leave, disability, and retirement<sup>3</sup>. In terms of injuries and ill health, some of our countries grant benefits above statutory requirements. Consequently, through company benefits, they receive their full salary or other additional compensation during absences due to injuries or illnesses, whether work-related or not.

Additionally, depending on their needs and priorities, countries conduct annual training on H&S topics such as first aid, psychosocial risks, employment risks, safer driving, and ergonomics.

We report on H&S-related non-compliance matters to the Group Compliance Committee and Audit Committee on a quarterly basis, resulting in action to keep our people safe whenever appropriate. We also work hand in hand with our countries to constantly improve our workplaces, working processes, and the environment for our people.

<sup>3</sup> Most of our countries cover employees through public programmes or through benefits offered by the company against various situations.



# 3.3 Talent Management and Sustainable Engagement



## Our commitments

ESRS 2 SBM-2



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



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



**“Our priorities are to continue driving engagement, growth, and development to unleash our teams’ full potential.”**

Karina Stela Riquelme, Group Talent Director.

# Talent and organisation strategy

S1-1

One of our core beliefs is that we are people protecting people. Therefore, having the best team, engaged with our mission and values, is a key priority.

We strive to manage performance proactively, so we recognise the best possible talent for every position and provide opportunities for the personal and professional growth of our colleagues. For us, it's evident that our talented teams are at the very heart of our success, and that is why **we have built our talent and organisation strategy across three pillars:**

- 1. Building the most engaged, high-performance, accountable, diverse, and best-in-class team.**
- 2. Creating a high-performance organisation and company culture** through meritocracy and the strong values in our DNA, where every colleague can unleash their full potential.
- 3. Ensuring all colleagues always represent our DNA** and are fully engaged around our mission and strategy.

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

**Our SOAP and DNA are essential as we work to ensure our colleagues are completely aligned.** We do so by ensuring every colleague has a clear understanding on how they contribute to the company's overall mission, strategy, and goals. In the 2023 annual Sustainable Engagement survey, we have obtained a score of 87 in the question 'In my opinion the values and objectives of our company are worth aiming for', a solid proof that employees are well aligned and conscious of our SOAP and DNA.

Our annual objectives are rooted in those strategic goals and priorities through our 'STAR' performance management framework. Before the beginning of the year, colleagues set their priorities for the year, in line with the company's overall strategic goals. At the end of the year, performance is

assessed in terms of what has been achieved compared to the priorities set and how this has been done. These aspects are considered in performance assessments.

One of the key pillars of our DNA is acting with trust and responsibility towards our customers, our people and society. As a result, we continue to invest in ensuring our Code of Conduct is understood and always represented, embedding it in contracts, onboarding processes and continuous training.

We also have a zero-tolerance culture for non-compliant behaviour, which is reflected in our Group Anti-Harassment and Non-Discrimination Policy, our Group Speak-Up Policy, and Group Data Privacy Policy. We provide an extensive explanation of our Code of Conduct and policies in chapter [6. Ethics & Integrity](#).





# Performance and career development

ESRS 2 SBM-3

**Our ‘STAR’ approach to performance management and career development is one of our key enablers for ensuring we have the best possible talent in every position.**

Over the past few years, we have devoted significant time and resources to advancing our approach to performance management and increasing the number of colleagues participating in regular performance and development reviews. The programme was launched in 2020 and is structured around four meaningful conversations that take place every year between managers and colleagues.

In 2023, we successfully completed our fourth full cycle of STAR. 85% of the total target audience eligible to our annual performance management STAR process has participated this year. Our front-line audience has a special performance management process based on more frequent touchpoints.

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

## Our star approach to performance management and career development



### SET PRIORITIES

Enabling a consistent, high-performance culture by focusing our people on what matters most.



### TALK ACHIEVEMENTS

Measuring the ‘What’ & ‘How’ achieved during the year through Employee & Manager discussions.



### ACCELERATE YOUR GROWTH

Creating a holistic plan to accelerate the growth and development of our people. Listen, understand, define plan.



### REACH YOUR GOALS

Touchpoint to review performance and the Accelerate Action Plan to help motivate and coach.

In 2023, through our Sustainable Engagement survey, our colleagues expressed increasing satisfaction with this performance management system. We have managed to maintain, even slightly improve by 1 point vs 2022, our highest score ever in this specific engagement category (+9 points vs. 2016).

**Every year we conduct our Talent Review & Succession Planning exercise**, a talent reviewing process that helps us identify talent gaps not only for the period but also for the future. We also use this process to discuss action plans to ensure the development and engagement of our people.

Thanks to this, we have been able to improve the quantity and quality of identified successors to key leadership positions, both in terms of performance and diversity. In the 2023 Talent Review exercise, over 80% of leadership positions had a short-term or mid-term successor identified (vs. only ~57% of them in 2017 exercise). Performance of key leadership positions and successors has improved. We continue focusing on the acceleration of our people’s growth across our countries. We also changed the criteria used to qualify international transfers, which resulted in fewer international workplaces for our teams, but a more strengthened local talent pool.

# Training and growth

S1-13

**Training and growth continue to be key priorities for us.** In 2023 we increased online training via our learning platform Workday Learning. This platform is currently deployed throughout all our countries and functions, empowering our people to take ownership of their personal development at their desired pace, as well as enabling them to leverage content and know-how across functions and countries.

**In 2023, over 98% of our colleagues have completed at least one course** in Workday Learning and more than 290,000 hours have been invested in online training overall.

During 2023 we have also managed to increase the adoption of e-learning courses through communication strategies, such as monthly campaigns. In addition, we have also increased the number of courses available on the platform incorporating new courses on existing topics, and translating existing courses into new languages.

Over 71% of our population works in Sales and Operations, where we give opportunities to people who don't necessarily have any higher education or many years of experience. This is the reason why we invest heavily in helping them grow through continuous training, most of which is delivered by our dedicated internal trainers.

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

Moreover, we continue to invest in our colleagues' development throughout their career with us. In addition to investing in the functional and role-related capabilities of our teams, we also provide resources to improve their soft

skills, such as communication, language, negotiating, emotional intelligence and team management. During 2023, we have continued investing significant resources in conducting leadership training initiatives for our colleagues to take on new managerial roles and further consolidate and develop their leadership in their current positions.

**>98%**  
of our colleagues  
completed training.

**>290,000**  
hours of online  
training.





In 2023, we consolidated our Verisure RISE Leadership Model. The model frames the expectations the company has of its leaders and the expectations employees can have of leaders. The model is based on four foundational pillars:

- **Role Model Responsible Owner:** acting as a long-term owner, always putting the customer first, thinking and acting big and being accountable and responsible.
- **Inspire Outstanding Performance:** motivating others for high performance, prioritising and making decisions with an analytical approach and executing with excellence.
- **Strengthen and grow a high-performance, diverse organisation:** building high-performance and diverse teams, enhancing a learning culture by setting continuously higher standards.
- **Empower and lead with courage, integrity, and purpose:** inspiring our people, honouring our mission and purpose by leading with confidence, positive energy and genuine empathy and humility.

To implement and roll out the Verisure RISE Leadership Model, we have designed the plan to embed the Verisure RISE Leadership Model in our key people processes, for instance, in the development of our leaders through our Leadership Academy.

Our Leadership Academy is structured around the four pillars of the Verisure RISE Leadership Model, aiming to develop our leaders to deliver our mission, SOAP, and business plan. In 2023, we continued developing our leaders by designing specific content for the leadership training sessions of our junior and experienced leaders. These training sessions have been piloted with over 200 managers from different business areas across countries, demonstrating remarkable results.

In addition, during 2023, we have also piloted the customised 360 feedback based on the Verisure RISE Leadership Model with a group of over 50 managers. This tool aims to help our leaders improve their leadership skills. We have also continued to evolve mentoring programmes and other leadership initiatives to enhance our teams' effectiveness and performance.



# Sustainable engagement

**Our primary measure of organisational health is our Sustainable Engagement survey**, designed to help us understand how engaged, energised, and enabled our people are, and to measure the evolution of these results over time.

This survey is held every year in the last quarter. Following an analysis of the feedback, we implement action plans aimed at continuously enhancing our Employee Engagement year after year.

The participation rate in the last survey was over 90%, consistently above our 85% target. Regarding results, the overall Index was again above our target (more than 80% favourable) with our highest ever score for the second consecutive year. This tool helps us understand the needs of our teams and develop comprehensive plans to address the issues they raise.

Most of our countries are at or above the benchmarks set by high-performance countries and six of them, Arlo and Group functions improved their

scores compared to last year. As in previous years, in 2023 the key drivers for Sustainable Engagement in our organisation have been professional growth and development, the working environment and leadership. All the scores related to these topics remained stable in comparison to previous years.

**We are very proud to have increased our results for engagement among most of the teams and groups surveyed**, drastically reducing gaps by gender, and nearly closing gaps in most categories. In fact, only compensation and benefits, an area which we have improved for the fourth consecutive year, still has a gap of three points.

It's also important to note that all areas improved their scores, with Human Resources and Finance leading the way. Finally, we have seen continuing increases in our Employee Net Promoter Score for our products and services (+28 points vs. 2016 and stable vs. last year) and as an employer (+38 points

vs. 2016 and +3 points vs. last year), with similar trends for both indicators in most countries.

Furthermore, in 2023 we launched Peakon, a new global pilot initiative related to Employee Voice, to measure engagement. Through Peakon, Verisure has launched monthly pulse surveys that allow us to hear people's voice on a recurrent basis, providing real time feedback based on those answers.

**>90%**  
participation rate  
in 2023.

**>80%**  
Sustainable Engagement  
survey overall score in 2023.



## Best company to work for

**Our efforts to create supportive and high-performance working environments have been recognised through various prestigious awards and certifications,** helping us to foster pride among our colleagues and attract best-in-class external talent in 2023. For instance:

- We obtained the Top Employer® Europe distinction for the first time in 2024, thanks to the certification across our European geographies in 2024. This certification is awarded based on 2023 company data.

- The Top Employers Institute also certified four of our countries as Top Employer®: Spain, for the fifth time, France for the second time, and the UK and Italy for the first time.
- In the Netherlands we have obtained the Great Place to Work™ distinction for the first time.
- In Italy and Chile, we received the Great Place to Work™ certification for the second time, joining Peru and Belgium, for the third year in a row and Brazil, for the fifth year in a row.

- In Spain, we have been included in the Actualidad Económica and Forbes rankings, for the seventh and fourth year in a row, respectively.

As a result of these certifications and awards, among other benefits, we are confident our colleagues are increasingly proud to work for Verisure. And our company is better positioned to attract the best-in-class external talent needed to boost our expected growth in the coming years.

## Our awards



# 3.4 Employee Relations

S1-1 / S1-2

**We aim to create a culture where our people and stakeholders act responsibly and create value where we operate.**

We uphold high moral, ethical and legal standards, striving to do the right thing at all times. Our commitment to integrating respect for human rights into our global operations and value chain is robust and aligned with the UN Guiding Principles on Business and Human Rights.

**We structure this commitment through our Compliance programme**, which comprises our Code of Conduct complemented by several compliance policies and standards, as explained in chapter [6. Ethics & Integrity](#).

The basis of an inclusive and safe workplace is healthy relationships between colleagues. This is the reason why, as stated in our Group Anti-Harassment and Non-Discrimination Policy, we have zero tolerance for discrimination or harassment. Our Compliance programme team is responsible for tracking the details of all discrimination and harassment complaints received through different channels.

Regarding remuneration, **we work towards ensuring a healthy compensation strategy for all**. We consider all dimensions and follow a holistic approach to remuneration, integrating cash compensation with fixed and variable components, benefits, and longer-term incentive plans. This also includes flexibility measures and investment in training.

## Our commitments

ESRS 2 SBM-3



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





This action plan is based on the following principles:

- Ensure legal compliance**  
We act according to local legal requirements to offer remuneration, which is increased when colleagues demonstrate strong performance.
- Consistency across countries and businesses**  
In our pursuit of equality, we are constantly working to make sure we develop and ensure consistent compensation practices, policies, processes, systems, and timelines across the 17 countries in which we operate and in our functions.
- Monitor market competitiveness**  
We carefully monitor external and internal indicators of competitiveness and fairness to evaluate salaries. At least once a year these are compared to market benchmarks, which are regularly updated based on external data acquired from top worldwide compensation data providers in each market. We also rely on market intelligence from the high volume of our recruitment as we continue to

grow. We review pay equity among peers, considering the length of time in the position along with performance and talent assessments.

- Pay for performance**  
As a results-driven organisation with high standards for accomplishments, our decisions about cash compensation are based on an objective merit matrix, which considers both annual performance and comparative positioning. We believe in our people sharing the benefits of the results to which they contribute, so we give a relatively high weight to compensation components related to company and individual performance, especially for leadership positions.

To improve our performance, **we invite our colleagues to provide qualitative and quantitative input** on an ongoing basis and in different ways. For example, the input provided through our Sustainable Engagement survey guides our decision-making process in managing current and potential impacts and gaining insight into risks and opportunities.

In addition, we have individual and direct ways to engage with our colleagues. Our STAR Performance Management Process includes three key moments to gather input from our colleagues: from assessing the year to establishing priorities and discussing opportunities for individual growth.

Another way to get direct feedback is through our Speak-Up Channel, globally available. It enables our people to report any inappropriate conduct in our current work environment and guarantees the anonymity and protection of each user. The type and number of claims are consolidated in our Quarterly Compliance Reporting, to understand the main compliance risks from our teams and decide appropriate remediation actions.

By having this regular and open dialogue with our colleagues, we ensure we take into consideration their viewpoints and act accordingly.



# Monitoring and managing incidents

S1-17

We take the trust that customers and society place in us as providers of peace of mind very seriously. This is the reason **why we continuously work on identifying breaches of our Code of Conduct, act on them, and measure our people against strict compliance standards to ensure the best behaviour.**

In 2023, no human rights claims or complaints have been filed by our colleagues or third parties. We have not received any fines, or penalties, or had to pay compensation for damages because of violations of social and human rights.

Our effort to effectively tackle incidents of harassment, discrimination and

physical violence is supported by the Group Speak-Up Policy, and our global Group Speak-Up platform, as well as with our Group Anti-Harassment and Non-Discrimination Policy. Out of the 44 incidents of harassment, discrimination and physical violence reported in 2023, almost 85% resulted in disciplinary sanctions, including 20 dismissals.

During 2023, we have continued partnering with our countries to effectively tackle any complaints raised on discrimination, harassment and physical violence promoting our Code of Conduct e-learning and use of the Speak-Up Platform.

Additionally, there were 0.05 incidents per average headcount reported relating to sales and installation misconduct, vehicle H&S issues, inappropriate behaviour between our people and/or towards customers, breaches of finance policy and misleading or improper sales and marketing claims. 62% of these reported incidents resulted in disciplinary measures.

It's relevant to note that, as part of our Sustainable Engagement survey, our colleagues have answered favourably to the questions related to dealing with honesty and integrity:

HONESTY AND INTEGRITY QUESTIONS	2023 SCORE
'My supervisor demonstrates honesty and integrity'	90
'Senior leadership emphasises the importance of ethical business conduct'	84
'I know how to respond if I witness unethical behaviour in the workplace'	92





# Social dialogue

51-8

**We support the employment rights of our colleagues to associate freely and bargain collectively**, giving them the choice to associate according to their needs and preferences.

Almost 80% of our colleagues are covered by an internal or external system of representation, such as Trade Union Representatives, Work Councils or Collective Bargaining Agreements (CBAs) at the national or sector level. Ten of our countries have more than 85% of their people covered by a CBA. The remaining 22% are markets where there is no legal requirement or market practice: Germany, Ireland, the UK,

Switzerland, and Peru. Spain and France, our biggest countries, are fully covered by CBAs<sup>4</sup>.

These channels enable us to consult the representation of our workforce colleagues on a variety of topics such as our business decisions, compliance programmes, and other initiatives.

To strengthen our position on this topic, we are now updating our Code of Conduct to clarify our engagement in terms of freedom of association and social dialogue.



<sup>4</sup> 15 of our countries have one or several type of employee representation (e.g., collective bargaining, works council, employee delegates or trade union representatives). We don't have employees' representation at an EEA (European Economic Area) level. However, we provide a Speak-Up platform, where colleagues can raise their concern anonymously.



4

**OUR  
COMMUNITIES**



# 4.1 Sustainable Sourcing

In 2022, we set the ambition to adopt ISO 20400 guidelines to implement Sustainable Sourcing at Verisure, addressing three areas: policy and strategy, procurement function, and procurement processes.

To integrate ESG in the Procurement Policy, we designed a three-year roadmap including the Sustainable Sourcing concept and principles, and incorporating ESG risk management, due diligence, and impact on our sphere of influence.

**We set up four strategic objectives supported by goals and KPIs**, communicated to the organisation and monitored regularly. Our four strategic objectives are:

- **To minimise** our impact on the environment.
- **To be efficient** with resources.
- **To protect** human and labour rights.
- **To drive access** to opportunities and inclusion.

We published this strategy in the first semester of 2023 and deployed resources to ensure the completion of our goals.

## Our commitments

ESRS 2 SBM-2



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



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



# Engagement with our suppliers

G1-2 / S2-1

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

Our end-to-end supply chain involves a process that integrates different actions:

- Introducing new products.
- Sourcing materials for our products.
- Managing the supply of materials.
- Managing the manufacturing of our electronic parts.
- Procuring our finished products.
- Execute the necessary logistics to get our alarms from the supplier to our warehouses and then to our customers.
- Etc.

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

To support this process, **we have in place our Sustainability Guidelines and waste management practices, which help us to enforce and reinforce sustainability criteria in our decision-making processes.**

These guidelines also increase sustainable ways of working in several areas, such as our fleet, material and equipment, office maintenance and cleaning services, office supplies, packaging, postage and courier, reverse logistics, transportation and logistics, travel, and waste management. Since 2022, our Sustainability Guidelines

have been included, together with waste management practices, in the onboarding package of all new SCP hires.

In our efforts to embed Sustainability Principles within our supply chain culture, we actively involve our Supply Chain and Procurement colleagues also in regular trainings on ESG practices on the UN Global Compact and our global ESG strategic approach and internally developed goals.

We expect all colleagues involved in negotiations with suppliers or with the authority to make decisions on purchasing management and contracting services to work professionally in an unbiased and honest manner. We expect them to put the interests of the company above those of third parties or any individual interests and we ensure this by training our colleagues in the following key principles:

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

**In 2023 we have continued to provide regular training to our colleagues on ESG Strategy, Sustainable Sourcing Strategy and the UN Global Compact** focused on sustainable procurement practices and human rights salient risks.

During the year 100% of SCP colleagues have been trained in ESG and 87% have taken specific training from the UN Global Compact, and the remaining 13% are still involved in the training.

Furthermore, in 2023 100% of SCP colleagues have incorporated targets aligned with the Sustainable Sourcing Strategy in their personal goals.

**100%**  
of SCP colleagues  
trained in ESG.

**87%**  
of SCP colleagues  
trained in the UN  
Global Compact.

**100%**  
of SCP colleagues  
have individual  
targets related to our  
Sustainable Sourcing  
Strategy.

In the first quarter of 2023, we also incorporated ESG into our Group SCP governance. Every quarter, ESG KPIs are monitored in the Supply Chain and Logistics operations reviews as well as in the Procurement Sourcing Councils. Also, we launched an SCP ESG Bureau, where our Group Procurement and Supply Chain Director and colleagues review the implementation and target consecution of our strategy.



# Sustainability-focused procurement culture

S2-1 / S2-2

We set high behaviour standards in our procurement culture through different tools. Among them, **our Procurement Policy and Procurement Compliance Committee.**

Our Procurement Policy sets the rules for the sourcing process of goods and services, covering the whole procurement-to-pay process.

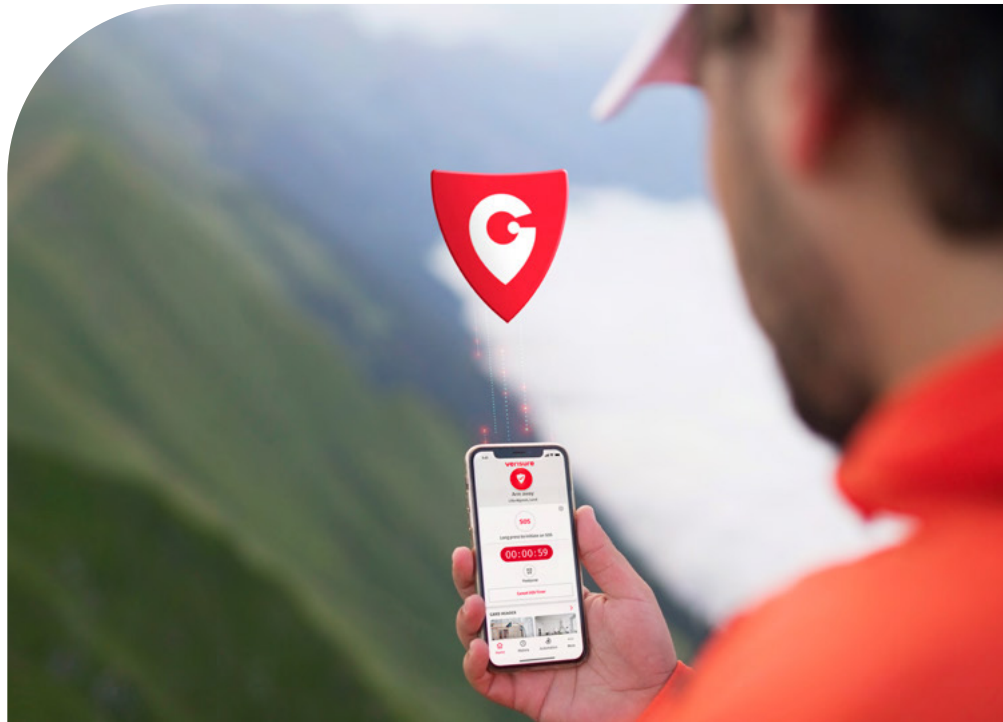
The purchase-to-pay cycle section of our Procurement Policy covers all the process steps to buy products or services from external suppliers: from the notification of requirements to the formal approval of the budget, the ordering process to the supplier, the confirmation of the service reception and the invoice verification and on-time payment.

In 2020, we also created our Procurement Compliance Committee, a body responsible for tracking and monitoring our Procurement Policy through the identification of all significant breaches of the policy and review of exceptions, which meets regularly.

In addition, **any supplier that wants to do business with Verisure must accept our Supplier Standards and Ethical Code**, explained thoroughly in the section [Our Supplier Standards and Ethical Code](#) of this chapter.

Our commitment to DEIB is also reflected in our SCP ESG priorities. In 2022, **we designed our Supplier-Diversity Programme and Supplier-Diversity Policy**, which were launched in the first quarter of 2023.

This programme has the goal of adding diversity to our qualified supplier base<sup>1</sup>. Which includes SBEs (Small Business Enterprises), MBEs (Minority Business Enterprises), WBEs (Women Business Enterprises) and companies that have a diversity policy, governance, and



procedures to support diversity in the workplace, as well as reporting the representation of women and an equal pay policy.

24% of our suppliers are qualified as 'diverse suppliers' in our eSourcing tool, out of which 2% are women and minority-owned companies, 14% are SMEs and the remaining 8% are companies with strong diverse business practices. This places us above our 2030 target of achieving 15% 'diverse suppliers' qualified in our eSourcing tool. This early success is making us consider the setting of new targets for specific diversity groups such as WBEs on top of the global diverse supplier target.

In November 2023 we started monitoring compliance with the Supplier-Diversity Policy and 84% of our Request for quotes (RFQs)<sup>2</sup> launched from that moment till the end of the year were compliant.

**14%**  
of our suppliers  
are SMEs.

**8%**  
of our suppliers  
are companies with  
strong diverse business  
practices.

**2%**  
of our suppliers  
are women and minority-  
owned companies.

<sup>1</sup> Suppliers that are qualified to do business with us. Suppliers spend is not in scope.

<sup>2</sup> RFQs are documents used by our business to ask another company for the price of a product or service.

We have also implemented a **Due Diligence process**, aimed at identifying the most relevant human rights and environmental adverse impacts and risks in our supply chain, within our Sustainable Sourcing Strategy.

To support this process, **we have developed a Due Diligence Policy** that is currently pending approval, as we explain in the next section [A holistic approach to risks](#). These efforts aim to ensure ethical and sustainable practices across our supply chain, with a focus on compliance and risk mitigation.

With these initiatives we also expect our suppliers to familiarise themselves with the business practices of their subcontractors to ensure they operate within our limits, which cover employment rights, human rights, H&S standards, fair wage practices, prohibition of child and forced labour, and zero tolerance on discrimination.

## Our tools for a sustainability-focused procurement culture

- Procurement Policy.
- Procurement Compliance Committee.
- Supplier Standards and Ethical Code.
- Supplier-Diversity Programme.
- Supplier-Diversity Policy.
- Sustainable Sourcing Strategy.
- Due Diligence process (Due Diligence Policy pending approval).



# A holistic approach to risks

S2-4

At Verisure we adopt **a comprehensive approach to risk management within the framework of sustainability.**

By integrating Sustainability considerations into our risk management practices, we aim to enhance resilience, foster responsible business conduct, and create long-term value for all stakeholders.

This section outlines **the strategies and initiatives aimed at identifying, assessing, and mitigating ESG risks across our operations and supply chain:**

- **Sustainable Sourcing Strategy, Due Diligence Policy, and Due Diligence process**

Within our Sustainable Sourcing Strategy, we have set up a Due Diligence process with the aim to identify the most relevant Human Rights and Environmental adverse impacts and risks in our Supply Chain. To support this process, we have also developed a Due Diligence Policy, which is currently under approval.

- **Supplier Risk Assessment in Qualification**

We have been partnering with Bureau van Dijk, a Moody's Analytics company that captures and treats company information for decision-making, since 2022. This collaboration allows us to rate suppliers, detecting and mitigating financial, legal and ESG risk events in the supplier qualification phase.

Bureau van Dijk provides us with a 360° view of our suppliers across financial, sustainability, reputational and operational risk factors through its supplier risk platform: Procurement Catalyst. Risk events coming from the Bureau van Dijk database are incorporated into our supplier

qualification process as drivers to qualification, a mandatory step for them to be able to do business with our company.

In 2023, 80% of our strategic and important suppliers and 40% of all suppliers qualified in our eSourcing tool have been rated in ESG.

- **Supplier Audits**

We perform on-site or online audits every year through self-assessment questionnaires to strategic product manufacturers and third-party logistic suppliers to monitor business, operations, financial, ESG practices and working conditions in their facilities. During these audits, we review supplier compliance on labour (including child labour), H&S, environment, human rights, business ethics, metals and minerals, among other topics.

In 2023, 100% of our strategic product suppliers and third-party logistic suppliers have been audited by our direct procurement organisation.

- **Bill of Materials mapping**

The Bill of Materials is the list of materials required to manufacture our products.

We have started mapping Tier 2 suppliers in the Bill of Materials of the key Electronic Manufacturing Services (EMS) products in 2023. This initiative helps us to identify potential impacts on human rights, labour, and the environment, by analysing four aspects: country risk of manufacturing centres, RoHS & Reach Directives compliance, conflict minerals compliance and ESG third-party rating from Bureau Van Dijk.

In total, we have mapped 103 Tier 2 suppliers that hold 95% of the EMS product spend and, in 2024, we plan to map EMS Tier 3 suppliers and perform our Due Diligence process in the Original Design Manufacturers (ODMs) supply chain.

- **Grievance mechanism**

In 2023 we have encouraged our suppliers to use the Speak-up tool to raise concerns related to human rights or any other ESG negative impact that may happen throughout our supply chain. In 2023, no grievances have been reported regarding our supply chain practices.

**100%**  
of our strategic  
product suppliers and  
third-party logistic  
suppliers audited.

**80%**  
of strategic and  
important suppliers  
rated in ESG.



# Risk events

ESRS 2 SBM-3/ S2-4

In 2023, our ESG supplier assessments and our online and onsite audits of compliance with our Supplier Standards and Ethical Code did not detect any material employment risks in our suppliers, including no cases of child or forced labour.

We feel proud of the positive impact in terms of employment that is created through the orders we place on our suppliers.

In 2023 our indirect procurement teams have started to identify salient risks by cost category and we will provide a risk analysis and mitigation action plan during 2024.



# Our Supplier Standards and Ethical Code

S2-1 / S2-5

Our Supplier Standards and Ethical Code is aligned with the 10 Principles of the UN Global Compact and reflects our commitment to responsible and ethical business practices.

Since 2022, all suppliers qualified in our eSourcing tool are asked to accept this Code so our team can validate that our strategic and important suppliers comply with it in the following areas:

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

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

In 2023 90% of our suppliers registered in the eSourcing Tool –and qualified to do business with us– have signed the Supplier Standards and Ethical Code, while the rest are in progress. We strive to enhance the acceptance rate of our Supplier Standard and Ethical code. To achieve this, we are monitoring those suppliers who are still in progress and assessing each case on an individual basis. Also, 60% of our strategic and

important suppliers –which hold around 70% of our supplier spend– have submitted all requested probatory documentation and are compliant with it.



**“More than 90% of our suppliers have already accepted our Supplier Standards and Ethical Code, committing to respect human rights.”**

Mariano Andreu Merino,  
Group Procurement and Supply Chain Director.





# Supplier risk assessment

ESRS 2 SBM-3 / S2-4

## Supplier risk assessment

BUSINESS STRATEGY AND FINANCIAL	LEGAL & REPUTATIONAL	OPERATIONALS	ESG	EXTERNALS
<ul style="list-style-type: none"> <li>• Strategic plans.</li> <li>• Merger &amp; Acquisitions.</li> <li>• Investments.</li> <li>• Financial Ratios.</li> <li>• Financial statements.</li> </ul>	<ul style="list-style-type: none"> <li>• Law Compliance.</li> <li>• Corruption &amp; Bribery.</li> <li>• Media &amp; Brand Image.</li> </ul>	<ul style="list-style-type: none"> <li>• 2nd source finished goods, BOM and plastics.</li> <li>• Manufacturing capacity.</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental.</li> <li>• Social.</li> <li>• Governance.</li> </ul>	<ul style="list-style-type: none"> <li>• Social-economic.</li> <li>• Political.</li> <li>• Governmental.</li> <li>• Weather events.</li> <li>• Pandemic.</li> </ul>

Our suppliers are key contributors to their communities and play a key role in minimising our environmental impact as part of our value chain.

During 2022 and 2023 we have engaged regularly with our strategic product suppliers and third-party logistic providers to understand their impacts on ESG and develop common improvement plans.

We hold a meeting with each strategic product and logistics supplier at least twice a year. On these occasions, we review their KPIs for energy consumption, including the percentage of green energy consumed, GHG emissions and waste. We also monitor their ongoing sustainability initiatives at local and global levels, such as those in energy-saving and recycling.

In 2022, we focused our efforts on energy efficiency and GHG reduction in manufacturing. Whereas in 2023 we have supported these suppliers in considerably reducing their waste going to landfill. As a result, in 2023 only 0.2 tons of waste generated at the logistic centres have been directed to landfill, 100% of it being organic waste.





These efforts are part of our Sustainable Sourcing Strategy, which we will continue to develop over the coming years and that has followed ISO 20400 guidelines with the ultimate ambition of being aligned with this standard.

As well as 2022, 2023 was a year of acceleration in this regard, further gearing our procurement function towards sustainability, integrating sustainability in all our procurement processes and monitoring progress against our targets.

**92%**

**of our product and logistic spending is invested in strategic suppliers that share their ESG efforts with us.**

**78%**

have CO<sub>2</sub>e targets.

**44%**

have the OHSAS or ISO 45001 certifications.

**50%**

have waste reduction and renewable energy goals.

**67%**

have a CSR policy and 44% have a DEIB Policy.

**100%**

have ISO 9001 and ISO 14001 certifications and an Environmental Policy.

**61%**

have a Supplier Code of Conduct.





**We are committed  
to being a positive  
actor in our  
communities.**





# 4.2 Community Impact

ESRS 2 SBM-3 / S3-1

## Our commitments

ESRS 2 SBM-2



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



2. We support more vulnerable people in our communities who need protection by offering our time, skills and knowledge of our colleagues and partners, to enhance their opportunities to feel safe and secure, as well as selectively providing our products and services for protection and targeted financial donations.



**“We take pride in our role as a social actor, facilitating employment, careers, and development opportunities across our geographies. In 2023, we generated over 1,800 new net jobs throughout Europe and Latin America.”**

Luis Gil, President of Expansion.





# Corporate Social Responsibility Strategy

To further advance in our commitment to act as a positive actor in our communities, in 2023 we have defined and approved our Corporate Social Responsibility (CSR) strategy.

This new CSR strategy serves as an umbrella to guide all our social impact actions, with standardised CSR guidelines and principles to follow while allowing flexibility to accommodate local needs and priorities. Verisure CSR Strategy is intended to positively impact more vulnerable population in need of protection in our communities. Through our operations, time,

capability and know-how of our colleagues we improve the possibilities of our communities to feel safe and secure.

By defining a unified CSR strategy, we can effectively leverage our resources to drive positive social impact in our communities. This CSR framework reflects our commitment towards responsible business practices and sustainable development on a global scale.

## Verisure Corporate Social Responsibility strategic framework

### CSR Dimensions

<b>VISION/MISSION</b>	'Protect what matters most by having a positive impact in our communities'.
<b>DIRECT BENEFICIARIES</b>	More vulnerable population in need of protection in our communities –e.g. among children, elders, women, groups at risk...–.
<b>INITIATIVES, PROJECTS</b>	We provide time, capability and know-how of our colleagues and close communities to improve the possibilities of our communities to be safe and secure, now and in the future, as well as selectively our products and services for protection and targeted financial donations.
<b>LEGAL UMBRELLA</b>	The right legal vehicle for each initiative –Verisure, a foundation, an association, collaborations...–.
<b>GEOGRAPHIC SCOPE</b>	Focus on the communities in the geographies in which we operate. Exceptionally, contributing to important causes with a global/broader scope, prioritising communities we are connected to.

### Key Enablers

<b>OPERATIONAL</b>	Values: Verisure Star	CSR Policy	Guidelines	Collaborations with entities
<b>TRACKING</b>	KPI Monitoring By collaborator. By project.		Governance Decision making at international level, budget allocation, projects approval.	
<b>COMMS / MARKETING</b>	Logo & visual assets	External / Internal Communication	Best practice sharing	

# Verisure as a job creator and social elevator

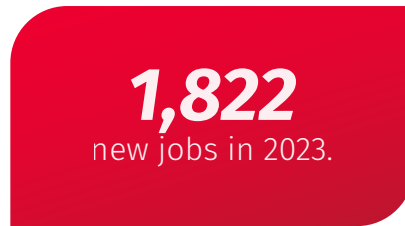
We understand that our responsibility to society at large goes beyond the bounds of our business. Thus, we are committed to being a positive actor in our communities wherever our expertise, assistance and solutions are needed.

It's intrinsic to our DNA to make a positive impact on our communities through our products and services, the jobs we create and the social actions we undertake.

**We are proud to act as a social elevator by providing jobs, careers, and opportunities** for upward mobility everywhere we operate.

In the past year, we have created over 1,800 new jobs across Europe and Latin

America, which provide opportunities for stable career growth and, in turn, improve economic stability in families and local communities.



A relevant group of our colleagues, particularly in the Sales and Operations departments, didn't follow a traditional educational path. We grow, develop, and train these colleagues, equipping them with the skills they need for future

leadership and promotion opportunities within our company.

Our highest training investment in the company is performed within our Sales and Operations academies. This is considered the most structured training and the one with the highest number of internal trainers involved, a team composed of our top-performing sales managers.

Finally, it's important to note that **most of our team leaders and managers in Sales started in entry-level positions**, as it's an intentional part of our business strategy to grow and develop talent based on merit and drive, instead of a particular educational background.



# Making a difference in the communities we serve

**Our team members are driven by a will to influence society positively.** Their dedication as responsible social actors has engaged 11 countries in volunteer initiatives within our operational sphere.

## Gender

### ITALY

- **Differenza Donna:** We have extended our partnership with the association Differenza Donna to organise training for colleagues in the prevention of violence against women. Together with the organisation, we developed an internal and external communications campaign named '*Insieme Impariamo, Insieme Proteggiamo*' (Together we learn, together we protect), launched on the International Day for the Elimination of Violence against Women.
- **Race for the Cure:** More than 400 Italian colleagues ran the 'Race for The Cure' organised by the Breast Cancer Research Association. Verisure was recognised as one of the companies with the most participants.



In this section, we present some of the projects we proudly support, by topic and country.

### SPAIN

- **International Day for the Elimination of Violence Against Women:** Our colleagues joined the initiative 'Companies for a society free of gender-based violence' on 25 November. Additionally, teams could contribute to the cause by donating money to the entity Generando Igualdad.
- **Carrera de la Mujer:** Our colleagues in Spain joined the *Carrera de la mujer* (The Women's Race) for the 7th consecutive year, with 174 colleagues participating to help raise awareness on the importance of research, prevention, and treatment of breast cancer.





## Child Safety

### ARGENTINA

- **Holiday season boxes:** In the holiday season, our Argentinian colleagues contributed to pack boxes to ensure that families had access to essential supplies for the holiday season. Additionally, school kits were packed for children living in underprivileged neighbourhoods



### ITALY

- **Children's Day in Italy:** Our Italian colleagues hosted the volunteers of Salvamamme association on Children's Day in September for the donation of second-hand toys to the organisation.
- **Hospitality Project:** In December teams also launched a fundraising activity for colleagues to donate free nights to the families of children hospitalised in long-term care units at the Bambino Gesù Hospital in Rome. Verisure Italy donated over 200 nights to support families that had to move away from home during the holiday season.



## People with disabilities

### PERU

- **Asociación de las Bienaventuranzas:** Our Peruvian colleagues partnered with the association Asociación de las Bienaventuranzas to provide shelter for people with disabilities or illness living in socioeconomically disadvantaged environments.
- **Lima Half Marathon:** Our Peruvian colleagues have participated in the Lima Half Marathon to support runners with visual disabilities and to raise awareness around the importance of good health.

## Providing help in humanitarian crisis

We believe it's a human right to feel safe and secure and this extends to instances of natural disasters such as the earthquakes that took place in Türkiye and Syria in 2023, where humanitarian aid was essential.

We collaborated with UNHCR to donate and to help alleviate the effects of the earthquakes in the area. Related to this humanitarian crisis, our teams across the Verisure family stepped up to help in other ways, as in Belgium, launching initiatives to gather and donate material goods like medicine, baby diapers and heaters. In Norway, colleagues launched a local fundraising campaign to donate to the Red Cross emergency relief work in the affected areas.

## Other volunteering activities

### ITALY

- **Legambiente:** Teams organised two park clean-up events in partnership with Legambiente, the largest national association in the country.

### SPAIN

- **Reforestation Project:** Teams joined forces with the not-for-profit organisation Reforest Project to extend in 2023 the Securitas Direct Forest, planted in 2022 for first time, thanks to corporate volunteers.



## Verisure Foundation

An important achievement in CSR for Verisure has been the constitution of the Verisure Foundation in Spain. Our Spanish subsidiary registered its corporate foundation with the Spanish Ministry of Justice in 2023. At the end of the year, the Verisure Foundation appeared in the Official State Bulletin (BOE) as a new foundation and began work on the strategic project framework, developed an action plan, and created specific projects for each of the foundation's key beneficiaries.

As spearhead of the Verisure CSR strategy, the mission of the Verisure

Foundation in Spain builds a protection network for vulnerable groups such as underprivileged children and youth, vulnerable women, especially victims of gender-based violence, and vulnerable elderly people suffering from unwanted loneliness. Through its action plan, the foundation will focus on its closest communities and act as a promoter of a culture of safety.

In December, the Verisure Foundation held its first Board of Trustees, where the governance, decision-making process, budget, and action plan for 2024 were approved.



**“When we face social challenges, our DNA guides us to protect what matters most, generating a positive impact in the communities we serve.”**

Antonio Anguita,  
President for Iberia, LatAm, and Italy.





# A responsible approach to tax

We believe that paying taxes is both a legal obligation and a moral responsibility, an essential part of being a responsible partner for all our stakeholders and making a positive impact in our communities.

By complying with our tax obligations, we support local governments and the public sector, which provide critical services such as education, healthcare, and infrastructure. During 2023, the corporation tax paid and indirect taxes collected in the jurisdictions where we operate amounted to €681.3 million.

**€681 M**  
on paid and  
collected taxes.





5

**OUR  
PLANET**



# 5.1 Climate Change

As a reflection of our commitment to the environment, the progress in our climate strategy is one of the topics that affect the variable remuneration of our Group Executive Team. This incentive scheme is approved by the Board considering the recommendation of the Remuneration Committee.

## Transition plan

E1-1 / E1-3 / E1-4

**We are committed to reaching Net Zero by 2050.** As a near-term target, we have established an emission intensity reduction target based on revenues for 2030: a more than 40% reduction in scope 1 and 2 GHG emission intensity per € of revenues compared to 2021, and a more than 40% reduction in scope 3 GHG emission intensity per € of revenues compared to 2021. As an additional target, we are planning to reach more than 80% of renewable energy use in our buildings by 2030.

The lack of a specific pathway in the Science Based Target initiative (SBTi) for our business model implies that we should follow the absolute reduction method proposed by SBTi for our near-term targets, which asks companies to reduce their 1 and 2 emissions by 42% in absolute terms from 2021 to 2030. However, this reduction level is not compatible with our current growing trend, therefore we cannot claim that our targets are in line with the Paris Agreement. Nonetheless, we feel confident of radically reducing our scope 1 and 2 emissions before 2040, once sustainable mobility options are broadly adopted.

## Our commitments

ESRS 2 SBM-2



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



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





Taking this into account, **we are already using decarbonisation levers on each scope, to reach Net Zero emissions by 2050:**

## Scope 1 (GHG emissions)

As a customer services company, **our main source of scope 1 emissions is the use of fossil fuels for our vehicle fleet**, mainly driven by our sales department and our technicians.

Our challenge here is to reduce the emissions per km and the number of km needed to serve our customers.

To accomplish our target for 2030, we need to transition to a lower-emission car fleet, maximise the efficiency of our routes and optimise the number of visits to our client's premises while at the same time improving customer experience.

An adequate fleet transition needs to consider not only the technological evolution of low-emission vehicles but also the potential operational challenges

that such a transition may present. In the case of electric vehicles, a transition needs to occur alongside the right level of public charging infrastructure.

We usually renew our entire fleet every three or four years, leveraging car leasing companies. Thanks to these renewal times, we could easily transition to a zero-emission fleet once electric mobility is more developed, with sufficient electric charging coverage and speed. Therefore, we are confident of dramatically reducing our emissions beyond 2035-2040.

Our 2030 target is conservative in the availability of public charging infrastructure and considers the different speeds of deployment in our countries of operation. These targets could be revisited in the coming years,

as the availability and speed of electric charging stations and the range of electric vehicles improve or other technologies, such as hydrogen-fuelled vehicles, are developed.

To reduce the amount of km needed to carry out our business, we are constantly analysing the optimum level of Do It Yourself (DIY) services compared to sending technicians to the homes and businesses of our customers. We aim to increase the variety of services our customers can do themselves and minimise the maintenance needed, which lowers emissions, while enhancing customer satisfaction and efficiency. Moreover, we look for new ways to sell our products, using different channels that require less face-to-face interactions with our teams.





## Scope 2 (GHG emissions)

**Emissions from electricity consumption at our facilities will be reduced by activating three levers.**

First of all, we will increase our use of renewable energy, mainly through certificates of guarantee of renewable origin. We are committed to using more than 80% renewable energy at our corporate buildings in 2030 at the consolidated Group level and 100% at locations where renewable energy is available.

Secondly, we plan to improve our energy efficiency. By reducing the amount of energy needed for our business activities, we will minimise the amount of electricity purchased and, consequently, our scope 2 emissions.

Finally, country decarbonisation targets will only be achieved through the use of low-emission technologies in the generation mix of each country. We will benefit from this green transition of the electricity generation capacity.

**80%**  
of renewable energy  
at our corporate  
buildings (target 2030).

## Scope 3 (GHG emissions)

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

- **Purchased goods or services:** these are the main sources of our scope 3 emissions. To reduce our emissions in this area we have improved our supplier engagement, differentiating key manufacturing suppliers from other non-strategic suppliers. Our level of influence determines how much we can engage with a supplier in target setting. Thus, we will look for alternative options with lower emissions for non-strategic suppliers.
- **Use of sold products:** we benefit from energy efficiency innovations in our pipeline and from the gradual decarbonisation of the electricity grid to which our devices are connected. In terms of the emissions produced as a consequence of the call-outs to police, fire brigade or ambulances related to our customers' potential or real emergencies, we rely on the decarbonisation plans of public bodies.
- **Fuel and energy-related activities:** we will reduce our emissions in line with our car fleet transition.
- **Upstream transportation and distribution:** by promoting sea and rail transportation over air and road we are reducing our transport and distribution emissions significantly from our base year.



- **Employee commuting:** our approach starts by informing our colleagues about the carbon footprint of their commuting to raise awareness about its impact. We plan also to promote sustainable ways of commuting, such as car-sharing and public transport. Our investment in new ways of working also enables flexibility in the number of days that many of our colleagues work from home, which benefits our GHG footprint.
- **Franchises:** we will engage with our partners to reduce their emissions at a similar pace to ours, so they do not affect our targets.

Apart from these reduction levers, **we take into account locked-in emissions: future emissions of carbon dioxide that are caused by decisions made today.**

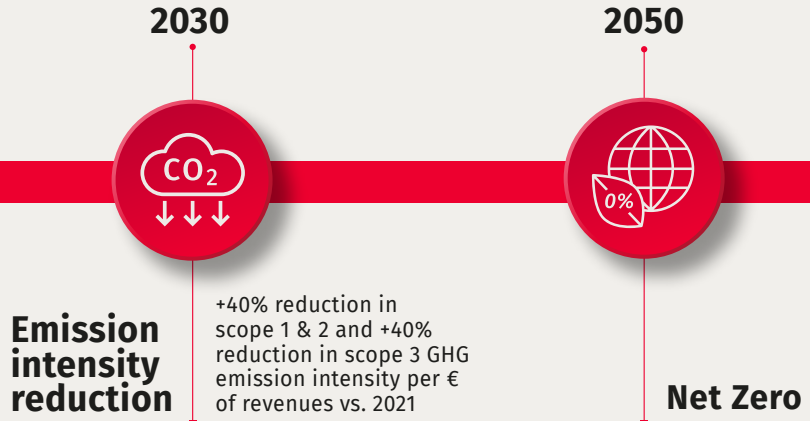
For example, if someone buys a computer with an operational life expectancy of five years, they have 'locked-in' five years of CO<sub>2</sub> emissions from that computer.

We are aware that our customers stay with us for many years, so we also include locked-in emissions in our climate strategy, considering GHG emissions resulting from powering our alarm devices connected to the electricity grid.

Beyond our future innovations related to energy efficiency, we consider that the generation mix of the grid is going to improve once the use of fossil fuels is reduced under the National Determined Contribution (NDC) of all the signatory countries of the Paris Agreement.

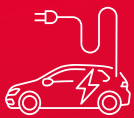
## Our transition plan

# Main targets



## Scopes

**01**



Main source of emissions

### VEHICLE FLEET

#### Reduction levers

- 1 Transition to a lower emission car fleet
- 2 Optimisation of distance travelled

**02**



Main source of emissions

### ELECTRICITY CONSUMPTION

#### Reduction levers

- 1 Increase in renewable energy used
- 2 Energy efficiency
- 3 Greener electricity grids

**03**



Main source of emissions

### PURCHASED GOODS OR SERVICES

#### Reduction levers

- 1 Strategic supplier engagement
- 2 Alternative greener non-strategic supplier discovery
- 3 Energy efficiency projects and decarbonisation of electricity grids
- 4 More % of sea and rail transportation
- 5 Sustainable ways of commuting

# Our progress so far

E1-1 / E1-3

We are positively progressing towards reducing 40% of our total emission intensity by revenues for 2030. However, we still need to achieve a more balanced performance across our three emission scopes.

## SCOPE 1

We have already started to include carbon pricing as a variable to decide the new car models to be leased but we still need to see its effects in the longer term to adjust the price to the right level of incentive. Our fleet has already increased the percentage of hybrid and LPG models. However, the number of fully electric cars is small due to their relatively higher cost and the importance of minimising the operational risk related to their use for our commercial and service activities.

## SCOPE 2

Although we have benefitted from the decarbonisation path of the grids of the countries we operate, we are aware that a bigger effort is needed to achieve our 2030 target of 80% of renewable energy consumption in our corporate buildings.

## SCOPE 3

We are experiencing good overall progress in scope 3. The engagement with our strategic suppliers is paying off and we are seeing reductions in their emissions intensity. Also, we have achieved a significant reduction due to the improvement in the air-sea-train-road mix of our product transport logistics. On the other hand, the use of more accurate information from our travel agency has shown a higher level of emissions in business travel.



## Climate change adaptation

E1-2

The effects of climate change are real, and they will continue in the short and long term. Even though it's essential to work towards reducing our impact on the environment, we must also draw up new strategies to adapt to the new context.

To maximise our adaptation, we aim to increase our energy efficiency, obtaining an energy-efficiency certification for all our main corporate buildings by 2030.



# Climate governance

ESRS 2 GOV-3

Our climate strategy has been approved by the ESG Board Committee, which oversees our ESG strategy and progress, including climate change issues. We explain more about this Committee

in the section [Verisure Corporate Governance](#), under chapter 6. *Ethics & Integrity: Corporate Governance*.



**“We are positively progressing towards reducing 40% of our total emission intensity by revenues for 2030. However, we still need to achieve a more balanced performance across our three emission scopes.”**

Enrique Bofill, Group ESG Director.

## Material impacts, risks and opportunities, and their interaction with our business model

ESRS 2 IRO-1 / ESRS 2 SBM-3

Our commitment to the environment starts with identifying the impacts, risks and opportunities arising from the consequences of climate change.

The transformational change in the way we operate our business comes with a strong understanding of significant risks that can potentially hinder our activities

and halt our ambition to protect what matters the most.

We have followed the description of potential risks and opportunities provided in the CSRD and in the TCFD guidelines to identify climate-related impacts, risks, and opportunities.



# Climate-related Impacts, Risks and Opportunities



## 1. GHG EMISSIONS AND ENERGY USE IMPACT RISKS

Our current business model implies the emissions of GHG as described in the three scopes above. We know that this negative impact should be minimised, therefore we are working on the reduction levers described in the section [Transition Plan](#).

We will also contribute to the reduction of total energy used through energy efficiency-related measures, mainly in our buildings. Through the use of renewable energy, we will not only reduce our emissions but also avoid the depletion of natural resources.



## 2. CLIMATE-RELATED PHYSICAL RISKS

The potential negative chronic or acute impacts of climate change include temperature, water and wind-related events, as well as solid mass-related episodes following sudden changes in the climate balance.

These threats could certainly affect the quality of life of our customers and colleagues and, consequently, we must be cautious in the way we locate and operate our corporate buildings, branches, and car fleet. We also need to be prepared for the potential increase in demand for monitoring real estate assets to act in case of fire or flood.



## 3. CLIMATE TRANSITION RISKS

Based on our analysis of climate transition risk we foresee the following main potential risks:

### 3.1. Policy and legal risks

- **Increased pricing of GHG emissions.** As the world seeks to reduce greenhouse emissions, a wide range of policy instruments can be used. One of these is carbon pricing: putting a price on the emissions that must be paid by those responsible for producing them.

According to most analysts, we should expect an increase in carbon prices in the coming decades. This is also likely

to be more and more integrated in all the sectors of the economy, especially in Europe through the extension of the EU Emissions Trading System (ETS) to other sectors, such as transport, and the implementation of the Carbon Border Adjustment Mechanism. We will be mitigating this risk by reducing our carbon footprint across our value chain.

- **Enhanced emissions reporting obligations.** Along with carbon pricing, we understand the need to increase the disclosure of emissions for these to be compared and consolidated across economic sectors. In parallel, greater accuracy is expected in emissions calculations, so we are working towards enhancing our carbon emission model every year, especially for those with the highest uncertainty, such as scope 3 emissions.
- **Too demanding decarbonisation requirements.** A generalised approach to decarbonisation requirements that does not consider the particularities of each industry and company could lead to excessive transition costs. Verisure will mitigate this risk through the continuous search for additional decarbonisation levers.

### 3.2. Technology Risks

- **Cost of transition to lower-emission technology.** Although our products do not need a large amount of energy to be operative, we aim to design products with even lower lifecycle emissions. This innovation process will require investment that may or may not be successful.

### 3.3. Market risks

- **Increased cost of raw materials.** Climate change can cause disruptions in global supply chains, interrupting production and raising the costs and prices of raw materials. Additionally, geopolitical risks can also have a negative effect of raw material and energy prices, creating more challenges for the shift to a low-carbon economy. The continuous optimisation of our supplier base and its inventory management should be the lever to mitigate this risk.

### 3.4. Reputational risks

- **Increased stakeholder concern.** The footprint of serving one of our customers is 15.2 Kg CO<sub>2</sub>e per year at the current intensity. We believe this figure is moderate, so we do not foresee a negative reputational effect on our customers. Nevertheless, as a promise to our people and planet, we will not be satisfied until we achieve our Net Zero emissions target.



## Taxonomy regulation

Regulation (EU) 2020/852, also known as the Taxonomy Regulation, requires Swedish-listed companies to disclose the percentage of eligible revenues and the percentage aligned with the EU Taxonomy criteria defined in the Climate Delegated Act.

Although Verisure is not a listed company, we have confirmed that our economic activities are neither covered by the Climate

Delegated Act nor eligible under the Taxonomy. Therefore, they are not aligned with their requirements.

However, some of our Capital Expenditure (CapEx) and Operating Expenses (OpEx) are eligible from activities listed in the EU Taxonomy, such as building renovation to improve energy efficiency and the leasing of low-emission vehicles.





# Scenario analysis

ESRS 2 IRO-1

Both the CSRD and the TCFD recommend the disclosure of *'the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material',* including *'the resilience of the organisation's strategy, taking into consideration different climate-related scenarios'.*

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

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

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



To understand the implications of carbon prices on our business, we have analysed the following scenarios from the International Energy Agency (IEA) ‘World Energy Outlook 2023’ report:

**Analysis of Scenarios**

IEA SCENARIO	ESTIMATED TEMPERATURE INCREASE	CARBON PRICE (IN USD OF 2022 PER TON)		
		2030	2040	2050
Net Zero Emissions by 2050*	1.5°	140	205	250
Announced Pledges Scenario (APS)**	1.7°	135	175	200
Stated Policies Scenario (STEPS)***	2.4°	130	150	155

\* This scenario outlines the way forward to achieve stabilisation of the global temperature increase at 1.5°C.

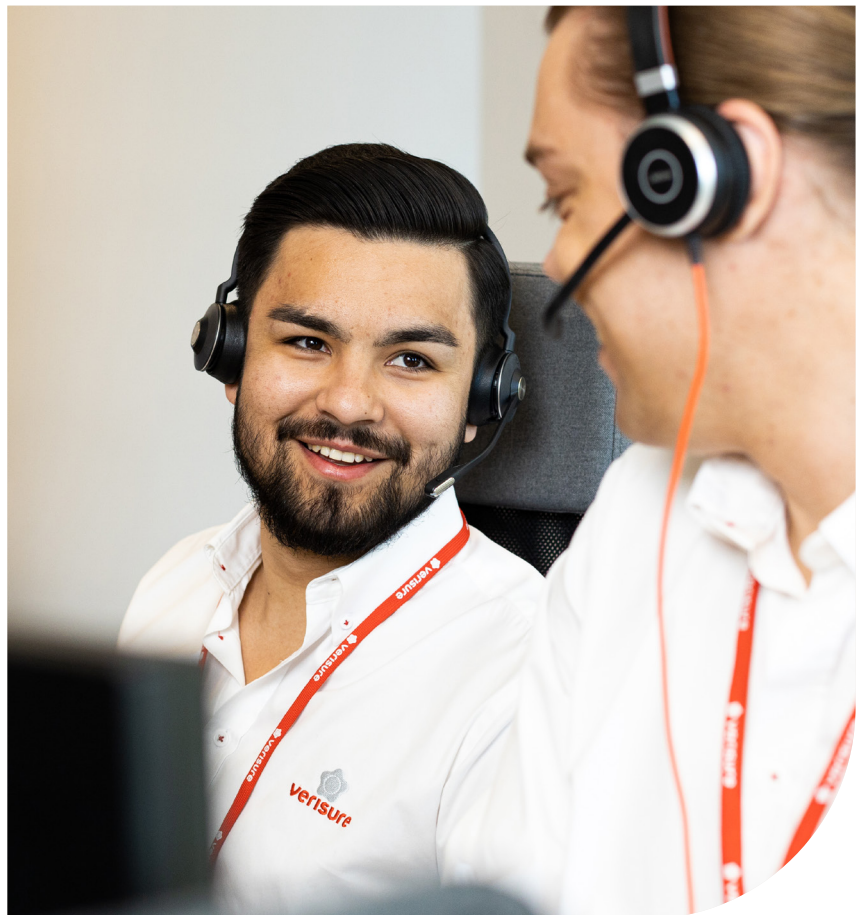
\*\* This scenario assumes that all the targets announced by governments are met in full and on schedule, including their long-term zero emission and energy access targets.

\*\*\*This scenario shows the projection of current policies into the future.

After analysing the scenarios, we recognise that the potential increase in carbon prices could impact our activities, so our main hedge is to avoid this influence by reducing our emissions.

Our main source of emissions is our vehicle fleet. Though we are still in the early stages of this process, we are already working on the feasibility of a transition to a lower-emission vehicle fleet.

**The following table shows that the cost of a transition to a low-emission fleet could work for our company,** considering the affordability of battery-powered electric cars and assuming the availability of such cars, charging infrastructure and zero long-term interruptions of the supply chain.





### Cost of Transition to Low-Emission Fleet

	2021	NET ZERO EMISSIONS BY 2050		ANNOUNCED PLEDGES		STATED POLICIES	
		2030	2050	2030	2050	2030	2050
Hybrid cars cost (USD)	16,122	14,460	14,638	14,686	14,861	14,528	14,718
Battery electric cars cost (USD)	21,322	14,783	13,251	15,772	14,158	15,265	13,618

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

Although, in terms of cost, the leasing of an electric car could be affordable in 2030, the main reason to be cautious in the transition to an electric fleet is the level of the rollout of public charging infrastructure and the time needed to charge the vehicles. A low coverage of charging infrastructure and long charging times would lead to a high risk of disrupting the service to our customers as we would not be able to serve them properly.

As described in the research white paper 'European EV Charging Infrastructure Masterplan', published by the European Automobile Manufacturers' Association (ACEA):

- 6.8 million public charging points are required by 2030 to support the transition to e-mobility.
- On average, up to 14,000 public charging points are needed to be installed per week. In 2022 only 2,000 were being installed per week.

This uncertainty is much higher in Latin America, so we need to be cautious and commit to achievable goals.

To do so, we will revisit our targets once there is more visibility around this issue. In any case, we are confident that our scope 1 emissions should be close to zero in the longer term (2035-2040).





# Energy consumption and mixed energy

E1-5

Our total energy consumption (scope 1 and 2) accounted for **218,491 MWh in 2023**. Of these, 21,707 MWh comes from electricity. In total, 22% of our electricity consumption comes from renewable sources with a certificate of origin.

Total Energy Consumption (scope 1 and 2), in MWh



**21,707**  
MWh of electricity  
consumption.

**22%**  
of electricity consumption coming from  
renewable sources with a certificate of origin.



# Total GHG emissions

E1-6

We calculate and report our Scope 1, 2, and 3 GHG emissions according to the GHG Protocol. In 2023 our total emissions have decreased by 3.5% vs. 2022. The main increase was in scope 1, as we used more fuel, mostly in the customer acquisition area. Also, scope 2 emissions (market-based) have

increased, as in some countries we have decided not to buy electricity with a certificate of origin due to high prices. Yet, we were able to decrease our scope 3 emissions by cooperating with less-emitting suppliers and selecting lower-emitting road and sea transportation.

## Total GHG Emissions

	UNIT	BASE YEAR 2021	2022	2023	2023 VS 2022 (%)
Scope 1 - CO <sub>2</sub> e emissions	tCO <sub>2</sub> e	38,050	43,959	47,625	8.3%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	%	0	0	0	0%
Scope 2 - CO <sub>2</sub> e emissions (location-based)	tCO <sub>2</sub> e	2,238	2,431	3,352	37.9%
Scope 2 - CO <sub>2</sub> e emissions (market-based)	tCO <sub>2</sub> e	1,040	721	2,641	266.4%
Scope 3 - CO <sub>2</sub> e emissions	tCO <sub>2</sub> e	118,337	125,636	114,046	-9.2%
Total GHG emissions (location-based)	tCO <sub>2</sub> e	158,625	172,026	165,023	-4.1%
Total GHG emissions (market-based)	tCO <sub>2</sub> e	157,427	170,316	164,312	-3.5%

## Scope 3 GHG Emissions by category

	UNIT	2023
Scope 3.1 - Purchased goods and services	tCO <sub>2</sub> e	48,571
Scope 3.3 - Fuel and energy related activities	tCO <sub>2</sub> e	13,019
Scope 3.4 - Upstream transportation & distribution	tCO <sub>2</sub> e	3,443
Scope 3.5 - Waste generated in operations	tCO <sub>2</sub> e	311
Scope 3.6 - Business travel	tCO <sub>2</sub> e	4,856
Scope 3.7 - Employee commuting	tCO <sub>2</sub> e	14,566
Scope 3.11 - Use of sold products	tCO <sub>2</sub> e	22,535
Scope 3.12 - End of life treatment of sold products	tCO <sub>2</sub> e	35
Scope 3.14 - Franchises	tCO <sub>2</sub> e	6,710
<b>Scope 3 - CO<sub>2</sub>e emissions</b>	<b>tCO<sub>2</sub>e</b>	<b>114,046</b>

# GHG removals and carbon pricing

E1-7 / E1-8

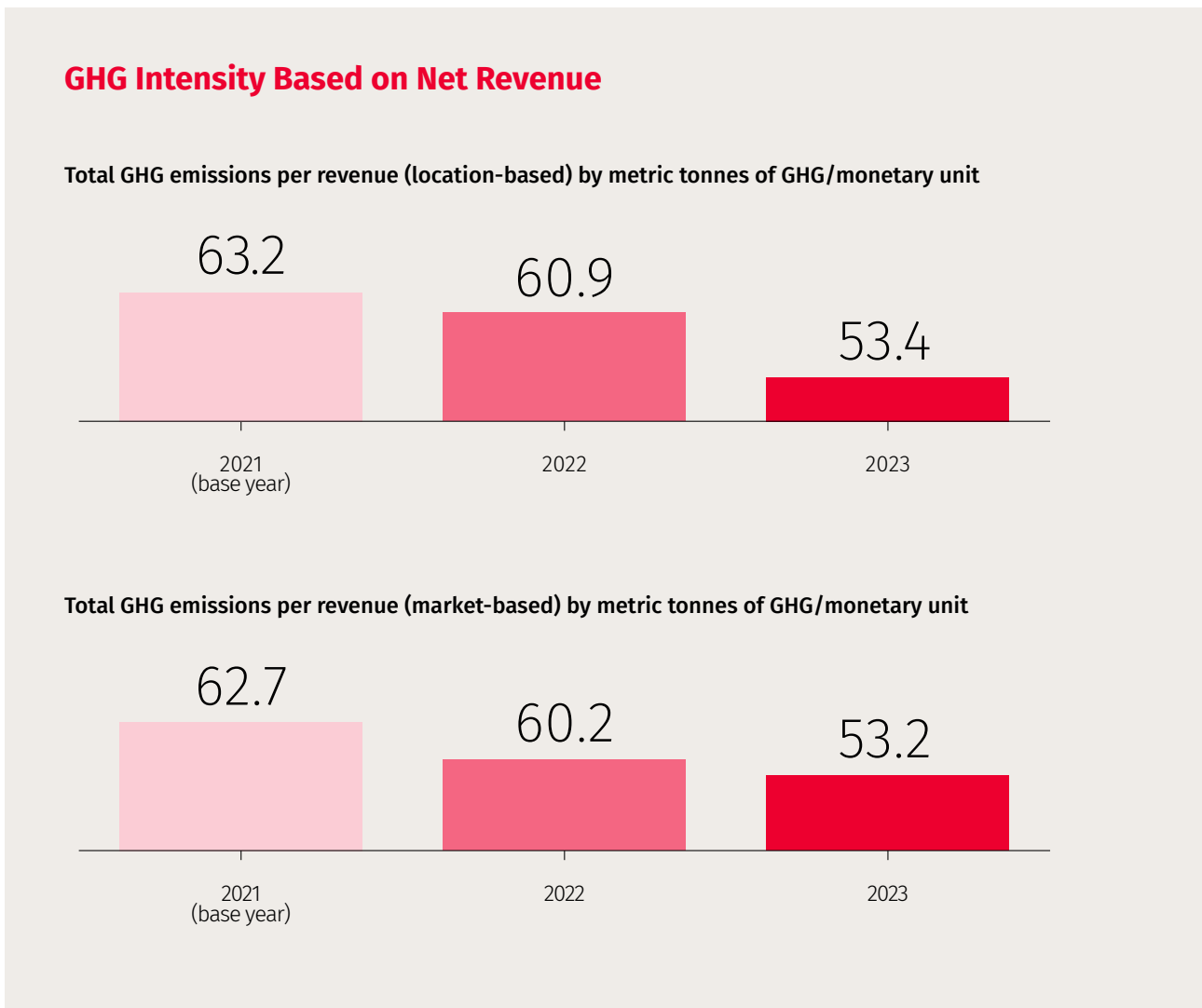
We believe our focus should be on **minimising our emissions and only using carbon offsetting for unavoidable emissions in the long term.**

Thus, we do not foresee using GHG removal or storage, nor mitigation projects through carbon credits, at least in the coming years.

To start this transition, we have already used carbon pricing as one criterion for the selection of our car fleet in the RFQs with vehicle leasing companies.

# GHG intensity based on Net Revenue

The following table shows our GHG intensity based on net revenue, by metric tonnes of GHG/monetary unit. We have used the figure of €3,090M of revenues.





# 5.2 Product Lifecycle Management and Circularity

## Circularity Plan

ESRS 2 IRO-1 / ESRS 2 SBM-3

**Our main priority is to manage the lifecycle of our products and services to ensure product longevity and sustainability, starting with product design.**

We are also committed to protecting the environment through the implementation of an effective waste management programme, extended to all major activities within our operations that have a significant impact on waste, such as recycling, packaging and disposal of material. These guidelines aim to ensure that waste management is carried out in accordance with legislative requirements on waste, including:

- Minimising waste generation.
- Facilitating and encouraging the application of the three 'Rs' (reduce, reuse and recycle).
- Promoting environmental awareness.



**“In 2023, we continued to reduce the amount of plastic in our packaging, reaching a 17% reduction vs. 2021.”**

Mariano Andreu Merino, Group Procurement and Supply Chain Director.

## Our commitments

ES-3



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



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

# Optimising design, packaging, and logistics

E5-2

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

We are continually pursuing opportunities to introduce more sustainable practices into the design of our products. Our Research and Development (R&D) teams conduct regular assessments and material testing to improve the use of recycled plastic in our products and increase the durability of our devices.

Our alarm and monitoring devices have a long and durable lifetime, resulting in a relatively small environmental footprint. Even when our alarms are disposed of, we do everything in our power to salvage, reduce or recycle them.

In the last quarter of 2023, we built a cross-functional team to launch a project pilot in 2024, aimed at using the Life Cycle Analysis methodology to reduce our environmental impact since product design.

We are also committed to increasing our green footprint in terms of resource usage and circularity through product design and packaging, reverse logistics and waste electrical and electronic equipment (WEEE) measures.



## Product design and packaging

E5-1 / E5-4 / E5-5

**We are transforming the packaging requirements of our products**, by engaging our strategic product suppliers, those in alarm equipment and R&D spend, in the quest for alternative materials to make this process as plastic-free as possible.

The standard packaging we use to protect our products consists of:

- A plastic protection foil to protect the most sensitive parts of our articles.
- If needed, a plastic bag to protect the whole product.
- Finally, the completed product is packed in a cardboard box.

In 2022 we already reduced the plastic in our packaging by 3% vs. 2021 and, in 2023, we continued doing so reaching a 17% reduction vs. 2021<sup>1</sup>. Efforts are directed towards entirely eliminating or substantially reducing the plastic bag surrounding the product, without causing any damage. In instances where this is not feasible, alternatives such as cardboard sheets, tissue papers, or biodegradable bags are utilised in place of plastic.

To accelerate this goal, we have developed a common Sustainable Packaging Strategy for our strategic product suppliers, Electronic Manufacturing Services (EMS) and Original Design Manufacturer (ODM), as well as third-party logistics providers (3PLs).

## Our Sustainable Packaging Strategy

Our Sustainable Packaging Strategy is a key pillar of our transition towards a carbon-neutral and circular economy, deployed in three steps:



1

Reduce the packaging weight and size of plastic bags or remove them completely.



2

Increase recycled plastic options.



3

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

On the other hand, as explained in the section [Sustainable Sourcing](#), under chapter 4. *Our Communities*, supplier engagement and their risk assessment are key processes for

us. A major objective of the 2023 engagement with our strategic suppliers was to support these suppliers in considerably reducing their waste going to landfills.

<sup>1</sup> That percentage decrease is calculated using current volumes, comparing the current unit weight to that of 2021, which serves as the baseline.



## Reverse logistics

E5-5

The key element of our approach to minimising waste revolves around recapturing the value and extending the lifecycle of products that are returned due to maintenance activities or cancellations.

During 2023, our Reverse Logistics centres enabled us to refurbish and reuse 70% of the product value returned from customer premises.

As part of our maintenance operations, our teams analyse materials at local warehouses and send them to a central



distribution centre when there is a potential for reuse. Once this is done, the materials are classified according to our Repair Catalogue and introduced into the Reverse Logistics flow at our repair centres.

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

## Our Reverse Logistics, Simply Explained



We currently recycle more than 99.9% of the waste in our distribution centres, including both products that cannot be repaired and any other type of waste generated. In 2023, only 0.2 tonnes

of waste went to landfill, and all was organic. We pursue a zero-landfill strategy, aiming to recycle 100% of our waste by 2025 in our distribution centres.

**>99.9%**  
of waste in distribution centres was recycled in 2023.



## Waste Electrical and Electronic Equipment (WEEE)

E5-5

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

**To reduce our electrical and electronic equipment waste, we partner with recycling companies<sup>2</sup> across our footprint, who benefit from synergies**

and economies of scale to deploy a granular waste collection network.

Beyond paying our fee, we collaborate in the collection of WEEE generated, mainly through our maintenance activities. We are continuously analysing best practices to reduce our WEEE through aspects such as durability, amount and type of material, energy efficiency, sources of energy and maintenance, and repair processes.

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



<sup>2</sup> Our recycling partnerships include: Ecopilas, Recyclia, Resalgar and Ecoasimelec in Spain, Recyclia in Chile, Gtech in Brazil, Globally S.A. in Argentina, ALMI International S.A.C. in Peru, ERP in Portugal, ERP in Italy, SCRELEC, and Ecologic in France, Sibat, Stichting Open, and Milieu Service in the Netherlands, GRS and Rhenus in Germany, Business Waste in the UK, Bebat and Aba Recycling in Belgium, El-Kresten in Sweden, ATEA and Affald in Denmark, 3StepIT and Norsirk in Norway, and Recser, Selt ry, Ecolt, Altea, and Remeo, in Finland.



# Green workplaces

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

## UK: NEWCASTLE

Our new building in Newcastle has been certified with a Green Mark, a certification that recognises the maturity of companies regarding their environmental management system. With regards to our sustainable practices, in 2022, we achieved Level 1 recognition for our sustainable practices in environmental management, local environment, utilities, and waste.



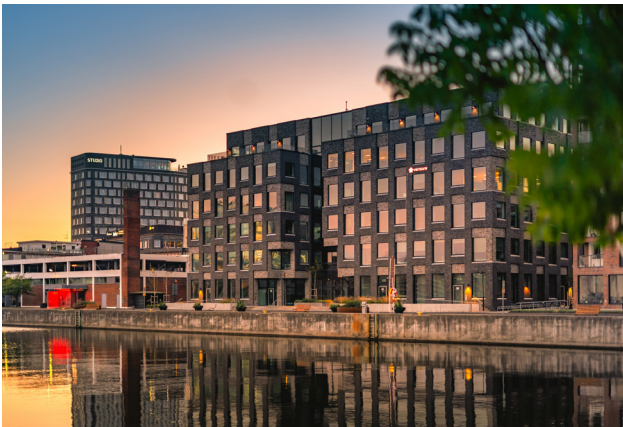
## SPAIN: MADRID

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



## SWEDEN: MALMÖ

The Technology North offices our colleagues go to in Malmö were awarded in 2021 with LEED Platinum and WELL Gold certification.



## PERU: LIMA

Our new offices in Lima have been awarded the LEED Silver Certification by the US Green Building Council in 2019.



## SWITZERLAND: GENEVA

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

## NETHERLANDS

Two of our buildings in Netherlands hold a A+ Energy Label.

## FRANCE

The building based in Antony has been awarded with the BREEAM Very Good certification since 2020, while the Sainghain-en-Mélantois building has been certified as GREEN OFFICE since 2013.



6

**ETHICS &  
INTEGRITY:  
CORPORATE  
GOVERNANCE**





## Our commitments

G1-1



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



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



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



# 6.1 Group Compliance Programme

**Acting With Trust and Responsibility is at the very heart of our DNA.** As such, we are committed to enabling our people to act with the highest standards of ethics and integrity.

A strong Group Compliance Programme is particularly important to live up to our promise of trust and peace of mind for our customers, but also to attract and retain talent and investment, and to build credibility in our engagement with regulators and public bodies.

**This programme is based on five pillars:**

1. Compliance culture.
2. Compliance governance.
3. Compliance framework.
4. Compliance process.
5. Compliance evaluation.

We continuously strive to strengthen our Group Compliance Programme through robust action in each of these areas. As a result, we are pleased to see continued improvements in our Sustainable Engagement survey score for ethics, which is now 14 points higher than in 2016.



**“The compliance culture we promote can be summed up in four words: Do the Right Thing. We are proud to lead by example and deliver on our commitment to act ethically at all times.”**

Nina Cronstedt, Group Chief Legal Officer.

**14**  
more points vs.  
2016 assigned to  
company ethics by our  
colleagues.



# Ethics and Compliance Culture

G1-1

**We take Doing the Right Thing seriously.**

Our customers trust us to protect what matters most to them and we take that responsibility very seriously. This is why we actively drive and uphold a culture of ethics and compliance in our day-to-day conduct, with a strong emphasis on trust and responsibility.

This includes a solid compliance framework, through which we continue

to raise awareness and encourage our people to speak up if they have any concerns.

We are also committed to meeting the growing expectations of investors and other external private stakeholders in our compliance and corporate governance standards. This is the reason why every leader, manager, and colleague in our organisation is responsible for

championing behaviour that is consistent with our policies. We have zero tolerance for misconduct.

We foster the awareness of the applicable rules by rolling out ad hoc training to relevant audiences from time to time, including local adaptations when relevant, and refresher campaigns. The objective is to maintain the **deep culture of compliance** that we have created.



# Compliance governance

ESRS 2 GOV-1

**Our Group Compliance Committee leads our Compliance governance.**

This body is composed of the Group CEO, Chief Legal Officer, Chief HR Communications and ESG officer, and Chief Financial Officer. The Committee is responsible for managing the Group Compliance Programme and reports quarterly to the Audit Committee on compliance issues and recent trends, whereas the Group Head of Compliance manages the Group Compliance Programme on a day-to-day basis.

During 2023, the Compliance Committee held four meetings.

Local Country Compliance Committees were in place throughout 2023 and always included the Country Managing Director, the Head of Legal and the Head of HR, as responsible for leading the Compliance Programmes in their respective countries, aligned with the Group Compliance Framework, explained below.

These Local Compliance Committees are responsible for suggesting changes and prevention measures to the country Management Teams. They also provide tools and training, regular communication, templates,

and procedural guidelines to their population, based on training and communication tools provided by the Group and Cluster Compliance teams.

The objective of the Compliance Committees' activities is to promote the right behaviour and decisions, raise awareness on compliance-related topics, and strengthen leadership and cross-functional coordination on compliance initiatives.

# Verisure's Compliance Framework

GI-1

Our Group Policy Committee is led by the Group Compliance team, set up in December 2022, and is responsible for:

- Ensuring that our policy documents are aligned with our strategy and objectives.
- Providing guidance for the rollout, adoption and implementation of Group policies, standards, and guidelines.

It comprises representatives of core areas, including Legal, HR and Communications, Finance, Marketing and Technology.

**Our Group Compliance framework consists of our Group Code of Conduct' (from now on 'Code of Conduct'), complemented by several policies and standards, including:**

- Group Anti-Harassment and Non-Discrimination Policy.
- Group Speak-up Policy.
- Group Anti-Bribery Policy.
- Group Data Privacy Policy.
- Group Fair Competition Policy.
- Group Anti-Facilitation of Tax Evasion Policy.
- Group Delegation of Authority.
- Group Information Security Policy.
- Group Acceptable Use of IT Resources Policy.
- Supplier Standards and Ethical Code.

These policies intend to reflect internationally recognised standards, including the UN Guiding Principles on Business and Human Rights, where relevant. We joined the UN Global Compact in June 2021 to further strengthen our commitment to doing business responsibly<sup>2</sup>. All these policies are part of our Terms of Employment, are available and applicable

globally, and are implemented in line with local laws, where and as permissible.

During 2023 we have updated our Group Fair Competition Policy by adding two additional sets of Guidelines and a Guide to Fair Competition.

Moreover, we have developed and circulated a set of Guidelines for Using Generative Artificial Intelligence (AI) in 2023.

In addition, we have created a new Group Policy on Policy Documents, together with two sets of Guidelines.



**“Our corporate governance framework constitutes the foundations of everything we do. It aims at ensuring transparency, accountability, and ethical conduct in our actions. With a strong foundation, we navigate the complex business landscape, creating value for our stakeholders and fostering sustainable growth.”**

Marion Broussard,  
Group Compliance and Corporate Governance Director.



1 Although we don't have a Human Rights Policy at Group level, our Code of Conduct applies to all countries within the Verisure Group and we plan to include a specific section on human rights within this.

2 Verisure has had zero cases of violations of the UN Global Compact Principles in 2023.

## Group Code of Conduct

**Our Group Code of Conduct is one of the fundamental elements of the framework pillar within our compliance program.**

Approved by our Board, it sets the standards for everything we do and provides guidance on:

- Our day-to-day decision-making.
- How we compete.
- Our interactions with colleagues, customers, suppliers, partners, government officials and other stakeholders.

The Code of Conduct applies to our entire organisation, including all our colleagues but also contractors and other collaborators. Everyone is expected to comply with it.

In terms of management, as commented above, the Code of Conduct cascades into various specific policies and standards, linked by training and communication initiatives to ensure they are fully internalised across the organisation.

A Code of Conduct e-learning is deployed in all countries and is now part of the onboarding process for all new joiners. Their employment contracts also have a clause stating their commitment to comply with the Code of Conduct.

## Speak-Up Framework and Policy

G1-1

**Our Group Speak-Up Policy**, available in local languages on our intranet and the Group's commercial websites, **facilitates the identification of breaches of our Code of Conduct or policies** by explaining the types of misconduct that should be reported and how to raise concerns to help colleagues and other stakeholders report events.

At Verisure, it's everybody's responsibility to speak up if they suspect, or are witness to, any violation of our Code of Conduct, policies, standards, or applicable laws.

Anyone in this situation can raise allegations anonymously through several channels, such as line management, HR, Legal, senior management, and a dedicated Speak-Up platform accessible to internal and external parties such as suppliers, customers, former colleagues, and candidates. We investigate all reports according to our policies and standards and, when relevant, take actions, which can range from awareness-raising measures and warning letters to suspensions, dismissals, and other disciplinary actions.

Any colleague who raises an incident in good faith is protected by the zero tolerance of retaliation established in our Code of Conduct and our Group Speak-Up Policy.

Our Speak Up practices, including our Group Speak Up Policy and platform, comply with the EU Whistleblower Directive (Directive EU 2019/1937 of the European Parliament and of the Council) and its related local transpositions.

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

- We count on our colleagues to take responsibility for their own actions and speak up if they observe possible violations of our Code of Conduct, our policies and standards, or applicable laws. We count on them not to undertake investigations alone.
- We count on our colleagues to speak up in good faith.
- We are committed to maintaining the anonymity of those who speak up. The same applies for information about people involved in, preoccupied 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 everyone involved, unless demonstrated otherwise. But we will not tolerate reporting in bad faith.
- We will not tolerate any form of retaliation against people who speak up in good faith.



## Group Anti-Harassment and Non-Discrimination Policy

**At Verisure we have zero tolerance for discrimination or harassment across all our operations.**

This commitment is already expressed in our Code of Conduct but expanded in our Group Anti-Harassment and Non-Discrimination Policy.

This policy includes definitions of discrimination and harassment and the forms they can take in order to raise awareness and train our colleagues in how to identify such behaviour.

### How we define harassment and discrimination

Our Group Anti-Harassment and Non-Discrimination Policy defines harassment and discrimination as:

**Discrimination:** any unjust or prejudicial treatment of people on the grounds of characteristics such as gender, race and ethnicity, age, national origin, religion or beliefs, sexual orientation, gender identity or expression, marital status, or disability.

**Harassment:** behaviour directed at an individual or a group that creates an offensive, intimidating, humiliating, or hostile working environment. Examples include unwelcome sexual advances, offensive jokes, and derogatory remarks.

This policy sets clear expectations for our colleagues in their interactions with others and provides guidance on how to make a complaint.

Our Group Anti-Harassment and Non-Discrimination Policy is deployed in all countries and complemented by local initiatives to prevent discrimination, such as the Equity Plan signed in 2023 in Spain.



## Group Anti-Bribery Policy

G1-3

Corruption and bribery are addressed in our Code of Conduct and the Group Anti-Bribery Policy, both of which are available on our intranet for our colleagues and are part of the onboarding pack that must be read and understood by anybody joining the company. These documents are also available on our website for investors.

As with other policies and standards, our colleagues must comply with these documents and have a responsibility to speak up if they have any questions, doubts, or concerns. To strengthen our position against corruption, 90% of our colleagues have received direct communications about our Group Anti-corruption Policy.

Regarding responsibility, our country Management Teams are responsible for identifying, managing, and mitigating bribery risks that might affect their businesses. Also, our Legal team is responsible for providing legal advice on anti-bribery laws, and overseeing and coordinating training and communication programmes in this area. Our Legal team also assesses requests for gifts, entertainment, donations, and sponsorship, as required by the Group Anti-Bribery Policy and local policies and standards.

Our Group Compliance Investigation Standard carries out potential investigations of allegations of corruption and bribery and sets procedures and principles to ensure an objective assessment from outside the management chain.

Additionally, we have shared a new Guide to Prevent Bribery and Corruption in 2023 with our colleagues, summarising the key principles of the abovementioned policy, in order to raise awareness on the topic. This guide will be further circulated in 2024 to all our geographies, together with the launch of a dedicated new Group e-learning on corruption and bribery for target

audiences irrespective of their country, which was initially planned for 2023.

This e-learning training will be available to our colleagues in Procurement, Sales, Alliances, Regulatory and Public Affairs – the areas we consider most at risk concerning corruption and bribery.

Finally, the Criminal and Anti-Corruption Compliance System in Spain has been certified under the local UNE 19601 standard for Criminal Compliance Systems and the ISO 37001 standard for Anti-Bribery Management Systems since 2019, as well as the UNE 19602 standard for Tax Risk Prevention Systems since 2021. We have six entities certified under UNE 19601a and a further entity certified under UNE 19602.



In 2023, no enforcement actions were opened for anti-competitive behaviour or anti-bribery and corruption. Also, no contracts with business partners were terminated or not renewed in 2023 due to corruption or bribery fines by our partners.





## Supplier Standards and Ethical Code

In 2021 we adapted our Supplier Standards and Ethical Code, which is consistent with the 10 Principles of the UNGC. This document is incorporated into our procurement sourcing tool and its acceptance became a requirement in the qualification phase in 2022. We have also started monitoring the compliance of our strategic and most important suppliers, based on the documentation provided.

Both the Supplier Standards and Ethical Code and the compliance monitoring of our suppliers are explained in detail in the section [Sustainable Sourcing](#), under chapter 4. *Our Communities*.





# Compliance Processes

S1-2 / S1-3

## Group Compliance Investigation Standard

G1-1

**The Group Compliance Investigation Standard provides clear guidance for conducting internal investigations into potential compliance incidents**

involving our Code of Conduct, policies, standards, or breach of applicable law.

It covers the steps to take, from the initial analysis and planning process to fact-finding, the issuing of recommendations and remediations, and closure. It also outlines which key stakeholders should be involved and how to communicate at each step of the process.

This document contains the basic principles to be followed in all investigations:

- Objectivity and fairness.
- Confidentiality.
- No retaliation.
- Proper resourcing and prioritisation.

Our Group Compliance Investigation Standard also clarifies that protection against retaliation needs to be part of our investigation process and must be followed up. It therefore sets strict

confidentiality requirements and states that retaliation against a colleague is subject to disciplinary action, which may include termination. In 2023 we conducted training for all colleagues involved in investigation processes, mostly in HR and Legal teams with a special focus on new joiners, to ensure a consistent procedure across all countries.

## Group Digital Monitoring and e-Discovery Activities Standard

G1-1

We have developed a **Group Digital Monitoring and e-Discovery Activities Standard that establishes the procedure to follow when conducting compliance investigations involving access to IT resources.**

This standard aims to ensure there is always a valid justification for enhanced digital monitoring or e-Discovery activities and that privacy and confidentiality rights are appropriately safeguarded, and applicable laws fully complied with, while the integrity of the compliance investigation process is respected.



# Compliance Evaluation Processes

## Enterprise Risk Management (ERM)

**ERM fosters transparency of risks and mitigation strategies, the ability to estimate the investment needed to mitigate critical risks, and risk awareness in the company.**

Compliance is one of the four risk categories in the ERM framework, covering topics such as data privacy, consumer protection legislation, bribery and corruption, competition, discrimination and harassment, and Health & Safety.

Following a Compliance Control Assessment conducted at the beginning of 2023, we have developed specific action plans for each country and the Group. These action plans have been implemented during the year to further mitigate compliance risks across our footprint. Later in the year, we conducted a light ERM exercise which showed the Compliance Risks scoring was lower than the previous year.

## Third-party screening for compliance

During 2023 we have continued using Orbis-Compliance Catalyst to conduct third-party compliance screening for potential new suppliers and have performed a full review of our existing suppliers.

The screening is made against multiple compliance categories: adverse media, associated entities, enforcement, sanctions, registrations, State-owned Entities and Politically Exposed Persons (primary and secondary).

Based on the outcome of the screening, a supplier may be excluded from the procurement process or terminated.





## Compliance cases

G1-4

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

Verisure Sverige AB is currently subject to an investigation by the Swedish Authority for Privacy Protection (IMY) following the publication, by a Swedish tabloid, of anonymous allegations about the use of customer data by Verisure teams.

In 2023, there were no confirmed cases of corruption or bribery in or brought against our company, nor were there any competition law cases brought against Verisure or our colleagues.

## Political contributions and regulatory advocacy

G1-5

**Through our Code of Conduct and Group Anti-Bribery Policy, we prohibit political contributions.** In accordance with this rule, during 2023 we did not make any political contributions at European or national levels. Our advocacy activities focus on sector-specific regulatory issues and horizontal regulation that could impact our business operations<sup>3</sup>.

We are part of sector associations at the EU and national level in some countries for regulatory engagement purposes, including Belgium, Chile, Denmark,

France, Italy, Norway, Portugal, Spain, Sweden, and the Netherlands.

We also believe that public-private cooperation is key to ensuring a swift response to alarm situations and we respond to the interests of society by strengthening our relations with emergency services and facilitating their work.

We collaborate with the police, fire brigade and other public response bodies, a partnership that promotes better

utilisation of public resources by allowing a substantial reduction in false alarms and ensuring a swifter response, which translates into savings in public resources.

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



<sup>3</sup> Verisure's registration number at the EU Transparency Register is 474269242659-61.



# 6.2 Verisure Corporate Governance

ESRS 2 GOV-1

## Administrative, management and supervisory bodies

ESRS 2 SBM-2

Reflecting our commitment to always act with Trust and Responsibility we have increased our focus on ethics, integrity, and governance. Our corporate governance is based on external and internal regulations, including the Articles of Association, applicable legislation in every country and other internal rules and procedures.

### Board of Directors

The main Group Board of Directors is the Board of Verisure Group Topholding AB (from now on, the Board), **responsible for assessing our organisation, administration, and financial situation.**

The Board also works to ensure the structure of the organisation so that the accounting records, financial management and other financial aspects are subject to satisfactory oversight.

The Board's Rules of Procedure set out the process of holding Board meetings, their frequency, and the agenda items to be covered. Extraordinary meetings are held when necessary. In 2023, the Board held five regular meetings and one inaugural meeting.

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

**The Board establishes and appoints the members of the Audit Committee, Remuneration Committee, Valuation Committee and ESG Board Committee.**

The major duties of these Committees are preparatory and advisory and are set out in their Rules of Procedures. The Board may on occasion delegate authorisation to these committees to take decisions on specific matters.

### Members of the Board of Directors at 31 December 2023<sup>4</sup>

NAME	YEAR OF APPOINTMENT	NATIONALITY	GENDER	EXECUTIVE DIRECTOR	NON EXECUTIVE DIRECTOR	INDEPENDENT MEMBER
Stefan Götz (Chairman)	2011	German	Man		✓	
Casilda Aresti	2023	Spanish/American	Woman		✓	
Andrew Barron	2020	British	Man		✓	✓
Patrick Healy	2011	American	Man		✓	
Adrien Motte	2017	French	Man		✓	
Henry Ormond	2017	British	Man		✓	
Carlos Ortega Arlas-Paz	2019	Spanish	Man		✓	
Austin Lally	2014	British	Man	✓		
Antonio Anguita	2015	Spanish	Man	✓		
Luis Gil	2011	Spanish	Man	✓		

<sup>4</sup> One member of the Board (10%) is independent, as being neither an employee of a shareholder or the Group itself. The executive members of the Board are (i) Luis Gil, President of Expansion, who is one of founders of the Group, (ii) Antonio Anguita, President of Iberia, and Latin America, who represents the largest country and largest cluster, and (iii) Austin Lally who is the Group CEO. This brings deep and extensive knowledge to the Board.

## Audit Committee

ESRS 2 GOV-4

The primary function of the Audit Committee is to monitor our financial reporting, internal controls, Compliance Programme and risk management.

The Audit Committee:

- Reviews the reports delivered by our external auditors.
- Evaluates the external auditors.
- Monitors accounting and tax matters, as well as our Compliance Programme which includes our Data Privacy Programme.

The Audit Committee met four times in 2023.

The members of the Audit Committee are three non-executive members of the Board: Stefan Götz, Adrien Motte and Henry Ormond. The meetings of this Committee are generally also attended by the CEO, CFO and CLO.

## Remuneration Committee

The Remuneration Committee is responsible for:

- Making recommendations to the Board regarding our framework for executive remuneration and accompanying costs.
- Reviewing and determining, on behalf of the Board, the remuneration and incentive packages for management,

to ensure that they are appropriately rewarded for their contributions to the overall performance.

- Formulating the Group remuneration policy concerning the strategic objectives and operational performance of the Group.

The Remuneration Committee met twice in 2023.

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

## Valuation Committee

The main responsibility of the Valuation Committee is to assist the Board in calculating the fair market value of the securities comprising the leadership

equity plan on a bi-annual basis, at least. The Valuation Committee met twice in 2023.

The members of the Valuation Committee are François Cornelis, Casilda Aresti, Adrien Motte and our CFO.



## ESG Board Committee

ESRS 2 GOV-1

Our ESG Board Committee assists the Board in aligning the execution of the ESG strategy and the management of ESG topics, ensuring that ESG priorities and action plan are consistent with the level of ambition set by the Board. It also evaluates the performance of the ESG strategy and priorities, and the progress of the action plan.

### Members of the Verisure Committees at 31 of December 2023

NAME	NATIONALITY	GENDER	AUDIT COMM.	REMUNERATION COMM.	VALUATION COMM.	ESG COMM.
Stefan Götz	German	Man	✓	✓		
Adrien Motte	French	Man	✓	✓	✓	
François Cornelis	Belgian	Man			✓	
Casilda Aresti	American/Spanish	Woman			✓	
Henry Ormond	British	Man	✓	✓		
Andrew Barron	British	Man				✓
Zomo Fisher	British	Man				✓
Austin Lally	British	Man		✓		✓
Marta Panzano	Spanish	Woman		✓		✓
Nina Cronstedt	Swedish/Swiss	Woman				✓
Colin Smith	British	Man			✓	✓
Enrique Bofill	Spanish	Man				✓





## ESG management at Verisure

ESRS 2 GOV-1 / ESRS 2 GOV-2 / ESRS 2 GOV-3

**Our ambition is to become a cross-industry benchmark for consistent measurable progress in ESG over time.**

As a result, the company appointed our Chief HR and Communications Officer, Marta Panzano, as Chief HR, Communications and ESG officer, demonstrating our focus on ESG issues. In 2023, we have continued building the Group ESG Team by adding new talent.

As part of our ESG management, the ESG Operative Committee contributes

to the definition of the ESG strategy at the Group level and ensures execution across our geographies and functions. This Committee meets at least twice a year and on demand when necessary.

The ESG Operative Committee is coordinated by the Group Senior ESG Director and draws on the participation of representatives of our functional teams and geographies and other ad hoc participants depending on the agenda. It reports to the Group Executive Team, which is responsible for validating and

monitoring the progress of the overall ESG strategy, roadmap, and targets. This progress is reported and discussed at the ESG Board Committee.

Finally, the objective of ensuring Verisure's progress on ESG, in line with the defined strategy, priorities, KPIs and selected targets, is included in the variable compensation of our Group Executive Team for 2023.

### Our CEO, Cluster and Functional Leadership at 31 December 2023<sup>5</sup>

NAME	TITLE	YEAR OF APPOINTMENT	NATIONALITY	GENDER
Austin Lally	Group Chief Executive Officer	2014	British	Man
Olivier Allender	General Manager France, Belgium & Arlo Europe	2015	French	Man
Antonio Anguita	President of Iberia, Latin America and Italy	2014	Spanish	Man
Nina Cronstedt	Group Chief Legal Officer	2018	Swedish/Swiss	Woman
Luis Gil	President of Expansion	2014	Spanish	Man
Oliver Horps	Group Chief Marketing Officer	2022	French	Man
Marta Panzano	Group Chief HR, Communications and ESG Officer	2014	Spanish	Woman
Cristina Rivas	Group Chief Technology Officer	2020	Spanish	Woman
Colin Smith	Group Chief Financial Officer	2023	British	Man

<sup>5</sup> Anthony Loizeau, General Manager for the Nordics Cluster, left Verisure on 1 April 2023. Vincent Litrico, Group Chief Financial Officer, left the Company on 31 July 2023. On 1 June 2023, Colin Smith joined Verisure as Group Chief Financial Officer and member of the Group Executive Team.

## Assessing risks

ESRS 2 GOV-1 / ESRS 2 GOV-2 / ESRS 2 GOV-4

**Several specific risks are regularly reported in the Audit Committee meetings. The committee meets at least three times a year.** These risks include internal controls, insurance, information security (InfoSec), compliance and privacy. We report a summary of topics covered at meetings of the Audit Committee to the Board, which also has access to the Audit Committee minutes.

Specific topics such as InfoSec risks and mitigating actions, the results of our annual Enterprise Risk Management (ERM) exercise and other risk-related action plans are also reported directly to the Board, when necessary.

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

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

The exercise begins by considering what drives the Group value strategy and objectives, such as competitive advantage, new strategic initiatives, and key product lines.

In 2023 we conducted a refresher of the thorough exercise performed in 2022 by the Group Internal Control, Legal and Compliance functions with the identified risk owners, in order to revisit the evaluation of significant risks that could potentially hinder the success of each key driver. The double Materiality

Assessment described in the first chapter of this report acted as an additional input to the ERM exercise.

Risk impacts and likelihoods were reassessed by the risk owners for each risk, together with the mitigation strategy to be implemented, resulting in the residual risk. The Group Internal Control, Legal and Compliance functions challenged and supported the risk owners in the process, while inputs from Group management helped calibrate the outcome. As a result, dedicated teams are addressing the key risk areas identified, mainly through various personalised programmes in specific areas. Progress and completion are reported regularly to the CEO and the Group Executive Team.

Finally, several third-party compliance reviews were also conducted in 2023, as in the previous year.





7

**WHAT'S  
NEXT**





# What's next

In 2023 we have taken important steps on our sustainability journey, directed towards a clear and simple ambition: **we want to become the industry leader in sustainability.**

However, we recognise there is still a long way to go. Our stakeholders' expectations are high, and we are putting a lot of effort into fulfilling our commitments to them.

We are positive that with the trust of our customers, communities, investors, partners, and suppliers, and with the talent, motivation, and passion of our colleagues, we will make this ambition a reality.



# 7.1 Our Customers

Every year we strive to do better in our purpose of bringing peace of mind to families and small businesses, broadening access to our services, especially for the most vulnerable, and widening the scope of our protection offering. To keep doing so, we will implement the following plans in 2024:



## BEST-IN-CLASS PROTECTION & PEACE OF MIND

In 2024, we will keep investing in our people, technology, processes, practices, and design to enhance customer protection and service.

We will keep focusing on learning more about the diverse customers we serve, innovating to deliver top-notch innovation, increasing

our effort to provide a superb service to satisfy them while we protect what matters most important to them. As an example of the various innovative initiatives that we anticipate is strengthening front door security with the launch of a protected Smart Lock.



## DATA PRIVACY & CYBERSECURITY

We will keep on strengthening our already robust and comprehensive programme for ensuring data privacy and protection, to guarantee the highest privacy standards to our customers.

On cybersecurity, we will continue increasing our cyber readiness to protect our customer data and ensure the continuity of our service.

Among other initiatives, we will launch new privacy notices and materials, and develop a new mock-up privacy page to be launched in our countries to increase the level of transparency and educate our customers.

We will also further strengthen Privacy-by-Design and Information

Security-by-Design in all our products, services, and business activities.

We will continue to roll out our Global Privacy e-learning and cybersecurity awareness courses and work with our countries to deploy tailored privacy training courses we developed in 2023 to deepen our privacy and information security culture.

During 2023, we also looked for common themes of opportunity, which we incorporated into improvement plans and projects for 2024 with a key focus on the optimal use of privacy management software, OneTrust. Going forward in 2024, we will remain committed to our audit roadmap in this area.

# 7.2 Our People

Our colleagues are key to our success as a company. In 2024 we will continue to support them through different actions:



## DIVERSITY, EQUITY, INCLUSION & BELONGING (DEIB)

We aim to continue prioritising DEIB efforts, creating a more inclusive organisation, enabling diverse representation of our community, and ensuring equity and meritocracy.

Our DEIB Agenda for 2024 features new actions to ensure our progress on diversity related to our committed gender targets for 2030, as well key related initiatives to

improve on employee's inclusion experience. For this purpose we would like to emphasise two key actions. First, the formulation, implementation, and launch of the Verisure DEIB Policy. And second, the focus on Diversity included in the RISE Leadership Model training that will enable our leaders to integrate and advocate for DEIB topics in their roles.



## EMPLOYEE HEALTH, SAFETY & WELL-BEING

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



## TALENT MANAGEMENT & SUSTAINABLE ENGAGEMENT

Our priority will continue to be driving engagement, growth, and development to unleash our teams' full potential. We will provide more opportunities, promoting internal mobility, both locally and internationally.

We will also promote our Verisure RISE Leadership Model internally, beginning with our leaders. We will ensure all our colleagues are familiar with the model and, to bring it to life, we will embed it gradually into our people processes.

In addition, we will continue to improve our training plan and make more tailored content available to the relevant colleagues by leveraging our global learning platform.

Throughout 2024 we will implement the Employee Lifecycle and eNPS initiative, piloted in 2023, aiming to measure process satisfaction in key moments of the employee lifecycle, with a focus on recruiting & hiring, onboarding and offboarding. This will help us to identify areas of improvement and ensure we offer the best experience for our colleagues.



# 7.3 Our Communities

We are proud to act as a social actor, providing opportunities and creating a positive social impact in the communities in which we operate. Our objective is to keep strengthening this role in 2024:



## SUSTAINABLE SOURCING

We will continue our work to manage environmental, social, and economic risks from suppliers, providers, and partners.

We will also continue to apply our Sustainable Sourcing Strategy with the aim of being audited by an external party on ISO 20400 in the coming years.

In 2023, we launched our Supplier-Diversity Programme and Policy to add strong diversity business practices to our qualified supplier base. As a result, in 2024 we will work to consolidate and enhance the number of Diverse Suppliers qualified in our eSourcing tool.



## COMMUNITY IMPACT

In 2023 we defined our global Corporate Social Responsibility (CSR) Strategy with the main objective of driving a positive impact in our footprint and generating employee engagement.

After defining in 2023 our global CSR strategy, with a common vision and framework across geographies and functions, in 2024 we will focus on stepping up our efforts to support more vulnerable population in need of protection in our communities. In particular, leveraging those local initiatives that will provide time, capability and know-how of our colleagues and close communities to

improve the possibilities of our communities to be safe and secure, as well as selectively our products and services for protection and targeted financial donations. A first Verisure global corporate volunteering action will be scheduled during the second half of 2024.

In 2024, key Verisure geographies will channel the execution of their specific action plans through new CSR governance bodies such as Verisure Foundation in Spain and Association Verisure in France. A journey that started in 2023 and that in 2024, thanks to these entities, will achieve a greater impact on the community.

# 7.4 Our Planet

We are making a committed effort to minimise our impact on the planet. There is still a long way to go, but we are determined to reach our targets, including Net Zero Emissions in 2050. This is how we will advance on our environmental objectives in 2024:



## CLIMATE CHANGE

We will continue taking steps to meet our GHG emission targets, like using carbon pricing criteria for leasing the vehicle fleet or engaging with our key suppliers to achieve carbon emission reductions.

We also plan to further analyse the status of non-strategic suppliers to look for lower emission alternatives and to cascade sustainable mobility guidelines internally to reduce commuting emissions.



## PRODUCT LIFECYCLE MANAGEMENT & CIRCULARITY

We plan to update our Code of Conduct to explicitly state our expectation for colleagues to act consciously and respectfully toward the environment.

Furthermore, we will continue pursuing our strategy to optimise waste management and recycling opportunities to meet our longer-term zero-landfill ambitions.

Finally, we will work on a Group Environmental Policy, that reflects our commitment to minimising our environmental impact, complying with relevant regulations and standards, and continuously improving our environmental performance.

# 7.5 Ethics & Integrity

We want to do the right thing always, ensuring our behaviours and decisions not only comply with laws and regulations but to the highest ethical and moral standards. In 2024 we plan to continue doing so through the following actions:



## ETHICS AND COMPLIANCE CULTURE

We will continue applying our zero tolerance to non-compliance, as always.



## VERISURE COMPLIANCE FRAMEWORK, PROCESSES, AND EVALUATION

We plan to launch a new Group e-learning on anti-bribery and corruption for a targeted audience across our countries, together with tailored training covering our key compliance topics for specific audiences.

We also plan to include a specific section on human rights within our Code of Conduct.



## ESG GOVERNANCE

We will continue to strengthen our ESG governance and reinforce it globally and locally.

We also plan to enhance our capabilities in data acquisition and validation and verification, thanks to the already implemented and deployed ESG data tracking and reporting tool. This instrument will also give us the flexibility and possibility to

customise our KPIs to our needs, the queries of our stakeholders, and regulations.

As an important improvement, our Group Executive Team's variable compensation scheme for 2024 includes an objective related to the progress on ESG at Verisure, based on the defined strategy, priorities, KPIs, and selected targets.



8

**WE PROTECT  
WHAT MATTERS MOST**

*This garment isn't for everyone.  
It's for those who are certified to help  
others feel safe and secure. Every day.  
By wearing the Verisure brand you are  
part of a strong and growing community.  
Together we bring peace of mind not only  
to our customers, but also to society as a  
whole. Together we make a difference.*

MADE WITH PRIDE FOR YOU



**verisure**  
SMART ALARMS

**ANNEXES**



# Annexes

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

## ANNEX 1: Table of contents of CSRD and GRI standards

ESRS	CODE	DESCRIPTION	CHAPTER	PAGE	GRI REFERENCE	
<b>ESRS 2 GENERAL INFORMATION</b>						
<b>Basis for preparation</b>	ESRS 2 BP-1	General basis for the elaboration of the sustainability statement	<b>1. Our Sustainability Strategy</b> About this report	6	2-2, 3-1	
<b>Governance</b>	ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	<b>6. Ethics &amp; Integrity</b> Compliance governance	110	2-9, 2-12, 2-13, 2-14, 2-17, 405-1	
			<b>6. Ethics &amp; Integrity</b> 6.2 Verisure Corporate Governance	119 - 123		
			<b>6. Ethics &amp; Integrity</b> ESG Board Committee	121		
			<b>6. Ethics &amp; Integrity</b> ESG management at Verisure	122		
	ESRS 2 GOV-2	Information provided to and issues addressed by the company's administrative, management and supervisory bodies and sustainability issues addressed by them	<b>6. Ethics &amp; Integrity</b> ESG management at Verisure	122		
			<b>6. Ethics &amp; Integrity</b> Assessing risks	123		
			<b>6. Ethics &amp; Integrity</b> Assessing risks	123		
	ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	<b>6. Ethics &amp; Integrity</b> ESG management at Verisure	122		2-19, 2-20
	ESRS 2 GOV-4	Due diligence statement	<b>6. Ethics &amp; Integrity</b> Audit Committee	120		2-23
			<b>6. Ethics &amp; Integrity</b> Assessing risks	123		
<b>Strategy</b>	ESRS 2 SBM-1	Strategy, business model and value chain	<b>1. Our Sustainability Strategy</b> 1.1 Verisure at a glance	7 - 10	2-6, 2-7	
	ESRS 2 SBM-2	Interests and views of stakeholders	<b>1. Our Sustainability Strategy</b> Engagement with our stakeholders	12	2-29	
			<b>1. Our Sustainability Strategy</b> Double materiality assessment	14		
			<b>6. Ethics &amp; Integrity</b> Administrative, management and supervisory bodies	119		
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	<b>1. Our Sustainability Strategy</b> Double materiality assessment	14	2-27, 3-2, 3-3, 201-2, 306-1, 308-2		

ESRS	CODE	DESCRIPTION	CHAPTER	PAGE	GRI REFERENCE
Impact, risk and opportunity management	ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	<b>1. Our Sustainability Strategy</b> Double materiality assessment	14	3-3
	ESRS 2 IRO-2	Disclosure requirements set out in the NEIS covered by the company's sustainability statement	<b>1. Our Sustainability Strategy</b> Double materiality assessment	14	3-3
<b>ESRS E1 CLIMATE CHANGE</b>					
General Disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	<b>5. Our Planet</b> 5.1 Climate Change	87 - 100	2-29
	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	<b>5. Our Planet</b> Material impacts, risk and opportunities, and their interaction with our business model	92	2-27, 3-2, 3-3, 201-2, 306-1, 308-2
			<b>5. Our Planet</b> Circularity Plan	101	
	ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	<b>5. Our Planet</b> Material impacts, risk and opportunities, and their interaction with our business model	92	3-3
			<b>5. Our Planet</b> Scenario Analysis	95	
			<b>5. Our Planet</b> Circularity Plan	101	
	ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	<b>5. Our Planet</b> Climate governance	92	2-19-, 2-20
	E1-1	Transition plan for climate change mitigation	<b>5. Our Planet</b> Transition Plan	87 - 90	
			<b>5. Our Planet</b> Our progress so far	91	
	Impact, risk and opportunity management	E1-2	Policies related to climate change mitigation and adaptation	<b>5. Our Planet</b> Climate change adaptation	91
E1-3		Actions and resources in relation to climate change policies	<b>5. Our Planet</b> Our progress so far	91	3-3, 201-2
			<b>5. Our Planet</b> Transition Plan	87 - 90	
Metrics and targets	E1-4	Targets related to climate change mitigation and adaptation	<b>5. Our Planet</b> Transition Plan	87 - 90	3-3, 305-1, 305-2, 305-3
	E1-5	Energy consumption and Mix	<b>5. Our Planet</b> Energy consumption and mix energy	98	302-1
Energy intensity based on net revenue	E1-6	Gross scopes 1,2,3 and Total GHG emissions	<b>5. Our Planet</b> Total GHG emissions	99	305-1, 305-2, 305-3
GHG Intensity based on net revenue	E1-7	GHG removals and GHG mitigation projects financed through carbon credits	<b>5. Our Planet</b> GHG removals and carbon pricing	100	3-3
	E1-8	Internal carbon pricing	<b>5. Our Planet</b> GHG removals and carbon pricing	100	
<b>ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY</b>					
General Disclosures	ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	<b>5. Our Planet</b> Circularity Plan	101	3-3
Impact, risk and opportunity management	E5-1	Policies related to resource use and circular economy	<b>5. Our Planet</b> Product design and packaging	103	3-3
	E5-2	Actions and resources related to resource use and circular economy	<b>5. Our Planet</b> Optimising design, packaging and logistics	102	3-3. 306-2



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	E5-4	Resource inflows	<b>5. Our Planet</b> Product design and packaging	103	306-1
	E5-5	Resource outflows	<b>5. Our Planet</b> Product design and packaging	103	306-2
			<b>5. Our Planet</b> Reverse Logistics	104	
			<b>5. Our Planet</b> Waste Electrical and Electronic Equipment (WEEE)	105	
<b>ESRS S1 OWN WORKFORCE</b>					
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			<b>3. Our People</b> 3.2 Employee Health, Safety & Well-being	54 - 56	
			<b>3. Our People</b> 3.3 Talent Management and Sustainable Engagement	57 - 63	
			<b>3. Our People</b> Performance and career development	59	
			<b>3. Our People</b> 3.4 Employee Relations	64 - 67	
	S1-1	Policies related to own workforce	<b>3. Our People</b> Verisure DEIB Strategy	41 - 42	2-23, 2-25, 2-27, 2-29, 3-3, 403-1, 404-2
			<b>3. Our People</b> Our pillars for an inclusive workplace	43	
			<b>3. Our People</b> Persons with disabilities	47	
			<b>3. Our People</b> Support	52	
			<b>3. Our People</b> Talent and organisation strategy	58	
	S1-2	Processes for engaging with own workers and workers' representatives about impacts	<b>1. Our Sustainability Strategy</b> Engagement with our stakeholders	12	2-29, 3-3
			<b>3. Our People</b> 3.4 Employee Relations	64 - 67	
			<b>6. Ethics &amp; Integrity</b> Compliance Processes	116	
	S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	<b>3. Our People</b> Support	52	2-25, 2-26, 403-2
			<b>6. Ethics &amp; Integrity</b> Compliance Processes	116	
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			<b>3. Our People</b> Gender diversity	45 - 46	
	S1-8	Collective bargaining coverage and social dialogue	<b>3. Our People</b> Social dialogue	67	2-30
	S1-9	Diversity indicators	<b>3. Our People</b> Representation	44	405-1

ESRS	CODE	DESCRIPTION	CHAPTER	PAGE	GRI REFERENCE
	S1-9	Diversity indicators	<b>3. Our People</b> Gender diversity	45 - 46	405-1
	S1-9	Diversity indicators	<b>3. Our People</b> Age diversity	47	405-1
	S1-11	Social protection	<b>3. Our People</b> Social Protection	56	
	S1-12	Persons with disabilities	<b>3. Our People</b> Persons with disabilities	47	405-1
	S1-13	Training and skills development indicators	<b>3. Our People</b> Training and growth	60 - 61	404-3
	S1-14	Health and Safety indicators	<b>3. Our People</b> A healthy and safe work environment	54 - 56	403-9, 403-10
	S1-15	Work-life balance indicators	<b>3. Our People</b> Flexibility and new ways of working	56	401-3
	S1-17	Incidents, complaints and severe human rights impacts and incidents	<b>3. Our People</b> Monitoring and managing incidents	66	2-27, 406-1
<b>ESRS S2 WORKERS IN THE VALUE CHAIN</b>					
<b>General Disclosures</b>	ESRS 2 SBM-2	Interests and views of stakeholders	<b>4. Our Communities</b> 4.1 Sustainable Sourcing	69 - 78	2-29
			<b>4. Our Communities</b> 4.2 Community Impact	79 - 85	
	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	<b>4. Our Communities</b> Risk events	74	2-27, 3-2, 3-3, 201-2, 306-1, 308-2
			<b>4. Our Communities</b> 4.2 Community Impact	79 - 85	
		<b>4. Our Communities</b> Supplier risk assessment	76 - 77		
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			<b>4. Our Communities</b> Our Supplier Standards and Ethical Code	75	
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	S2-4	Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	<b>4. Our Communities</b> A holistic approach to risks	73	2-24, 2-25, 3-3, 403-7
			<b>4. Our Communities</b> Risk events	74	
			<b>4. Our Communities</b> Supplier risk assessment	76 - 77	
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	<b>4. Our Communities</b> Our Supplier Standards and Ethical Code	75	3-3	
<b>ESRS S3 AFFECTED COMMUNITIES</b>					
<b>General Disclosures</b>	ESRS 2 SBM-2	Interests and views of stakeholders	<b>4. Our Communities</b> 4.2 Community Impact	79 - 85	2-29
<b>Impact, risk and opportunity management</b>	S3-1	Policies related to affected communities	<b>4. Our Communities</b> 4.2 Community Impact	79 - 85	2-23, 2-25, 2-29, 3-3

ESRS	CODE	DESCRIPTION	CHAPTER	PAGE	GRI REFERENCE
<b>ESRS S4 CONSUMERS AND END-USERS</b>					
<b>General Disclosures</b>	ESRS 2 SBM-2	Interests and views of stakeholders	<b>2. Our Customers</b> 2.1 Best-in-Class Protection & Peace of Mind	24 - 32	2-29
			<b>2. Our Customers</b> 2.2 Data Privacy & Cybersecurity	33 - 37	2-29
<b>Impact, risk and opportunity management</b>	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	<b>2. Our Customers</b> 2.1 Best-in-Class Protection & Peace of Mind	24 - 32	2-23, 2-25, 2-29, 3-3
			<b>2. Our Customers</b> Technology innovation and human response	25 - 26	
			<b>2. Our Customers</b> Our focus on data privacy	33	
			<b>2. Our Customers</b> Governance of cybersecurity	36	
	S4-1	Policies related to consumers and end-users	<b>2. Our Customers</b> Our focus on data privacy	33	
			<b>2. Our Customers</b> Governance of cybersecurity	36	
			<b>2. Our Customers</b> How we reinforce cybersecurity	37	
	S4-2	Processes for engaging with consumers and end-users about impacts	<b>2. Our Customers</b> Customer satisfaction and loyalty	27	
			<b>2. Our Customers</b> Customers' health and safety protection	28	
	S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	<b>2. Our Customers</b> Ensuring data privacy	34 - 35	
<b>2. Our Customers</b> Customer satisfaction and loyalty			27		
S4-4	Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end users, and effectiveness of those actions	<b>2. Our Customers</b> Ensuring data privacy	34 - 35		
		<b>2. Our Customers</b> Data privacy risk assessment and third party-audits	35		
S4-4		<b>2. Our Customers</b> How we reinforce cybersecurity	37		
<b>ESRS G1- BUSINESS CONDUCT</b>					
<b>Impact, risk and opportunity management</b>	G1-1	Corporate culture a business conduct policies	<b>6. Ethics &amp; Integrity</b> Ethics and Compliance Culture	110	2-16, 2-23, 2-24, 2-26
			<b>6. Ethics &amp; Integrity</b> Verisure's Compliance Framework	111 - 116	
			<b>6. Ethics &amp; Integrity</b> Speak-Up Framework and Policy	112	
			<b>6. Ethics &amp; Integrity</b> Group Anti-Bribery Policy	114	
			<b>6. Ethics &amp; Integrity</b> Group Digital Monitoring and e-Discovery Activities Standard	116	



ESRS	CODE	DESCRIPTION	CHAPTER	PAGE	GRI REFERENCE
	G1-1	Corporate culture a business conduct policies	<b>6. Ethics &amp; Integrity</b> Group Compliance Investigation Standard	116	2-16, 2-23, 2-24, 2-26
	G1-2	Management of relationships with suppliers	<b>4. Our Communities</b> Engagement with our suppliers	70	3-3, 308-1, 414-1
	G1-3	Prevention and detection of corruption or bribery	<b>6. Ethics &amp; Integrity</b> Group Anti-Bribery Policy	114	2-13, 2-16, 2-26, 3-3
<b>Metrics and targets</b>	G1-4	Confirmed incidents of corruption or bribery	<b>6. Ethics &amp; Integrity</b> Compliance cases	118	2-27, 3-3, 205-3
	G1-5	Political influence and lobbying activities	<b>6. Ethics &amp; Integrity</b> Political contributions and regulatory advocacy	118	415-1

# ANNEX 2: Table of contents of the SFDR Regulation

TOPIC	SFDR INDICATORS	SFDR PARAMETER	UNIT	2023	LOCATION	PAGE
<b>MAIN INDICATORS: CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>						
<b>Greenhouse gas emissions</b>	GHG emissions	Scope 1 GHG emissions	tCO <sub>2</sub> eq	47,625	<b>5. Our Planet</b> Total GHG Emissions	99
		Scope 2 GHG emissions	tCO <sub>2</sub> eq	<u>Location based:</u> 3,352 <u>Market based:</u> 2,641		
		Scope 3 GHG emissions	tCO <sub>2</sub> eq	114,046		
		Total GHG emissions	tCO <sub>2</sub> eq	<u>Location based:</u> 165,023 <u>Market based:</u> 164,312		
	Carbon footprint	Carbon footprint	tCO <sub>2</sub> eq	<u>Market based:</u> 164,312		
	GHG intensity of investee companies	GHG intensity of investee companies	tCO <sub>2</sub> eq/ monetary unit	<u>Location based:</u> 53.4 <u>Market based:</u> 53.2		
	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	EUR	0		-
	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	MWh	<u>Total energy consumption:</u> 218,491 MWh <u>Comes from electricity:</u> 21,707 MWh <u>Renewable electricity:</u> 22%	<b>5. Our Planet</b> Energy consumption and mixed energy	98
	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	GWh/million EUR of revenue	Not a high impact climate sector	<b>5. Our Planet</b> GHG intensity based on Net Revenue	100
<b>Biodiversity</b>	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/ operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	EUR	Not material	-	-
<b>Water</b>	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	Tonnes	Not material	-	-
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>						
<b>Social and employee matters</b>	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Number	0	<b>6. Ethics &amp; Integrity</b> Verisure's Compliance Framework	111- 115

TOPIC	SFDR INDICATORS	SFDR PARAMETER	UNIT	2023	LOCATION	PAGE
	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Number	0	-	-
	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	Percentage	10%	<b>Annex 5</b> Quantitative table	143
	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	EUR	0	-	-
<b>Human Rights</b>	Lack of a human rights policy	Share of investments in entities without a human rights policy	Number	0. Our Supplier standards & ethical code already includes the respect to Human Rights and our Code of Conduct will be updated in the course of 2024 to include Human Rights	<b>4. Our Communities</b> Sustainable Sourcing	75
	Lack of due diligence	Share of investments in entities without a due diligence process to identify, prevent, mitigate and address adverse human rights impacts	Number	0. We do have a due diligence to identify, prevent, mitigate and address adverse human rights impacts	<b>4. Our Communities</b> Sustainable Sourcing	72
	Lack of processes and measures for preventing trafficking in human beings	Share of investments in investee companies without policies against trafficking in human beings	Number	100. We don't have a specific process and measures to prevent trafficking in human beings although our Code of Conduct will be updated in the course of 2024 to include trafficking in human beings.	-	-



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

## Sector: Professional & Commercial Services

SASB TOPIC	CODE	DESCRIPTION	CHAPTER	PAGE
Data security	SV-PS-230a.1	Description of the approach to identifying and addressing data security risks	<b>2. Our Customers</b> Customer satisfaction and loyalty	27
			<b>2. Our Customers</b> Ensuring data privacy	34 - 35
			<b>2. Our Customers</b> Data privacy risk assessment and third party-audits	35
			<b>2. Our Customers</b> How we reinforce cybersecurity	37
			<b>2. Our Customers</b> Our focus on data privacy	33
	SV-PS-230a.2	Description of policies and practices related to the collection, use, and retention of customer information	<b>2. Our Customers</b> Our focus on data privacy	33
			<b>2. Our Customers</b> Governance of cybersecurity	36
			<b>2. Our Customers</b> How we reinforce cybersecurity	37
	SV-PS-230a.3	(1) Number of data breaches, (2) percentage involving Confidential Business Information (CBI) or Personal Identifiable Information (PII) of customers, (3) number of customers affected	Not available	
Workforce Diversity & Engagement	SV-PS-330a.1	Percentage of gender and racial/ethnic group representation in (1) executive management and (2) all other employees	<b>3. Our People</b> Representation	44
			<b>3. Our People</b> Gender diversity	45 - 46
			<b>3. Our People</b> Age diversity	47
			<b>3. Our People</b> Other DEIB dimensions	48
	SV-PS-330a.2	Replacement rate (1) voluntary and (2) involuntary of all employees	Not available	
SV-PS-330a.3	Employee engagement expressed as a percentage	<b>3. Our People</b> 3.3. Talent Management and Sustainable Engagement	57 - 63	
Professional integrity	SV-PS-510a.1	Description of the approach to ensuring professional integrity	<b>6. Ethics &amp; Integrity</b> Verisure's Compliance Framework	111 - 115
			<b>6. Ethics &amp; Integrity</b> Compliance Processes	116
	SV-PS-510a.2	Total amount of monetary losses as a result of legal proceedings related to professional integrity	<b>6. Ethics &amp; Integrity</b> Compliance cases	118
			<b>6. Ethics &amp; Integrity</b> Political contributions and regulatory advocacy	118

SASB TOPIC	CODE	DESCRIPTION	CHAPTER	PAGE
Activity parameters	SV-PS-000.A	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contracted	3. Our People Representation	44
	SV-PS-000.B	Hours worked by employees, billable percentage	Not available	

TCFD TOPIC	INDICATOR	PARAMETER	CHAPTER	PAGE
Governance	Disclose the organisation's governance around climate related risks and opportunities.	a) Describe the board's oversight of climate-related risks and opportunities	5. Our Planet Climate governance	92
		b) Describe management's role in assessing and managing climate-related risks		
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	5. Our Planet Material impacts, risks and opportunities, and their interaction with our business model	92
		b) Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning.		
		c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	5. Our Planet Scenario Analysis	95 -97
Risk Management	Disclose how the organisation identifies, assesses, and manages climate-related risks	a) Describe the organisation's processes for identifying and assessing climate-related risks.	5. Our Planet Material impacts, risks and opportunities, and their interaction with our business model	92
		b) Describe the organization's processes for managing climate-related risks		
		c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management		
Metrics and targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process.	5. Our Planet Energy consumption and mix energy	98 - 100
		b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks		
		c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	5. Our Planet Total GHG emissions	

# ANNEX 4: Swedish Annual Account Act

SAA TOPIC	CHAPTER	PAGE
Environment	<b>5. Our Planet</b> 5.1 Climate change	87 - 100
	<b>5. Our Planet</b> 5.2 Product Lifecycle Management and Circularity	101 - 106
Social conditions	<b>3. Our People</b> 3.2 Employee Health, Safety and Well-being	54 - 56
	<b>3. Our People</b> 3.4 Employee Relations	64 - 67
Personnel	<b>3. Our People</b> 3.1 Diversity, Equity, Inclusion & Belonging (DEIB)	40 - 53
	<b>3. Our People</b> 3.3 Talent Management and Sustainable Engagement	57 - 63
Respect for human rights	<b>4. Our Communities</b> A holistic approach to risk	73
	<b>4. Our Communities</b> Verisure as a job creator and social elevator	81
	<b>4. Our Communities</b> Making a difference in the communities we serve	82 - 83
	<b>6. Ethics and Integrity</b> Ethics and Compliance Culture	110
	<b>6. Ethics and Integrity</b> Verisure's Compliance Framework	112 - 115
Anti-corruption	<b>6. Ethics and Integrity</b> Verisure's Compliance Framework	112 - 115
Business model	<b>Our Sustainability Strategy:</b> About this report Our ESG strategy	
Significant risk for sustainability	<b>1. Our Sustainability Strategy</b> 1.2 Our ESG Strategy	11 - 22
	<b>5. Our Planet</b> Our progress so far	91
GRI Index	<b>Annex 1:</b> Table of contents of CSRD and GRI standards	132
SFDR Index	<b>Annex 2:</b> Table of contents of the SFDR Regulation	137
SASB y TCFD Index	<b>Annex 3:</b> Table of contents of SASB and TCFD standards by material topics	139



## ANNEX 5: Quantitative data

Access our quantitative data through this QR code or [link](#):





## **Auditor's Limited Assurance Report on Verisure Midholding AB's Greenhouse Gas Emissions**

To Verisure Midholding AB (publ), corporate identity number 556854-1402

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### *Introduction*

We have been engaged by the Board and Group Management to undertake a limited assurance of Verisure Midholding AB (publ) greenhouse gas (GHG) emissions (scope 1, 2 and 3) for the year 2023, as specified on page 99 in the Sustainability report 2023, more specifically in the diagram "Total GHG emissions".

### *Responsibilities of the Board and Group Management*

The Board of Directors and Group Management are responsible for the preparation of the GHG emissions data in accordance with the applicable criteria, as explained on page 99. The criteria consist of the Greenhouse Gas (GHG) Protocol - A Corporate Accounting and Reporting Standard, and the accounting and calculation principle that the company has developed. This responsibility includes the internal control relevant to the reporting of GHG emissions that is free from material misstatements, whether due to fraud or error.

### *Responsibilities of the auditor*

Our responsibility is to express a conclusion on the specific KPIs in the Sustainability Report based on the limited assurance procedures we have performed. Our assignment is limited to the historical information that is presented and thus does not include future-oriented information.

We conducted our limited assurance procedures in accordance with ISAE 3410 Assurance Engagements on Greenhouse Gas Statements issued by IAASB. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the GHG emission data, and applying analytical and other limited assurance procedures. A limited assurance engagement has a different focus and a considerably smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The audit firm applies ISQM 1 (International Standard on Quality Management) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent in relation to Verisure Midholding AB according to generally accepted auditing standards in Sweden and have fulfilled our professional ethics responsibility according to these requirements.

The procedures performed in a limited assurance engagement do not allow us to obtain such assurance that we would become aware of all significant matters that could have been identified if an audit was performed. The conclusion based on a limited assurance engagement, therefore, does not provide the same level of assurance as a conclusion based on an audit has.

Our procedures are based on the criteria defined by the Board of Directors and the Group Management as described above. We consider these criteria suitable for the preparation of the GHG emission data.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.



*Conclusion*

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that Verisure Midholding AB's GHG emissions data (as specified above) is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Group Management.

Göteborg, 16 May 2024

PricewaterhouseCoopers AB

Johan Rippe  
*Authorised Public Accountant*



## Deltagare

**PRICEWATERHOUSECOOPERS AB** 556067-4276 Sverige

***Signerat med Svenskt BankID***

***2024-05-16 13:22:16 UTC***

Namn returnerat från Svenskt BankID: JOHAN RIPPE

Datum

Johan Rippe

Auktoriserad revisor

Leveranskanal: E-post



**verisure**