

Danica Pension's new biodiversity initiatives

November 2022

Focused active ownership

Towards 2025, Danica Pension will engage in dialogue with 15 companies that represent our largest investments in the forestry sector and that have a major impact on forested areas or rely on forest resources to run their businesses. We will also engage in similar dialogues with 15 companies working with ocean and marine resources. Our ambition is to encourage these companies to increase their work with biodiversity, and together with the companies we will discuss which initiatives they can already begin implementing, depending on how far each company has already progressed in the area and on the biodiversity data available for their sector. For example, we will discuss the potential for companies to begin working with some of the following points:

- reporting on biodiversity issues that have the biggest material impact on their business, and being transparent about how they are managing these issues
- reporting on how the company has an impact on biodiversity through its activities or has processes that ensure that biodiversity issues are taken into consideration throughout the value chain
- setting targets for how the companies will protect and restore aspects of biodiversity that are important for their business and society
- implementing measures that protect and restore biodiversity or minimising their negative impact on biodiversity, including through initiatives that enhance and protect biodiversity and the natural resources that the company relies on to produce and deliver its goods or services
- adopting biodiversity policies, and including biodiversity in due diligence processes
- monitoring and reporting on progress towards biodiversity targets

As the biodiversity area develops and companies improve, we will further increase the requirements we set for companies in respect of their work with biodiversity.

Supporting initiatives, partnerships and regulation

- We will participate in relevant partnerships and initiatives, support new legislation, and enter into dialogue with policymakers and other stakeholders in order to contribute to the development of the biodiversity field and to improve data and regulation in the area. We will also regularly adjust our biodiversity efforts to reflect global biodiversity goals.
- We are currently a member of the Partnership for Biodiversity Accounting Financials, which is working to develop standards so that financial institutions can assess and report their impact and dependency on biodiversity. We are also part of FAIRR, a coalition of investors focused on encouraging companies to produce food in a more sustainable and biodiversity-friendly manner.

Real estate

- Increase biodiversity and the natural capital value in connection with new construction by mapping the biodiversity and the natural capital value of construction sites before and after projects are completed.
- Prepare specific strategies for the biodiversity of new construction projects in Denmark by involving landscape architects and/or biologists.
- Require the responsible procurement of wood-based construction materials and regularly set requirements regarding the impact on biodiversity of other construction materials.
- Work to further promote biodiversity around the properties we own. This can be done by rewilding lawns and planting flowers, plants and trees that could benefit bees, insects and butterflies, etc. Another approach is to create small natural oases alongside paths, access roads and greenery beds where there are surplus areas that have yet to be 'activated'.