



# PRIVATE RI REPORT 2018

## Storebrand Asset Management

OO 01	Mandatory	Gateway/Peering	General
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OO 01.1 Select the type that best describes your organisation or the services you provide.

- Non-corporate pension or superannuation or retirement or provident fund or plan
- Corporate pension or superannuation or retirement or provident fund or plan
- Insurance company
- Foundation
- Endowment
- Development finance institution
- Reserve - sovereign or government controlled fund
- Family office
- Other, specify

OO 02	Mandatory	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

Norway

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

1643

OO 03	Mandatory	Descriptive	General
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OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04	Mandatory	Gateway/Peering	General
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OO 04.1 Indicate the year end date for your reporting year.

31/12/2017

OO 04.2 Indicate your total AUM at the end of your reporting year, Exclude subsidiaries you have chosen not to report on and any advisory/execution only assets.

Total AUM

644,000,000,000 NOK

77,441,965,120 USD

OO 05	Mandatory to Report, Voluntary to Disclose	Gateway	General
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OO 05.1 Provide an approximate percentage breakdown of your AUM at the end of your reporting year using the following asset classes:

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	0
Fixed income	>50%	<10%
Private equity	0	<10%
Property	<10%	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0

Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

**OO 05.2** Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.  
 No, we do not use fiduciary managers.

**OO 06** Mandatory Descriptive General

**OO 06.1** Select how you would like to disclose your asset class mix.

- as percentage breakdown  
 as broad ranges

**OO 07** Mandatory to Report, Voluntary to Disclose Gateway General

**OO 07.1** Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

Internally managed	40	SSA
	60	Corporate (financial)
	0	Corporate (non-financial)
	0	Securitised
Externally managed	100	SSA
	0	Corporate (financial)
	0	Corporate (non-financial)
	0	Securitised

**OO 08** Mandatory to Report, Voluntary to Disclose Peering General

**OO 08.1** Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds.

Asset class breakdown	Segregated mandate(s)	Pooled fund(s)	Total of the asset class (each row adds up to 100%)
[b] Fixed income - SSA	<input checked="" type="checkbox"/> 0% <input type="checkbox"/> <10% <input type="checkbox"/> 10-50% <input type="checkbox"/> >50 %	<input type="checkbox"/> 0% <input type="checkbox"/> <10% <input type="checkbox"/> 10-50% <input checked="" type="checkbox"/> >50 %	100%
[f] Private equity	<input checked="" type="checkbox"/> 0% <input type="checkbox"/> <10% <input type="checkbox"/> 10-50% <input type="checkbox"/> >50 %	<input type="checkbox"/> 0% <input type="checkbox"/> <10% <input type="checkbox"/> 10-50% <input checked="" type="checkbox"/> >50 %	100%

**OO 09** Mandatory to Report, Voluntary to Disclose Peering General

**OO 09.1** Indicate the breakdown of your organisation's AUM by market.

Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
Total100%	

OO 10	Mandatory	Gateway	General
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**OO 10.1** Select the active ownership activities your organisation implemented in the reporting year.

<b>Listed equity – engagement</b>	
<input checked="" type="checkbox"/>	We engage with companies on ESG factors via our staff, collaborations or service providers.
<input type="checkbox"/>	We do not engage directly and do not require external managers to engage with companies on ESG factors.
<b>Listed equity – voting</b>	
<input checked="" type="checkbox"/>	We cast our (proxy) votes directly or via dedicated voting providers
<input type="checkbox"/>	We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf
<b>Fixed income SSA – engagement</b>	
<input checked="" type="checkbox"/>	We engage with companies on ESG factors via our staff, collaborations or service providers.
<input type="checkbox"/>	We require our external managers to engage with companies on ESG factors on our behalf.
<input type="checkbox"/>	We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.
<b>Fixed income Corporate (financial) – engagement</b>	
<input checked="" type="checkbox"/>	We engage with companies on ESG factors via our staff, collaborations or service providers.
<input type="checkbox"/>	We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

OO 11	Mandatory	Gateway	General
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**OO 11.1** Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

<b>Listed equity</b>	
<input checked="" type="checkbox"/>	We address ESG incorporation.
<input type="checkbox"/>	We do not do ESG incorporation.
<b>Fixed income - SSA</b>	
<input checked="" type="checkbox"/>	We address ESG incorporation.
<input type="checkbox"/>	We do not do ESG incorporation.
<b>Fixed income - corporate (financial)</b>	
<input checked="" type="checkbox"/>	We address ESG incorporation.
<input type="checkbox"/>	We do not do ESG incorporation.
<b>Property</b>	
<input checked="" type="checkbox"/>	We address ESG incorporation.
<input type="checkbox"/>	We do not do ESG incorporation.

**OO 11.2** Select the externally managed assets classes in which you and/or your investment consultants address ESG incorporation in your external manager selection, appointment and/or monitoring processes.

Asset class	ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes
Fixed income - SSA	<b>Fixed income - SSA - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b>
	<input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process
	<input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process
	<input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process
	<input type="checkbox"/> We do not do ESG incorporation

Private equity	Private equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes
	<input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input type="checkbox"/> We incorporate ESG into our external manager appointment process <input type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation

**OO 11.4** Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

ESG is an integrated part of the Storebrand/SPP manager selection process. The process includes qualitative and quantitative measures and assessments. Quantitative measures include our proprietary ESG rating which covers E, S and G considerations on stock and portfolio level. We also complement internal ratings with data from our external data providers. The quantitative measures will include considerations of the current and historical portfolio characteristics, but also how well the portfolios are positioned in terms of relevant future sustainability trends.

We also rate our external funds/managers using a wide range of criteria. The main areas in this qualitative assessment are as following:

- The fund mandate with respect to ESG considerations
- Attitudes expressed, implemented policies and dedicated ESG resources in the fund organization
- Integration of ESG in the investment process
- Portfolio manager/team knowledge and attitudes
- Previous experience with the manager in question

When monitoring the external managers selected, we also use a combination of quantitative and qualitative measures. Changes in overall ratings and portfolio content is of course important, as well as ongoing periodical fund reviews with the managers where we discuss portfolio positions from an ESG perspective. Working together with our external managers to influence the portfolio companies in a better direction is also important for us, as this gives increased leverage to our internal impact potential.

**OO 12** **Mandatory** **Gateway** **General**

**OO 12.1** Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

<b>Core modules</b>	
<input checked="" type="checkbox"/>	Organisational Overview
<input checked="" type="checkbox"/>	Strategy and Governance
<b>RI implementation directly or via service providers</b>	
<b>Direct - Listed Equity incorporation</b>	
<input checked="" type="checkbox"/>	Listed Equity incorporation
<b>Direct - Listed Equity active ownership</b>	
<input checked="" type="checkbox"/>	Engagements
<input checked="" type="checkbox"/>	(Proxy) voting
<b>Direct - Fixed Income</b>	
<input checked="" type="checkbox"/>	Fixed income - SSA
<input checked="" type="checkbox"/>	Fixed income - Corporate (financial)
<b>Direct - Other asset classes with dedicated modules</b>	
<input type="checkbox"/>	Property
<b>RI implementation via external managers</b>	
<b>Indirect - Selection, Appointment and Monitoring of External Managers</b>	
<input type="checkbox"/>	Fixed income - SSA
<input type="checkbox"/>	Private Equity
<b>Closing module</b>	
<input checked="" type="checkbox"/>	Closing module

**OO LE 01** **Mandatory to Report, Voluntary to Disclose** **Gateway** **General**

**OO LE 01.1** Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.

76

Passive
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12

12	Active - quantitative (quant)
	Active - fundamental and active - other

OO FI 01	Mandatory to Report, Voluntary to Disclose	Gateway	General
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OO FI 01.1 Provide a breakdown of your internally managed fixed income securities by active and passive strategies

SSA	20	Passive
	80	Active - quantitative (quant)
	0	Active - fundamental and active - other
Corporate (financial)	20	Passive
	80	Active - quantitative (quant)
	0	Active - fundamental and active - other

OO FI 03	Mandatory to Report, Voluntary to Disclose	Descriptive	General
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OO FI 03.1 Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.

SSA	100	Developed markets
	0	Emerging markets

OO SAM 01	Mandatory to Report, Voluntary to Disclose	Gateway	General
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OO SAM 01.1 Provide a breakdown of your externally managed listed equities and fixed income by passive, active quant and, active fundamental and other active strategies.

Fixed income - SSA	20	Passive
	80	Active - quantitative (quant)
	0	Active - fundamental and active - other

OO PR 01	Mandatory to Report, Voluntary to Disclose	Descriptive	General
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OO PR 01.1 Indicate the level of ownership you typically hold in your property investments.

- a majority stake (>50%)
- a 50% stake
- a significant minority stake (between 10-50%)
- a limited minority stake (<10%)
- a mix of ownership stakes
- N/A, we manage properties, new constructions and/or refurbishments on behalf of our clients, but do not hold equity in property on their behalf

OO PR 01.2 Provide a breakdown of your organisations allocation to Real Estate Investment Trusts (REITs) or similar

- >50%
- 10 – 50%
- <10%
- 0%

OO PR 02	Mandatory to Report, Voluntary to Disclose	Gateway	General
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OO PR 02.1 Provide a breakdown of your organisation's property assets based on who manages the assets.

Property assets managed by	Breakdown of your property assets (by number)
Managed directly by your organisation	<input checked="" type="checkbox"/> >50% <input type="checkbox"/> 10-50% <input type="checkbox"/> <10% <input type="checkbox"/> 0%
Managed via third-party property managers appointed by you	<input type="checkbox"/> >50% <input checked="" type="checkbox"/> 10-50% <input type="checkbox"/> <10% <input type="checkbox"/> 0%
Managed by other investors or their property managers	<input type="checkbox"/> >50% <input type="checkbox"/> 10-50% <input checked="" type="checkbox"/> <10% <input type="checkbox"/> 0%
Managed by tenant(s) with operational control	<input type="checkbox"/> > 50% <input type="checkbox"/> 10-50% <input checked="" type="checkbox"/> < 10% <input type="checkbox"/> 0%
Total 100%	

OO PR 03	Voluntary	Descriptive	General
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OO PR 03.1 Indicate up to three of your largest property types by AUM.

Types	Main property types (by AUM)
Largest property type	<input type="checkbox"/> Industrial <input type="checkbox"/> Retail <input checked="" type="checkbox"/> Office <input type="checkbox"/> Residential <input type="checkbox"/> Leisure/Hotel <input type="checkbox"/> Mixed use <input type="checkbox"/> Other, specify
Second largest property type	<input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Retail <input type="checkbox"/> Office <input type="checkbox"/> Residential <input type="checkbox"/> Leisure/Hotel <input type="checkbox"/> Mixed use <input type="checkbox"/> Other, specify
Third largest property type	<input checked="" type="checkbox"/> Industrial <input type="checkbox"/> Retail <input type="checkbox"/> Office <input type="checkbox"/> Residential <input type="checkbox"/> Leisure/Hotel <input type="checkbox"/> Mixed use <input type="checkbox"/> Other, specify

SG 01.1	Indicate if you have an investment policy that covers your responsible investment approach.
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Yes

SG 01.2	Indicate the components/types and coverage of your policy.
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Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach	<input checked="" type="checkbox"/> Applicable policies cover all AUM <input type="checkbox"/> Applicable policies cover a majority of AUM <input type="checkbox"/> Applicable policies cover a minority of AUM
<input checked="" type="checkbox"/> Formalised guidelines on environmental factors	
<input checked="" type="checkbox"/> Formalised guidelines on social factors	
<input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors	
<input type="checkbox"/> Asset class-specific RI guidelines	
<input type="checkbox"/> Sector specific RI guidelines	
<input checked="" type="checkbox"/> Screening / exclusions policy	
<input checked="" type="checkbox"/> Engagement policy	
<input type="checkbox"/> (Proxy) voting policy	
<input type="checkbox"/> Other, specify (1)	
<input type="checkbox"/> Other, specify(2)	

SG 01.3	Indicate if the investment policy covers any of the following
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- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change and related issues
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4	Describe your organisation's investment principles and overall investment strategy, and how they consider ESG factors and real economy impact.
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Storebrand's Group Policy on sustainable investments is an overarching structure stating Storebrand's vision and goal on sustainable investments. Storebrand's work on sustainable investments is motivated by the following factors

- secure long term returns
- avoid complicity to breaches of international norms or conventions through our investments.
- contribute to positive impact on society and the environment

The Group Policy references the UN PRI framework and has included existing policies and guidelines on more specific issues as reference documents. Scope, responsibilities, follow up and reporting is also defined in this overarching policy. Storebrand's Group Policy on sustainable investments covers all asset classes and geographical regions, as well as all externally managed assets,

In addition Storebrand has policy documents relating to the definition and implementation of the Storebrand standard. The standard applies to all AUM and guides work on exclusions and on active ownership. The policy documents are broken into subject areas (eg. corruption, human rights and environmental degradation) and outline relevant international conventions, motivation and methodology.

Policy documents also exist on Storebrand's position on global sustainability trends and on the relationship between sustainability and financial returns.

SG 01.5	Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]
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In addition, a set of policies apply to the selection of external asset managers. Comprehensive ESG guidelines are outlined in the selection process with sustainability being one of the key selection criteria. In addition policies regarding follow up and monitoring of external fund managers ensure quarterly screening and engagement with managers.

No

SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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- Policy setting out your overall approach

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.storebrand.no/en/sustainability/guidelines">https://www.storebrand.no/en/sustainability/guidelines</a>
<input checked="" type="checkbox"/> Attachment (will be made public) Files: link, link



- Formalised guidelines on environmental factors

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.storebrand.no/en/sustainability/storebrand-standard">https://www.storebrand.no/en/sustainability/storebrand-standard</a>
<input checked="" type="checkbox"/> Attachment (will be made public)	Files: <a href="#">link</a> , <a href="#">link</a>

- Formalised guidelines on social factors

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.storebrand.no/en/sustainability/storebrand-standard">https://www.storebrand.no/en/sustainability/storebrand-standard</a>
<input checked="" type="checkbox"/> Attachment (will be made public)	Files: <a href="#">link</a> , <a href="#">link</a>

- Formalised guidelines on corporate governance factors

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.storebrand.no/en/sustainability/storebrand-standard">https://www.storebrand.no/en/sustainability/storebrand-standard</a>
<input checked="" type="checkbox"/> Attachment (will be made public)	Files: <a href="#">link</a> , <a href="#">link</a>

- Screening / exclusions policy

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.storebrand.no/en/sustainability/storebrand-standard">https://www.storebrand.no/en/sustainability/storebrand-standard</a>
<input checked="" type="checkbox"/> Attachment (will be made public)	Files: <a href="#">link</a> , <a href="#">link</a>

- Engagement policy

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.storebrand.no/en/sustainability/guidelines/_attachment/4823?_ts=15457c4c9f3">https://www.storebrand.no/en/sustainability/guidelines/_attachment/4823?_ts=15457c4c9f3</a>
<input type="checkbox"/> Attachment (will be made public)	

- We do not publicly disclose our investment policy documents

**SG 02.2** Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.storebrand.no/en/sustainability/guidelines">https://www.storebrand.no/en/sustainability/guidelines</a>
<input type="checkbox"/> Attachment	

- Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.storebrand.no/en/sustainability/guidelines">https://www.storebrand.no/en/sustainability/guidelines</a>
<input type="checkbox"/> Attachment	

- Time horizon of your investment

- Governance structure of organisational ESG responsibilities

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.storebrand.no/en/sustainability/guidelines">https://www.storebrand.no/en/sustainability/guidelines</a>
<input type="checkbox"/> Attachment	

- ESG incorporation approaches

URL/Attachment	
<input checked="" type="checkbox"/> URL	

	<a href="https://www.storebrand.no/en/sustainability/guidelines">https://www.storebrand.no/en/sustainability/guidelines</a>	<input type="checkbox"/> Attachment	
<input checked="" type="checkbox"/>	Active ownership approaches		
	<input checked="" type="checkbox"/> URL	<a href="https://www.storebrand.no/en/sustainability/guidelines">https://www.storebrand.no/en/sustainability/guidelines</a>	
	<input type="checkbox"/> Attachment		
<input checked="" type="checkbox"/>	Reporting		
	<input checked="" type="checkbox"/> URL	<a href="https://www.storebrand.no/en/sustainability/guidelines">https://www.storebrand.no/en/sustainability/guidelines</a>	
	<input type="checkbox"/> Attachment		
<input type="checkbox"/>	Climate-related issues		
<input type="checkbox"/>	We do not publicly disclose any investment policy components		
<b>SG 02.3</b>	<b>Indicate if your organisation's investment principles, and overall investment strategy is publicly available</b>		
<input checked="" type="radio"/>	Yes	<a href="https://www.storebrand.no/en/sustainability/guidelines">https://www.storebrand.no/en/sustainability/guidelines</a>	
<input type="radio"/>	No		
<b>SG 02.4</b>	<b>Additional information [Optional].</b>		
	Please see the newly published integrated Annual Report for the Storebrand Group in English. URL: <a href="https://www.storebrand.no/investor-relations/arsrapporter">https://www.storebrand.no/investor-relations/arsrapporter</a>		
<b>SG 03</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>General</b>
<b>SG 03.1</b>	<b>Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.</b>		
<input type="radio"/>	Yes		
<input checked="" type="radio"/>	No		
<b>SG 03.3</b>	<b>Additional information. [Optional]</b>		
	No explicit policy, but acting on the principle that no parties will receive preferential treatment with respect to engagement, exclusion or voting. In addition the internal Investment committee whose responsibility it is to make the final decision on excluded companies does this without knowledge of the company name. All documents prepared on exclusion cases are anonymous.		
<b>SG 04</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>General</b>
<b>SG 04.1</b>	<b>Indicate if your organisation has a process for identifying and managing incidents that occur within portfolio companies.</b>		
<input checked="" type="radio"/>	Yes		
<input type="radio"/>	No		
<b>SG 04.2</b>	<b>Describe your process on managing incidents</b>		
	Our data provider Sustainalytics continually screens our entire Investment universe of 3500 Companies for incidents that may be in breach of our minimum Sustainability standard. Alerts are sent to Storebrand monthly.		
<b>SG 05</b>	<b>Mandatory</b>	<b>Gateway/Core Assessed</b>	<b>General</b>
<b>SG 05.1</b>	<b>Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.</b>		
<input type="radio"/>	Quarterly or more frequently		
<input checked="" type="radio"/>	Biannually		
<input type="radio"/>	Annually		
<input type="radio"/>	Less frequently than annually		
<input type="radio"/>	Ad-hoc basis		
<input type="radio"/>	It is not set/reviewed		
<b>SG 05.2</b>	<b>Additional information. [Optional]</b>		
	All group sustainability objectives are reviewed twice a year, including RI objectives. In addition the sustainable investment team conducts a strategy seminar at the beginning of each calendar year to decide on focus areas and new innovation/developments for the coming year. The previous year is also reviewed in terms of ESG, financial and communication outcomes.		
<b>SG 06</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>General</b>

SG 06.1	List the main responsible investment objectives that your organisation set for the reporting year.
Responsible investment processes	
<input type="checkbox"/> Provide training on ESG incorporation <input type="checkbox"/> Provide training on ESG engagement <input checked="" type="checkbox"/> Improved communication of ESG activities within the organisation	
Key performance indicator	
New page on website describing in detail main engagement activities	
Progress achieved	
Better communication through establishment of website. All main engagements for 2017 are published together with ongoing engagements for 2018.	
<input checked="" type="checkbox"/> Improved engagement to encourage change with regards to management of ESG issues	
Key performance indicator	
New engagement strategy implemented in 2017. Focus on collaborative and proactive engagements. Climate.	
Progress achieved	
Increased number of collaborative and pro-active initiatives in 2017.	
<input checked="" type="checkbox"/> Improved ESG incorporation into investment decision making processes	
Key performance indicator	
Implementation of daily automatic reading of selected ESG information into internal database from external ESG data provider. For example % revenues from fossil fuels.	
Progress achieved	
Database in daily use.	
<input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify (2) <input type="checkbox"/> Other, specify (3)	
ESG characteristics of investments	
<input checked="" type="checkbox"/> Over or underweight companies based on ESG characteristics	
Key performance indicator	
Proportion of AUM invested in solution Stocks and renewable energy	
Progress achieved	
Result for 2017: 1,80% of total AUM.	
<input checked="" type="checkbox"/> Improve ESG ratings of portfolio	
Key performance indicator	
Optimisation on ESG ratings implemented for new funds	
Progress achieved	
Implementation and management of targets for ESG ratings on selection of ESG funds. For example 80% in average ESG rating for fund compared to 70% for benchmark.	
<input type="checkbox"/> Setting carbon reduction targets for portfolio <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify (2) <input type="checkbox"/> Other, specify (3)	

SG 07	Mandatory	Core Assessed	General
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SG 07.1	Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.
Roles present in your organisation	
<input checked="" type="checkbox"/> Board members or trustees	
<input checked="" type="checkbox"/> Oversight/accountability for responsible investment <input type="checkbox"/> Implementation of responsible investment <input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment	
<input checked="" type="checkbox"/> Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee	
<input checked="" type="checkbox"/> Oversight/accountability for responsible investment <input type="checkbox"/> Implementation of responsible investment	

- No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
  - Head of Sustainable Investment team
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- ESG portfolio manager
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
- Investor relations
- Other role, specify (1)
- Other role, specify (2)

SG 07.3	Indicate the number of dedicated responsible investment staff your organisation has.
	10

SG 07.4	Additional information. [Optional]
	<p>Dedicated RI staff include</p> <ul style="list-style-type: none"> <li>- 7 ESG analysts in Front Office</li> <li>- 2 ESG analysts at subcontractor Cognizant</li> <li>- 1 Environmental Manager (Real Estate)</li> <li>- 2 dedicated Responsible Investment communication managers in Storebrand and SPP</li> <li>- 6 Portfolio managers with dedicated ESG products.</li> </ul>

SG 07 CC	Voluntary	Descriptive	General
SG 07.1 CC	Indicate the roles in your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for climate-related issues.		
Roles present in your organisation			
<input type="checkbox"/> Board members or trustees <input checked="" type="checkbox"/> Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Oversight/accountability for climate-related issues</li> <li><input type="checkbox"/> Assessment and management of climate-related issues</li> <li><input type="checkbox"/> No responsibility for climate-related issues</li> </ul> <input checked="" type="checkbox"/> Other Chief-level staff or head of department, specify <ul style="list-style-type: none"> <li>Head of Sustainable Investments</li> <li><input checked="" type="checkbox"/> Oversight/accountability for climate-related issues</li> <li><input checked="" type="checkbox"/> Assessment and management of climate-related issues</li> <li><input type="checkbox"/> No responsibility for climate-related issues</li> </ul> <input checked="" type="checkbox"/> Portfolio managers <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Oversight/accountability for climate-related issues</li> </ul>			

- Assessment and management of climate-related issues
- No responsibility for climate-related issues
- ESG portfolio manager
  - Oversight/accountability for climate-related issues
  - Assessment and management of climate-related issues
  - No responsibility for climate-related issues
- Investment analysts
  - Oversight/accountability for climate-related issues
  - Assessment and management of climate-related issues
  - No responsibility for climate-related issues
- Dedicated responsible investment staff
  - Oversight/accountability for climate-related issues
  - Assessment and management of climate-related issues
  - No responsibility for climate-related issues
- External managers or service providers
  - Oversight/accountability for climate-related issues
  - Assessment and management of climate-related issues
  - No responsibility for climate-related issues
- Investor relations
  - Oversight/accountability for climate-related issues
  - Assessment and management of climate-related issues
  - No responsibility for climate-related issues
- Other role, specify (1)
- Other role, specify (2)

SG 08	Voluntary	Additional Assessed	General
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SG 08.1 Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.

**Board members/Board of trustees/Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Other C-level staff or head of department**

Head of Sustainability team

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Portfolio managers**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Investment analysts**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process

- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Dedicated responsible investment staff**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

SG 08.3	Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.
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Annual fund review with internal fund managers incorporates responsible investment performance as integrated module. Follow up on average sustainability rating of funds/portfolios and individual portfolio company ratings.

SG 08.4	Describe the level of experience board members/trustees/chief-level staff have with incorporating ESG factors into investment decision-making processes.
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CEO of Storebrand Asset Management has experience with design and implementation of in-house Sustainability ratings from previous position as Chief Investment Officer.

SG 09	Mandatory	Core Assessed	PRI 4,5
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SG 09.1	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
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Principles for Responsible Investment

	Your organisation's role in the initiative during the reporting period (see definitions)
--	--

Moderate

	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--	--

- Participated in the UNPRI Working Group Indigenous Rights Collaborative Initiative as one of lead organisers i.e. organising calls, finding speakers, as chair for discussions and giving updates on companies engaged
- Investor statement to banks financing the Dakota Access Pipeline (DAPL). Co-lead investor together with Boston Caommon Asset Management. Participating in the discussions that led to the statement and the editing of the statement.
- Signed Global Action 100+. Co-lead investor for Statoil
- Developing a case study for the UN PRI TCFD disclosure pilot group using listed Norwegian oil company as example
- PRI-coordinated collaborative engagement on methane risk. Supporting investor
- Signed investor letter for the Banking on a low carbon future initiative. Supporting investor
- Signed statement against child labour in cocoa supply chains. Supporting investor

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)
Moderate

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
During 2017, Storebrand was involved in a letter to non-disclosing companies to ask them to disclose environmental data by signing the letter and sending the letter selv to companies regarding climate change. Some companies answered directly to Storebrand but dilogue continued with CDP.

- CDP Forests
- CDP Water

Your organisation's role in the initiative during the reporting period (see definitions)
Basic

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
In 2017, Storebrand provided CEO level supporting quote for CDP Water disclosure disclosure initiative.

- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)

Your organisation's role in the initiative during the reporting period (see definitions)
Basic

- ESG Research Australia
- EVCA – Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)

Your organisation's role in the initiative during the reporting period (see definitions)
Basic

- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)

Your organisation's role in the initiative during the reporting period (see definitions)
Basic

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--

- Cooperation with IIGCC via Climate Action 100+
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify  
NORSIF Board member and chair in NORSIF Active Ownership Group. SWESIF Board member Member of Norwegian Committee for Corporate Governance

Your organisation's role in the initiative during the reporting period (see definitions)
Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
Part of the nominating committee in Swesif. Board member in Norsif. Chair in NORSIF Active Ownership Working Group. Actively contributing to events arranged by both organizations and in working groups. Initiative taker to new common working group on active ownership for the two organisations.

- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)

Your organisation's role in the initiative during the reporting period (see definitions)
Moderate

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
Active members, particularly in the PSI initiative. Member of new Investor Pilot Group for implementation of TCFD guidelines.

- United Nations Global Compact

Your organisation's role in the initiative during the reporting period (see definitions)
Moderate

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
Participating in the Nordic network, reporting on Advanced level.

- Other collaborative organisation/initiative, specify

Sustainable Value Creation, Sweden

Your organisation's role in the initiative during the reporting year (see definitions)
Moderate

- Other collaborative organisation/initiative, specify

International Indigenous Working Group (IIWG): Gathers NGOs, investors, academia and private citizens to advocate for the rights of indigenous peoples..Organizer: Boston Common Asset Management

Your organisation's role in the initiative during the reporting year (see definitions)
Moderate

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
Storebrand is part of the group since its establishment in 2016. The group meets monthly. Storebrand has contributed to the group by suggesting ways of advocating for indigeous peoples rights towards companies and authorities and giving updates and experiences regarding dialogue with companies regarding these issues. Main focus throughout 2017 has been on the DAPL

- Other collaborative organisation/initiative, specify

Signatory to the Montreal Pledge on climate disclosure

Your organisation's role in the initiative during the reporting year (see definitions)
Moderate

- Other collaborative organisation/initiative, specify

Member of the Portfolio Decarbonisation Coalition: Commitment to reduce carbon footprint of Portfolios.

Your organisation's role in the initiative during the reporting year (see definitions)
Moderate

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
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SG 09.2	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1
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Indicate approximately what percentage (+/- 5%) of your externally managed assets are managed by PRI signatories.
100%

SG 10	Mandatory	Core Assessed	PRI 4
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SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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Yes

SG 10.2	Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.
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Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

Description
Client Meetings on monthly basis

Frequency of contribution
<input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other

Provided financial support for academic or industry research on responsible investment

Provided input and/or collaborated with academia on RI related work

Description
Provided academic support for both Masters and PhD students on a continual basis.

Frequency of contribution
<input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other

Encouraged better transparency and disclosure of responsible investment practices across the investment industry

Description
Contact with Portfolio Companies on disclosure of key ESG metrics - Norwegian oil company and TCFD disclosure as an example

Frequency of contribution
<input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other

Spoke publicly at events and conferences to promote responsible investment

Description
participation in wide range of events as key-note speakers, panel participants and other roles.

Frequency of contribution
<input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other

- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)

Description
Responded to Ethical Bank Guide survey, feedback to RSPO and a number of swedish questionnaires on sustainable Investments Soderberg and Partners, Max Mathissen.

Frequency of contribution
<input type="radio"/> Quarterly or more frequently <input checked="" type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other

- Wrote and published articles on responsible investment in the media

Description
Many articles on topics such as water risk, corruption and climate adaption

Frequency of contribution
<input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other

- A member of PRI advisory committees/ working groups, specify

Description
Please see CG 09 on participation in PRI initiatives

Frequency of contribution
<input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other

- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)

Description
Board member of NORSIF and SWESIF

Frequency of contribution
<input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other

- Other, specify

No

SG 10.3	Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]
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Storebrand is a key participant in the Norwegian and Swedish public debate on responsible investments, for instance through opinion pieces in print/online media, broadcast media, social media.

Furthermore, we provide extensive training for clients, brokers, investment consultants and external fund managers, in addition to speaking at a range of conferences.

Storebrand also participates in international RI debates and events, as well as providing comments and interviews to international media.

External fund managers are subject to extensive RI requirements (policies, implementation, quarterly screening of portfolio ESG quality and controversial investments). External fund managers are also encouraged to adopt the UNPRI. Storebrand actively seeks funds from external managers with high ESG profile.

Updated in house White Paper on the link between responsible investment and financial returns, including review of studies/metastudies on this theme.

Published a number of articles/interviews on divestment from coal ( companies with more than 30% of revenues from coal) and divestment from fossil fuels.

Our press release and subsequent interviews on Storebrand exclusion of companies with planned coal fired plants in late 2017 reached an estimated 1 billion potential readers.

Member of NORSIF board and active participant in arranging NORSIF events and membership seminars, Member of working group for Active Ownership.

Member of SWESIF board.

SG 11	Voluntary	Additional Assessed	PRI 4,5,6
SG 11.1	Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.		
<input checked="" type="checkbox"/> Yes <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Yes, individually</li> <li><input type="checkbox"/> Yes, in collaboration with others</li> </ul>			
SG 11.2	Select the methods you have used.		
<input type="checkbox"/> Endorsed written submissions to governments, regulators or public policy-makers developed by others <input type="checkbox"/> Drafted your own written submissions to governments, regulators or public-policy markers <input checked="" type="checkbox"/> Participated in face-to-face meetings with government members or officials to discuss policy <input type="checkbox"/> Other, specify			
<input type="radio"/> No			
SG 11.4	Provide a brief description of the main topics your organisation has engaged with public policy-makers or regulators on.		
Meetings conducted with: <ul style="list-style-type: none"> <li>- METI (Ministry of Economy Trade and Industry in Japan) on climate change issues</li> <li>- Luxembourg Environmental Ministry on climate change issues</li> <li>- Regulators/ Policy makers in New York City on climate change issues</li> </ul>			

SG 12	Mandatory	Core Assessed	PRI 4
SG 12.1	Indicate whether your organisation uses investment consultants.		
<input type="checkbox"/> Yes, we use investment consultants <input checked="" type="checkbox"/> No, we do not use investment consultants.			

SG 13	Mandatory	Descriptive	PRI 1		
SG 13.1	Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.				
<input type="checkbox"/> We execute scenario analysis which includes factors representing the investment impacts of future environmental trends <input type="checkbox"/> We execute scenario analysis which includes factors representing the investment impacts of future social trends <input type="checkbox"/> We execute scenario analysis which includes factors representing the investment impacts of future governance trends <input checked="" type="checkbox"/> We consider scenario analysis that includes factors representing the investment impacts of future climate-related risks and opportunities					
<table border="1"> <tr> <td>Is this scenario analysis based on a 2°C or lower scenario?</td> </tr> <tr> <td> <input checked="" type="radio"/> Yes  <input type="radio"/> No           </td> </tr> </table>				Is this scenario analysis based on a 2°C or lower scenario?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Is this scenario analysis based on a 2°C or lower scenario?					
<input checked="" type="radio"/> Yes <input type="radio"/> No					
<input type="checkbox"/> We execute other scenario analysis, specify <input type="checkbox"/> We do not execute such scenario analysis and/or modelling					

SG SG 13.1a CC	Please describe the resilience of your organisation's strategy, considering different future climate scenarios.		
Strategy affected	Changes to strategy	Description of scenario and time-horizon	How analysis has been used
Scenario analysis is used to consider future climate issues for Portfolios and Investments.	Integrated into Product lines such as Our Pluss funds - and other fossil free Products. These strategies include the consideration of exposure to fossil fuels and can be viewed as a part of diversification away from fossil fuels.		

SG 13.2	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.		
We do the following			
<input type="checkbox"/> Allocation between asset classes <input type="checkbox"/> Determining fixed income duration <input type="checkbox"/> Allocation of assets between geographic markets			

- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 14

Mandatory to Report, Voluntary to Disclose

Additional Assessed

PRI 1

**SG 14.1** Describe the process used to identify short, medium and long-term risks and opportunities that could have a material impact on your organisation and its activities.

We constantly collect data to analyse and identify how companies are positioned against the following trends:

1. Population growth with ecosystems under pressure: we look for companies that are efficient in the way they use raw materials and energy, such as companies that provide new technologies which contribute to improving and preserving the ecosystem, or who offer products with high resource efficiency during production and use. Companies with a significant potential environmental impact and/or that require natural resources in their supply chain must monitor their suppliers closely in order to be considered a sustainable company by Storebrand.
2. Growth in emerging markets: we are looking for those companies that have already established solid frameworks and policies with regards to the environment, human rights and corruption, while at the same time producing goods and services that are designed for people with less purchasing power. We believe that these companies represent good long-term investments for our clients' assets.
3. Increasingly conscious consumers: companies with sustainable products and services will get access to greater markets, and will be best prepared to meet consumer demand and government obligations. We will increase our investments in such companies.

**SG 14.1 CC** Describe the processes used to determine which climate-related short, medium and long-term risks and opportunities could have a material impact on your organisation and its activities.

Climate change is one of the most significant risk factors with regards to sustainability. Climate change is the one global megatrend that affects all other trends. For example, climate change adversely affects resource availability, such as access to fresh water, food production, and biodiversity. Climate policies will place constraints on energy production in the years to come.

At the same time, the consequences of climate change will have the largest impact on emerging economies. Corporate risk will increase in several areas, such as damaged assets and production facilities, increased cost of raw materials, regulatory changes, reputational risk and social unrest.

Yet changes will also bring about new opportunities, such as greater resource efficiency and sustainable products.

In our analysis, we use the companies' own reported data to assess the company in question according to our so-called ESG criteria. With this practice we first consider the company's approach to environmental challenges (E), social conditions (S) and corporate governance (G), and rate each company according to more than 100 different parameters. Research has convincingly demonstrated that the use of this methodology as part of our investment strategy will provide stronger returns on investments over time.

**SG 14.2** Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following you act on.

- Changing demographics
- Climate change and related issues

**SG 14.2a cc** Please describe how you define "short", "medium" and "long term", and describe your material climate-related issues over these time horizons.

	Definition	Description of material climate-related issues
Short term	under 18 months	Water risk and energy efficiency. . GHG emissions and tax/regulation.
Medium term	3-5 years	GHG emissions and carbon tax/regulation. Water risk following from climate change.
Long term	2030	Transition to a low carbon economy and associated regulatory risk

**SG 14.3** Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify
- None of the above

**SG 14.4** Indicate which of the following tools you use to manage emissions risks and opportunities

- Scenario analysis
- Disclosure on emissions risk to clients/trustees/management/beneficiaries
- Climate-related targets
- Encourage internal and/or external portfolio managers to monitor emissions risk
- Emissions risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity

- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

- Resource scarcity
- Technology developments
- Other, specify(1)
- Other, specify(2)
- None of the above

**SG 14.4a CC** Please provide further details on these key metric(s) used to assess climate related risks and opportunities.

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology	Metric Trend	Limitations / Weaknesses
Climate-related targets	Entire investment universe	Encourage new investment in clean technology	Percent of AUM			
Weighted average carbon intensity	All internal and external funds	Show clients information funds exposure to climate risk				
Carbon footprint (scope 1 and 2)	All holdings in equities funds	Information to portfolio managers and clients on climate risk	Data quality and low proportion of companies reporting			
Portfolio carbon footprint	Equities funds only	Management of climate risk	Data quality and low proportion of companies reporting			
Carbon intensity	Equities funds	Management of climate risk	Data quality and low proportion of companies reporting			
Exposure to carbon-related assets						

**SG 14.4b CC** Please describe in further detail your key targets.

Target type	Time Frame	Base Year	KPI	Target Methodology	Limitations / Weaknesses	Attachments
<input type="radio"/> Absolute target <input checked="" type="radio"/> Intensity target	1-5 years	2017	AUM invested in solution stocks	See Storebrand Annual Report 2017		

**SG 14.5** If you selected disclosure on emissions risks, list any specific climate related disclosure tools or frameworks that you used.

Storebrand uses carbon data from data provider Trucost to calculate the carbon footprint of our holdings in equities funds. If we have carbon information covering less than 75% of the market share of the fund's equity holdings we will not report on that fund's carbon footprint. Less than 75% coverage may result in a faulty or tilted result.

Quarterly reports on the carbon footprint of Storebrands equity funds are available here.

<https://www.storebrand.no/om-storebrand/barekraft/rapporter>

Storebrand reports on carbon dioxide equivalents, which is a measurement that includes carbon dioxide and equivalent greenhouse gases. The reporting includes scope 1 and 2 as defined by the Green House Gas Protocol ([www.ghgprotocol.org](http://www.ghgprotocol.org)), which means the company's direct emissions from owned or controlled sources and indirect emissions from purchased energy.

Storebrand reports according to the standard indicator for Carbon Intensity as defined by Svensk Försäkring and Fondbolagens Förening: Tonnes CO2 Emissions/1million Fund Currency Sales Revenue. For more information see <http://www.fondbolagen.se/sv/Juridik/Foreningens-vagledning/Vagledning-for-fondbolagens-redovisning-av-fonders-koldioxidavtryck/>.

The carbon footprint reports cover Storebrand's equity holdings in mutual funds as well as the equity investments in our guaranteed portfolios. There are many factors that influence a fund's carbon footprint. A funds sector weighting is one of the most important aspects, as is significant investment in individual companies with high/low Carbon Intensity. Storebrand/SPP has also seen a clear correlation between good performance on our sustainability fund rating and low carbon intensity.

There is currently no internationally accepted method for the calculation of carbon footprint for fixed income funds.

Despite the lack of an accepted method Storebrand calculates the weighted average carbon intensity of all funds in order to capture carbon risk. Storebrand will be making this information publically available in Q2 2018.

**SG 14.6** Additional information [Optional]

Storebrand has signed the **Montreal Pledge** and is a member of the **Portfolio Decarbonisation Coalition** and has therefore committed to reducing the carbon intensity of selected equities portfolios.

Storebrand produces its own sustainability rating on 2500 listed equities. The rating is based on companies in house ESG systems (40%), Financial stability (20%) and Positioning for global ESG trends (40%). The three ESG trends that inform our analyses and choice of sector specific KPI's are

1. Population Growth and **Resource Scarcity**

- 2. Growth in Emerging Markets
- 3. Demand for sustainable Products and Services

**SG 14.7 CC** Describe your risk management processes for identifying, assessing, and managing climate-related risks.

Our process for climate-related risks is integrated into overall risk management

Please describe

Climate related risks are integrated in the in-house sustainability rating for selected sectors. Energy Efficiency is for example a widely used indicator across a range of sectors.

Our process for climate-related risks is not integrated into our overall risk management

**SG 15** Mandatory to Report, Voluntary to Disclose Descriptive PRI 1

**SG 15.1** Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

Yes

**SG 15.2** Indicate the percentage of your total AUM invested in environmental and social themed areas.

7.5%

**SG 15.3** Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.

Area

Clean technology (including renewable energy)

Asset class invested

- Listed equity  
1.5% of AUM
- Fixed income - SSA
- Fixed income - Corporate (financial)  
1% of AUM
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property

Brief description and measures of investment

**The following funds have all considerable assets dedicated to clean technology solutions. Storebrand analyses and identifies pure play clean tech companies outside of main indexes in addition to large cap equities with a considerable clean tech focus.**

**Listed Equities:**

- Storebrand Global ESG Plus
- Storebrand Global ESG
- Storebrand Norge Fossilfri
- Storebrand/SPP Global Solutions
- SPP Sverige Plus:
- SPP Global Plus:
- SPP Tillväkstmarknad Plus:
- SPP GodFond Sverige och världen:

**Fixed Income**

Primarily through project financing in green bonds, issued by corporates, government, local government and International Development Banks. The majority of the projects financed by Green Bonds issuances have a renewable energy component. Additional investments in Green Bonds are also made through other conventional fixed income products.

SPP Grön obligationsfond:

Storebrand Global Kreditt IG

SPP Foretagsobligationsfond

**Fossil free funds**

Additionally all our fossil free funds (Funds with Plus in the name) have the following criteria

- exclusion of all companies with over 5% of revenue from fossil fuels and/or significant fossil fuel reserves.
- higher average sustainability rating than reference index
- significantly lower carbon footprint than reference index

Green buildings

Asset class invested

- Listed equity
- Fixed income - SSA

- Fixed income - Corporate (financial)
  - Fixed income - Corporate (non-financial)
  - Fixed income - Securitised
  - Private equity
  - Property
- 5% of AUM

**Brief description and measures of investment**

Both through Real Estate/Property and Green Bonds.

Storebrand has a strong commitment to Green Buildings and certification of portfolio buildings according to international standards such as BREEAM.

**All existing buildings** are certified to BREAAAM NOR In use

**All rehabilitation projects** are certified to BREAAAM NOR Very Good as a minimum criteria.

**All new buildings** are certified to BREAAAM NOR Excellent as a minimum criteria.

Low emissions materials, energy efficient solutions and local energy are used extensively in new projects.

- Sustainable forestry

**Brief description and measures of investment**

Direct investments.

- Sustainable agriculture
- Microfinance

**Brief description and measures of investment**

AUM: approximately NOK 500 million Asset classes: mainly private equity and fixed income - other, Storebrand made its first investments in microfinance in 2005, investing mainly through fund-of-funds.

The objectives of the investments in this sector are twofold, to obtain a competitive rate of return on the investments and to contribute to social and economic development in emerging/frontier markets. We target institutions with a clear social mission and a profitable business model.

Geographical reach includes Asia, Africa and Latin America. Our portfolio includes investments in collaboration with significant players such as Womens World Banking, Global Health Investment Fund, and the Norwegian Microfinance Initiative.

- SME financing
- Social enterprise / community investing
- Affordable housing
- Education
- Global health

**Brief description and measures of investment**

Part of our microfinance portfolio, e.g. Global Health Investment Fund.

- Water
- Other area, specify

No

SG 16	Mandatory	Descriptive	General
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**SG 16.1** Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Property	<p>With respect to investments in nonlisted real estate and property, Storebrand mainly invests in Norway and Sweden.</p> <p>The Norwegian property company is certified under environmental management scheme Eco-Lighthouse. The Environmental Manager, Real Estate, is responsible for ESG issues and reports to the Managing Director at Storebrand Real Estate. An environmental action plan has been developed, comprising energy management, environmental management systems for building operations and environmental strategy for new developments.</p> <p>Environmental certification through Breeam NOR In-Use for existing properties, BREAAAM NOR Very good for re-habilitation projects and BREAAAM NOR Excellent for new projects.</p> <p>Storebrand has received an international sustainability rating according to the Global Real Estate Sustainability Benchmark – GRESB. Number 2 in Scandinavia.</p> <p>In operations, data on energy and water use, waste production and recycling monitored on a weekly and monthly basis, and is reported quarterly (internal), and annually (external). Currently, the main focus is on the implementation of energy efficiency measures, transition from fossil energy to renewable energy, the use of life cycle assessments when replacing technical installations, quarterly reviews of the environmental accounts of suppliers, Environmental reporting and environmental strategy for the portfolio of external managers is to be further developed.</p>

SG 17	Mandatory	Descriptive	General
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SG 17.1 Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Fixed income - SSA	<p>Storebrand aims to invest in corporations and countries that contribute actively to sustainable development. We believe such practices – when integrated in core business – will be financially rewarded. Based on this, Storebrand will not invest in government bonds from countries that</p> <ol style="list-style-type: none"> <li>Are systematically corrupt</li> <li>Systematically suppress basic political and civil rights</li> <li>Are subject to sanctions imposed by the UN Security Council</li> </ol> <p>Data is obtained from publically available sources such as UN Sanctions list, Transparency International Corruption Perceptions Index and Freedom House indexes.</p>
Private equity	<p>Investments are conducted through fund-of-funds structures, and as part of the due diligence process, external managers are rated on ESG implementation. A minimum score is required to qualify for investment. Evaluation includes formal adaption of ESG principles, managers' attitudes to ESG, as well as resources and practical implementation of ESG in their investment activities. If RI is not sufficiently covered by general investment criteria/fund terms, Storebrand requires a side letter recognizing the Storebrand Standard with objective excuse rights from participating in selected investments .ESG has also been adopted as a secular investment theme for the PE team, for example energy/waste/water.</p>

SG 18 Voluntary Descriptive General

SG 18.1 Indicate whether any specific features of your approach to responsible investment are particularly innovative.

✓ Yes

SG 18.2 Describe any specific features of your approach to responsible investment that you believe are particularly innovative.

In the course of 2017 Storebrand developed a number of products and initiatives which are innovative within the RI field. The most important were

- Storebrand Asset Management further developed its fossil free range of products**

These funds exclude companies with over 5% revenue from fossil fuels and/or over 100 million ton CO2 embedded in fossil reserves. Despite the significant exclusion list this criteria entails (400+ companies) the fund is managed in such a way that the tracking error is <1. The funds also have higher sustainability rating and lower carbon footprint than their reference indexes.

New fossil free funds in 2017:

  - Storebrand Global ESG Plus
  - Storebrand Global Kreditt IG
  - Storebrand Norge Fossilfri
- New fund in 2017 optimised on our in-house Sustainability rating**

Storebrand Global ESG
- Sustainable Development Goals rating on 2600 companies**

One of the most innovative methods that the Storebran sustainability team has under development is the in-house Sustainable Development Goals rating. This rating is currently still under development, though some indicators are already in use. Full implementation of the final rating system is expected in June 2018-

In house Sustainability research produces sustainability rating awarded to companies and utilised in both fixed income and equity teams. **Storebrand is currently developing its rating to assess if portfolio companies are in-line with financially relevant Sustainable Development Goals.** The goals the Sustainability team has identified (through a literature review and analysis) are as follows

  - SDG 13 Climate Action
  - SDG 7 Affordable and Clean Energy
  - SDG 3 Good Health and Well Being
  - SDG 6 Clean Water and Sanitation
  - SDG 8 Decent Work and Economic Growth
  - SDG 11 Sustainable Cities and Communities
  - SDG 12 Responsible Consumption and Production
  - SDG 16: Peace and Justice

The rating assesses both risks and opportunities associated with these goals.

The total rating consists of

  - Basic ESG score** provided by Sustainalytics. 70-90 individual indicators on each company, score of 1-100, 2600 companies
  - SDG rating:** Risks and Opportunities related to above prioritised SDG's

Examples of indicators used are as follows

  - **Gender Equality: Number of women on board (SDG 8)**
  - **Corruption risk: Comapny systems + sector risk + geographical risk (SDG 16)**
  - **Energy efficiency: Energy use divided by revenue (SDG 7)**

The research is SDG theme specific, comprising design of ESG KPIs with relevance to cash flow and value creation of target companies. The majority



of peer ESG ratings still concentrate on risk factors, as well as retrospective analysis, thus Storebrand's ability to combine data and develop financially relevant KPIs should be viewed as innovative.

Moreover, the utilisation of ESG research is seen as particularly innovative when utilised in modelling (quant team) and the combination of corporate ESG scoring and project quality in green bonds (fixed income team).

4. Storebrand's approach to climate risk reduction (i.e. the exclusion of oil sand, coal, coal utilities and palm oil plantation owners) has been seen as innovative and a significant contribution to the international debate regarding climate risk with asset owners/asset managers.

In 2017 Storebrand expanded its coal exclusion criteria to also exclude companies that have new coal fired plants planned over 1000MW capacity. This move created a great deal of discussion in the media with the press release reaching an estimated audience of just under 1 billion people worldwide.

5. Storebrand developed a **new method for carbon footprint measurement of fixed income funds. The weighted average method is utilised.** These types of funds have never been footprinted before and thus this approach is innovative and ground breaking. Results have been shared with clients and will be published on Storebrands fund list in Q2 2018.

No

SG 19	Mandatory	Core Assessed	PRI 6
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**SG 19.1** Indicate whether your organisation proactively discloses asset class specific information. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

**Fixed income**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

**The information disclosed to clients/beneficiaries is the same**

- Yes
- No

**Disclosure to public and URL**

**Disclosure to public and URL**

- Broad approach to RI incorporation
- Detailed explanation of RI incorporation strategy used

Quarterly

<https://www.storebrand.no/en/sustainability/investments>

**Listed equity - Engagement**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

**The information disclosed to clients/beneficiaries is the same**

- Yes
- No

**Disclosure to public and URL**

Disclosure to public and URL	
<input checked="" type="checkbox"/>	Details on the overall engagement strategy
<input checked="" type="checkbox"/>	Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals
<input checked="" type="checkbox"/>	Number of engagements undertaken
<input checked="" type="checkbox"/>	Breakdown of engagements by type/topic
<input checked="" type="checkbox"/>	Breakdown of engagements by region
<input checked="" type="checkbox"/>	An assessment of the current status of the progress achieved and outcomes against defined objectives
<input checked="" type="checkbox"/>	Examples of engagement cases
<input checked="" type="checkbox"/>	Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.)
<input type="checkbox"/>	Details on whether the provided information has been externally assured
<input checked="" type="checkbox"/>	Outcomes that have been achieved from the engagement
<input type="checkbox"/>	Other information
Quarterly or more frequently	
<a href="https://www.storebrand.no/en/sustainability/active-ownership">https://www.storebrand.no/en/sustainability/active-ownership</a>	

Listed equity – (Proxy) Voting	
Do you disclose?	
<input type="radio"/>	We do not disclose to either clients/beneficiaries or the public.
<input type="radio"/>	We disclose to clients/beneficiaries only.
<input checked="" type="radio"/>	We disclose to the public
The information disclosed to clients/beneficiaries is the same	
<input checked="" type="radio"/>	Yes
<input type="radio"/>	No
Disclosure to public and URL	
Disclosure to public and URL	
<input type="radio"/>	Explain all voting decisions
<input type="radio"/>	Explain some voting decisions
<input checked="" type="radio"/>	Only explain abstentions and votes against management
<input type="radio"/>	No explanations provided
Annually	
<a href="https://www.storebrand.no/en/sustainability/active-ownership/_attachment/8980?_ts=160502a4c6b">https://www.storebrand.no/en/sustainability/active-ownership/_attachment/8980?_ts=160502a4c6b</a>	

Listed equity - Incorporation	
Do you disclose?	
<input type="radio"/>	We do not proactively disclose it to the public and/or clients/beneficiaries
<input type="radio"/>	We disclose to clients/beneficiaries only.
<input checked="" type="radio"/>	We disclose it publicly
The information disclosed to clients/beneficiaries is the same	
<input checked="" type="radio"/>	Yes
<input type="radio"/>	No
Disclosure to public and URL	
Disclosure to public and URL	
<input type="radio"/>	Broad approach to ESG incorporation
<input checked="" type="radio"/>	Detailed explanation of ESG incorporation strategy used
Quarterly or more frequently	
<a href="https://www.storebrand.no/en/sustainability/investments">https://www.storebrand.no/en/sustainability/investments</a>	

LEI 01	Mandatory	Core Assessed	PRI 1
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**LEI 01.1** Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)
- Screening and integration strategies
- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined

Percentage of active listed equity to which the strategy is applied 100%

- We do not apply incorporation strategies

**LEI 01.2** Describe your organisation's approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.

At Storebrand we believe that a multi-layered approach to sustainable investing is required in order to adequately address all risks and investment possibilities in the ESG area.

Screening: Is used as a basis for our strategy. Storebrand has one of the markets most stringent minimum standards and applies it to all assets under management, without exception. Screening of companies according to this standard allows us to capture operational ESG risks and to assure our clients that their assets not invested in companies that breach fundamental norms and conventions. The Sustainable Investment team is responsible for screening with input from an external data provider, and results are made available to fund managers in a quarterly report. Compliance is run daily. In 2017 Storebrand has extended the standard specifically in the area of coal exclusions, including new coal fired power plants of 1000 MW capacity.

In addition Storebrand has established an extra criterion on production of fossil fuels. This criterion excludes all companies with over 5% of revenue from the production or distribution of fossil fuels and applies to a range of fossil free funds offered in Sweden; SPP Plus Sweden, SPP Global Plus and SPP Emerging Markets Plus. The criterion is designed to meet increasing demand for fossil free investments from institutional clients. In 2017 we launched two new following fossil free funds; Storebrand Global ESG Plus and Storebrand Norge Fossilfri.

Integration: The objective of integrating ESG into all investment activities is based on our belief that understanding ESG risks and opportunities will be a prerequisite for securing long term returns. Storebrand own literature reviews in 2016 and 2017 have revealed that there is mounting evidence in international studies that the link between ESG performance and financial returns is strengthening. Our own internal analysis have also identified long term ESG trends that we believe will influence companies financial performance over the long term. Thus we see ESG integration in mainstream management of equities as necessary to capture the risks and market possibilities that apply to individual sectors/industries/companies. It is also a matter of strategic positioning to the Storebrand Group, and is utilised as a differentiating factor. Fund Managers are responsible for incorporating ESG factors into management with input from the Sustainable Investment team.

The launch of the SPP fossile free Plus funds from March-September 2016 marked a significant milestone in integration at Storebrand. Product development was fund manager driven and integrated ESG elements (carbon footprint/fossil screening and sustainability rating) into existing quantitative management models. The result is a family of funds that are low risk (<1 in tracking error) but that still manage to be fossile free, have a high sustainability rating and a low carbon footprint compared to the reference index.

Thematic: Storebrand does ESG analysis on specific themes and incorporates results into investment decisions. Themes are identified on a sector basis in annual sector analyses conducted by the Sustainable Investment team. Access to Medicine in Health Care, Renewable Energy Mix in Utilities and share of green buildings in real Estate are all examples of themes that directly affect investment decisions in these sectors.

In the light of the Paris Agreement on Climate Change Storebrand has had a focus throughout 2017 on climate risk and adjustment. Storebrand has strengthened its exclusion criteria on coal, developed fossil free criteria and launched fossil free funds, engaged with palmoil companies, explored the possibility of setting Science Based Targets for our portfolio and begun a research project financed by Vinnova in Sweden that seeks to quantify the effects of coal exclusions. Our portfolios have also been stress tested against a 2 degrees scenario.

The recommendations of the taskforce on Climate Related Financial Disclosures have been followed up in 2017, with special focus on an engagement process with alarge Norwegian oil and gas company on Best Practice TCFD disclosure.

**LEI 01.3** If assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]

The exclusion strategy comprises all assets managed in-house, and thus reduces the investment universe for all portfolio managers. On average 6-7% of the reference index is excluded.

The main tool of integration is the Sustainability Rating 0-100 which is made available to fund managers in their internal systems. The rating is utilised in various ways by different teams. Active managers have lower limits for sustainability scores for individual companies. Holdings in companies with scores below this limit (for example 25% in Developed markets funds) triggers a discussion with the Sustainable Investment team and a collaborative decision on further investment in the company. Passive managers of selected index funds/portfolios have begun to utilise methodology to optimise the sustainability rating of index near funds up til + 10%.

The global equity fund Storebrand Global Solutions/SPP Global Solutions is Storebrand's flagship Sustainability fund and selects companies based on the Sustainability Rating; i.e. investing only in top performers of each sector, combining thematic and screening methodology.

The family of Plus funds described above combine the following strategies

- screening based on Storebrand standard, fossile free criteria, and additional criteria
- optimisation based on carbon footprint and sustainability rating
- selection of "climate solution portfolio"

LEI 02	Voluntary	Additional Assessed	PRI 1
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**LEI 02.1** Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

- Raw ESG company data

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Company-related analysis or ratings
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team
  - In-house – analyst or portfolio manager
- Sector-related analysis or ratings
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team
  - In-house – analyst or portfolio manager
- Country-related analysis or ratings
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team
  - In-house – analyst or portfolio manager
- Screened stock list
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team
  - In-house – analyst or portfolio manager
- ESG issue-specific analysis or ratings
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team
  - In-house – analyst or portfolio manager
- Other, specify

LEI 02.2	Provide a brief description of the ESG information used, highlighting any different sources of information across your ESG incorporation strategies.
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**Screening:**

- 1) Product related exclusions: input is mainly provided by ESG research provider, but in-house team performs quality checks and conducts additional analysis for companies not covered by research providers.
- 2) Controversial issues: input is mainly provided by ESG research provider, who gather information from numerous sources, including a news search. In house team conducts analysis on the basis of a summary from provider.
- 3) Sector specific exclusions: lowest performing companies in high risk industries are excluded based on sector analysis conducted by in-house ESG team (see below). Climate related exclusions (coal, oil, gas, coal utilities and palm oil) are based on input from both sector analysis and additional thematic research from several external and internal data sources.

**Integration:** The information used by fund managers in integration of ESG comes from the internally produced Sustainability rating from 0-100. Underlying data to rating comes from external data provider, open source data and sell side analysis.

**Thematic:**  
ESG information comes from numerous external sources; research firms, sell-side, open source, NGOs and academia. Data are assessed and modelled by in-house ESG analysts, conducting research on a sector (e.g. access to medicines for health care, data privacy for IT) or topical level (e.g. palm oil, coal).

LEI 02.3	Indicate if you incentivise brokers to provide ESG research.
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- Yes
- No

LEI 03	Voluntary	Additional Assessed	PRI 1
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LEI 03.1	Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.
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- Engagement
  - We have a systematic process to ensure the information is made available.
  - We occasionally make this information available.
  - We do not make this information available.
- (Proxy) voting

- We have a systematic process to ensure the information is made available.
- We occasionally make this information available.
- We do not make this information available.

LEI 03.2 Additional information. [Optional]

ESG engagement information and results are logged in internal CRM system and utilised in the screening process and dialogue with fund managers. Voting activities are currently prioritised on companies in domestic markets (Norway/Sweden), but results are also logged and influence the screening process and dialogue with fund managers.

Voting in Norway and Sweden is primarily conducted by fund managers. There is an Engagement forum that meets at least quarterly to discuss both ongoing engagement activities and voting issues. Represented in this forum are Head of Equities, Head of Norwegian equities, Head of Sustainable Investments and Vice Head of Fund management. These meetings ensure that information is communicated regularly throughout the asset management area.

LEI 04 Mandatory Descriptive PRI 1

LEI 04.1 Indicate and describe the type of screening you apply to your internally managed active listed equities.

- Negative/exclusionary screening
  - Product
  - Activity
  - Sector
  - Country/geographic region
  - Environmental and social practices and performance
  - Corporate governance

Description
<p><b>The Storebrand Standard</b> applies to <b>all internally managed funds and portfolios</b>, and covers:</p> <ol style="list-style-type: none"> <li>1) Product related exclusions: controversial weapons (landmines, cluster munitions, nuclear weapons, chemical/biological weapons) and tobacco</li> <li>2) Controversial issues: human rights and international humanitarian law, corruption and economic crime, environmental degradation</li> <li>3) Sector specific exclusions: lowest performing companies in high risk industries + climate related (companies with more than 30% of revenues from coal, or planned coal fired plants over 1000MW, oil sand companies, palm oil companies involved in extensive deforestation)</li> </ol> <p>Extra ethical criteria in addition to the Storebrand standard applies to some dedicated Sustainability funds. The extended Storebrand standard is has additional screening criteria such as revenues from alcohol, pornography, gambling and defence contracts. There is also extra fossil free criteria that excludes all companies with over 5% of revenues from the production and/or distribution of fossil fuels. Companies with over 100 million tonnes CO2 embedded in reserves are also excluded on this criteria.</p>

- Positive/best-in-class screening
  - Product
  - Activity
  - Sector
  - Country/geographic region
  - Environmental and social practices and performance
  - Corporate governance

Description
<p>Our in-house ESG team analyses the constituents of MSCI All Country World Index + largest companies listed on the Oslo and Stockholm Exchanges with respect to ESG performance. The Sustainability Rating is 0-100, sector based and comprises:</p> <p>A) ESG management systems (policies, practice and performance) (40% of score)</p> <p>B) Positioning for shifting business frameworks and global sustainability trends (40% of score) These trends are</p> <ul style="list-style-type: none"> <li>- Population Growth and Resource Scarcity</li> <li>- Growth in Emerging Markets</li> <li>- Increased demand for Sustainable Products</li> </ul> <p>C) Financial robustness (20% of score): based on Piotroski F-score</p> <p>The companies that perform best in this screen can generally be said to demonstrate:</p> <ul style="list-style-type: none"> <li>- solution based products and services relative to exposure to growth markets by sector/region</li> <li>- risk management quality relative to risk exposure (sector/region)</li> <li>- efficient use of resources relative to resource constraints</li> </ul>

- Norms-based screening
  - UN Global Compact Principles
  - The UN Guiding Principles on Business and Human Rights
  - International Labour Organization Conventions
  - United Nations Convention Against Corruption
  - OECD Guidelines for Multinational Enterprises
  - Other, specify

Description
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The Storebrand Standard is described under negative/exclusion screening above, which is based on a range of international conventions (all relevant conventions are listed in a detailed framework document for each topic).

**LEI 04.2** Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

The negative and norms-based screening criteria have been developed over the past 20 years, mainly by in-house ESG analysts, with the support of external expert advice. Important clients have also been included in the development of criteria.

The Storebrand Standard has been approved by the Executive Committee. Clients are informed of major changes through news letters, KAMs, and/or tailored reporting. The standard is reviewed continually with changes being made to existing criteria or new criteria being implemented.

The sector research (positive screening) has been developed over the past 20 years, mainly by in-house ESG analysts, in cooperation with CIO and portfolio managers. continuously improved by the ESG research team. In 2017 more focus has been put on opportunity/product based indicators which apply to a smaller number of companies within a sector.

The Storebrand Investment Committee meets quarterly to decide on exclusions and can also decide on new interpretation of existing criteria.

**LEI 05** **Mandatory** **Core Assessed** **PRI 1**

**LEI 05.1** Indicate which processes your organisation uses to ensure screening is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Third-party ESG ratings are updated regularly to ensure that portfolio holdings comply with fund policies.
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Review and evaluation of external research providers
- Other, specify
- None of the above

**LEI 05.2** Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your ESG screening strategy.

- <10%
- 10-50%
- 51-90%
- >90%

**LEI 05.3** Indicate how frequently third party ESG ratings are updated for screening purposes.

- Quarterly or more frequently
- Bi-annually
- Annually
- Less frequently than annually

**LEI 05.4** Indicate how frequently you review internal research that builds your ESG screens.

- Quarterly or more frequently
- Bi-annually
- Annually
- Less frequently than annually

**LEI 05.5** Additional information. [Optional]

Continual screening of 3500 companies by external data provider Sustainalytics.  
Monthly incident reports on possible criteria breaches.

**LEI 06** **Voluntary** **Additional Assessed** **PRI 1**

**LEI 06.1** Indicate which processes your organisation uses to ensure fund criteria are not breached

- Systematic checks are performed to ensure that stocks meet the funds' screening criteria.
- Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria.
- Audits of fund holdings are undertaken regularly by internal audit function
- Periodic auditing/checking of the organisations RI funds by external party
- Other, specify  
Automated, daily compliance checks for both Storebrand Standard (exclusions) or ESG rating thresholds
- None of the above

**LEI 06.2** If breaches of fund screening criteria are identified - describe the process followed to correct those breaches.

Any mandates in breach with Storebrand Standard (exclusions) or Sustainability Rating thresholds are flagged as breaches and reported to Management and the Board.

Breaches must be corrected immediately.

LEI 07	Mandatory	Descriptive	PRI 1											
LEI 07.1	Indicate the type of sustainability thematic funds or mandates your organisation manages.													
	<input type="checkbox"/> Environmentally themed funds <input type="checkbox"/> Socially themed funds <input checked="" type="checkbox"/> Combination of themes													
LEI 07.2	Describe your organisation's processes relating to sustainability themed funds. [Optional]													
	<p>Our Sustainability funds are based on a combination of methods designed to enhance sustainability factors within existing mandates. The following tools are used</p> <ul style="list-style-type: none"> <li>- Storebrand standard screening for all funds</li> <li>- Additional Ethical criteria for specific clients</li> <li>- Fossil free screening Based on a screen from data provider Trucost that excludes all companies with over 5% revenue from the production and/or distribution of fossil fuels</li> <li>- Optimisation on sustainability rating (higher average sustainability score than index)</li> <li>- Optimisation on carbon footprint (significantly lower than index)</li> <li>- Investment in 5-10% climate solutions portfolio</li> </ul> <p><b>New Sustainability equity products 2017</b></p> <p>Storebrand Global ESG Plus</p> <p>Storebrand Global ESG</p> <p>Storebrand Norge Fossilfri</p> <p><b>Current equity products from before 2017</b></p> <p>Storebrand Global Solutions</p> <p>SPP Sverige Plus:</p> <p>SPP Global Solutions:</p> <p>SPP Global Plus:</p> <p>SPP Emerging Markets Plus:</p> <p>SPP GodFond Sverige och Varden</p>													
LEI 08	Mandatory	Core Assessed	PRI 1											
LEI 08.1	Indicate which ESG factors you systematically research as part of your investment analysis and the proportion of actively managed listed equity portfolios that is impacted by this analysis.													
	<table border="1"> <thead> <tr> <th style="background-color: #0070C0; color: white;">ESG issues</th> <th style="background-color: #0070C0; color: white;">Proportion impacted by analysis</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Environmental</td> <td style="background-color: #0070C0; color: white;">Environmental</td> </tr> <tr> <td> <input type="radio"/> &lt;10%  <input type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input checked="" type="radio"/> &gt;90%                 </td> </tr> <tr> <td rowspan="2">Social</td> <td style="background-color: #0070C0; color: white;">Social</td> </tr> <tr> <td> <input type="radio"/> &lt;10%  <input type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input checked="" type="radio"/> &gt;90%                 </td> </tr> <tr> <td rowspan="2">Corporate Governance</td> <td style="background-color: #0070C0; color: white;">Corporate Governance</td> </tr> <tr> <td> <input type="radio"/> &lt;10%  <input type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input checked="" type="radio"/> &gt;90%                 </td> </tr> </tbody> </table>			ESG issues	Proportion impacted by analysis	Environmental	Environmental	<input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%	Social	Social	<input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%	Corporate Governance	Corporate Governance	<input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%
ESG issues	Proportion impacted by analysis													
Environmental	Environmental													
	<input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%													
Social	Social													
	<input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%													
Corporate Governance	Corporate Governance													
	<input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%													
LEI 08.2	Additional information. [Optional]													
	<p>Our In house Sustainable Investment team performs annual analyses of</p> <ul style="list-style-type: none"> <li>- The most important ESG international trends, based on literature review</li> <li>- The KPI's used (E,S and G) used in sector analyses. The sector analyses conducted are the basis for the internal Sustainability rating 0-100.</li> </ul> <p>External financial research providers only occasionally review the potential significance of ESG issues.</p> <p>The Norwegian equities team performs an ongoing analyses of portfolio companies, primarily on corporate governance issues.</p>													

LEI 09	Voluntary	Additional Assessed	PRI 1
LEI 09.1	Indicate which processes your organisation uses to ensure ESG integration is based on a robust analysis.		
<input checked="" type="checkbox"/> Comprehensive ESG research is undertaken or sourced to determine companies' activities and products			
LEI 09.2	Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your integration strategy.		
<input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%			
<input checked="" type="checkbox"/> Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies <input checked="" type="checkbox"/> Third-party ESG ratings are updated regularly.			
LEI 09.3	Indicate how frequently third party ESG ratings that inform your ESG integration strategy are updated.		
<input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Bi-Annually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually			
<input checked="" type="checkbox"/> A periodic review of the internal research is carried out			
LEI 09.4	Indicate how frequently you review internal research that builds your ESG integration strategy.		
<input type="radio"/> Quarterly or more frequently <input checked="" type="radio"/> Bi-Annually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually			
<input checked="" type="checkbox"/> Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team <input checked="" type="checkbox"/> ESG risk profile of a portfolio against benchmark <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above			
LEI 09.5	Describe how ESG information is held and used by your portfolio managers.		
<input checked="" type="checkbox"/> ESG information is held within centralised databases or tools and it is accessible by all relevant staff <input type="checkbox"/> ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff <input type="checkbox"/> Systematic records are kept that capture how ESG information and research was incorporated into investment decisions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above			
LEI 09.6	Additional information.[Optional]		
- Company information from external provider updated quarterly - Annual internal trend review and sector analysis - Annual fund review meetings where fund performance is discussed including standard agenda point on ESG performance			

LEI 10	Mandatory to Report, Voluntary to Disclose	Core Assessed	PRI 1
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LEI 10.1	Indicate which aspects of investment analysis you integrate material ESG information into.												
<input checked="" type="checkbox"/> Economic analysis													
<table border="1"> <thead> <tr> <th colspan="2">Proportion of actively managed listed equity exposed to investment analysis</th> </tr> </thead> <tbody> <tr> <td><input type="radio"/></td> <td>&lt;10%</td> </tr> <tr> <td><input type="radio"/></td> <td>11-50%</td> </tr> <tr> <td><input type="radio"/></td> <td>51-90%</td> </tr> <tr> <td><input checked="" type="radio"/></td> <td>90%</td> </tr> </tbody> </table>				Proportion of actively managed listed equity exposed to investment analysis		<input type="radio"/>	<10%	<input type="radio"/>	11-50%	<input type="radio"/>	51-90%	<input checked="" type="radio"/>	90%
Proportion of actively managed listed equity exposed to investment analysis													
<input type="radio"/>	<10%												
<input type="radio"/>	11-50%												
<input type="radio"/>	51-90%												
<input checked="" type="radio"/>	90%												
<input checked="" type="checkbox"/> Industry analysis													
<table border="1"> <thead> <tr> <th colspan="2">Proportion of actively managed listed equity exposed to investment analysis</th> </tr> </thead> <tbody> <tr> <td><input type="radio"/></td> <td>&lt;10%</td> </tr> <tr> <td><input type="radio"/></td> <td>11-50%</td> </tr> <tr> <td><input type="radio"/></td> <td>51-90%</td> </tr> <tr> <td><input checked="" type="radio"/></td> <td>90%</td> </tr> </tbody> </table>				Proportion of actively managed listed equity exposed to investment analysis		<input type="radio"/>	<10%	<input type="radio"/>	11-50%	<input type="radio"/>	51-90%	<input checked="" type="radio"/>	90%
Proportion of actively managed listed equity exposed to investment analysis													
<input type="radio"/>	<10%												
<input type="radio"/>	11-50%												
<input type="radio"/>	51-90%												
<input checked="" type="radio"/>	90%												
<input checked="" type="checkbox"/> Quality of management													



Proportion of actively managed listed equity exposed to investment analysis	
<input type="radio"/>	<10%
<input type="radio"/>	11-50%
<input type="radio"/>	51-90%
<input checked="" type="radio"/>	90%

Analysis of company strategy

Proportion of actively managed listed equity exposed to investment analysis	
<input type="radio"/>	<10%
<input type="radio"/>	11-50%
<input type="radio"/>	51-90%
<input checked="" type="radio"/>	90%

Portfolio weighting

Fair value/fundamental analysis

Other, specify

**LEI 10.5 Additional information.**

ESG issues influence investment decision processes in numerous ways: - group level target for average sustainability rating provides an incentive for PMs to increase average sustainability rating, and subsequently corporate issuers with a low sustainability rating relative to peers will be less attractive to portfolio managers, and corporate issuers with a high sustainability rating relative to peers will be more attractive.

Funds, Fund selection and Product Development Departments set specific targets for each portfolio's average sustainability rating

- Labelling of Funds on fund platforms provide benchmarking and quarterly updates of sustainability fund ratings -

- Investments below a certain Sustainability Rating threshold trigger a review between the PM and the Sustainability team, where alternative investments are considered.

Controversial issues are discussed with responsible PMs.

Engagement processes involve PMs

Design and selection of KPIs for the Sustainability Rating is discussed with relevant PMs

Sustainability Ratings are available to PM teams for in-house research, benchmarking etc.

Excluded corporate issuers are non-investable

**LEI 11 Mandatory to Report, Voluntary to Disclose Descriptive PRI 1**

**LEI 11.1 Indicate if you manage passive listed equity funds that incorporate ESG issues in the index construction methodology.**

Yes

**LEI 11.2 Indicate the percentage of your total passive listed equity funds for which ESG issues are incorporated in the index construction methodology.**

(% of total passive listed equity funds)	
<input type="radio"/>	<10%
<input type="radio"/>	10-50%
<input type="radio"/>	51-90%
<input checked="" type="radio"/>	>90%

**LEI 11.3 Specify index/fund name, provide a brief description of ESG methodology and indicate which of the following ESG incorporation strategies you apply.**

Index/fund 1

Index/fund name and brief description of ESG methodology	ESG incorporation strategy
<p>The screening criteria and process that applies to Storebrand's internally managed listed equity, applies to all of Storebrand's passively managed listed equity funds and portfolios. See questions LEI 06 and 07 for more information.</p> <p>The Plus fund family of funds are index near funds and have fossil free screening in addition to the Storebrand standard.</p>	<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input type="checkbox"/> Integration of ESG issues <input type="checkbox"/> Other

Index/fund 2

Index/fund name and brief description of ESG methodology	ESG incorporation strategy

<p>P8103: SPP Traditional Life portfolio:</p> <p>The average sustainability rating of the index portfolio is enhanced through systematic selection of companies with higher sustainability rating where possible. It is possible to achieve a 10% higher average sustainability score while keeping tracking error within acceptable levels for an index near portfolio. Implemented since March 2015.</p>	<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration of ESG issues <input type="checkbox"/> Other
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Index/fund 3

Index/fund name and brief description of ESG methodology	ESG incorporation strategy
P982: Norway Traditional Life portfolio See description of methodology over.	<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration of ESG issues <input type="checkbox"/> Other

Index/fund 4

Index/fund name and brief description of ESG methodology	ESG incorporation strategy
P993: Norway Deposit Portfolio See description of methodology over.	<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration of ESG issues <input type="checkbox"/> Other

Index/fund 5

Index/fund name and brief description of ESG methodology	ESG incorporation strategy
SPP Plus fund family: SPP Global Plus, SPP Sweden Plus, SPP Emerging Markets Plus, Storebrand Global ESG Plus, - fossil free funds. Exclude companies with over 5% revenue from production and/or distribution of fossil fuel - optimised on sustainability rating (over benchmark) - optimised on carbon footprint (significantly under benchmark) - 5-10% portfolio invested in "global climate solutions" portfolio Under 1 in tracking error.	<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration of ESG issues <input type="checkbox"/> Other

No

LEI 12	Voluntary	Descriptive	PRI 1
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LEI 12.1 Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe.

Screening

	Describe any reduction in your starting investment universe or other effects.
<p>As of Q4 2017, 196 companies were excluded as part of the Storebrand Standard. With a few exceptions, excluded companies were constituents of the MSCI ACWI, representing an approximate 7% of Market Capitalization.</p> <p>Portfolios are subject to optimization techniques, and have thus been able to track index returns over a 15 year time period.</p>	
	Specify the percentage reduction (+/- 5%)
6%	

Thematic

	Describe any alteration to your investment universe or other effects.
<p>The effects of extra screening on fossil free criteria (5% revenue from production and/or distribution of fossil fuels) are significant. The entire Energy sector, and much of the Utilities sector is excluded for the funds that this criterion applies to.</p> <p>Only top performers of each sector (ranked by Sustainability Rating) are available for investment in Storebrand Global Solutions/SPP Global Solution.</p>	

Integration of ESG issues

	Select which of these effects followed your ESG integration:
<input checked="" type="checkbox"/> Reduce or prioritise the investment universe <input type="checkbox"/> Overweight/underweight at sector level <input checked="" type="checkbox"/> Overweight/underweight at stock level <input checked="" type="checkbox"/> Buy/sell decisions <input type="checkbox"/> Other, specify	

- None of the above
- Index incorporating ESG issues (for passively managed funds)

LEA 01	Mandatory	Core Assessed	PRI 2
LEA 01.1	Indicate whether your organisation has a formal engagement policy.		
<input checked="" type="checkbox"/> Yes			
LEA 01.2	Attach or provide a URL to your engagement policy.		
<input type="checkbox"/> Attachment provided: <input checked="" type="checkbox"/> URL provided: <a href="https://www.storebrand.no/en/sustainability/guidelines/_attachment/4823?_ts=15457c4c9f3">https://www.storebrand.no/en/sustainability/guidelines/_attachment/4823?_ts=15457c4c9f3</a>			
LEA 01.3	Indicate what your engagement policy covers:		
<input checked="" type="checkbox"/> Conflicts of interest <input type="checkbox"/> Insider information <input checked="" type="checkbox"/> Alignment with national stewardship code requirements <input type="checkbox"/> Due diligence and monitoring process <input checked="" type="checkbox"/> Prioritisation of engagements <input checked="" type="checkbox"/> Transparency of engagement activities <input checked="" type="checkbox"/> Environmental factors <input checked="" type="checkbox"/> Social factors <input checked="" type="checkbox"/> Governance factors <input type="checkbox"/> Other, describe <input type="checkbox"/> None of the above			
LEA 01.4	Provide a brief overview of your organization's approach to engagement		
<p>Active ownership and engagement is an important part of Storebrand's approach to sustainable investments. During Q4 2016, Storebrand carried out an evaluation of its active ownership and engagement practices in order to align them better with Storebrand group's purpose, "A future to look forward to" and the values that come with it. As a result, our investment policy is being updated to reflect that our main objectives to reduce risk, safeguard and create value on behalf of shareholders also explicitly refer to environmental, social and governance value. Creating financial value for our clients is important but it is also extremely important that the world and planet where our clients retire is a good place to live in. Accordingly, in 2017 we started implementing our engagement strategy by transitioning from redressing wrongs to actually having a positive impact.</p> <p>Our former Governance Committee, which oversaw the framework and principles for active ownership/engagement and especially controversial cases has become an Engagement committee. Its role is more active since it supervises, selects and prioritizes all engagement cases with special focus on theme proactive engagement. It includes financial analysts as well as ESG analysts and the head of Storebrand Asset Management. It reports to the board.</p>			
<input type="checkbox"/> No			
LEA 01.6	Additional information [optional]		
<p>Adapting our engagement strategy from redressing wrongs to actually having a positive impact results in a new active ownership/engagement strategy where we prioritize engagements where we think we can have a better opportunity to obtain good results and we have allocated more time and resources to those. This means better quality engagements with fewer companies for longer periods of time and when possible with other investors for more leverage. This also allows for more proactive engagement since our resources are not used on every controversial case (reactive engagement).</p> <p>Engagement activities continue to be based on the Norwegian and Swedish Governance Codes, as well as the EU Shareholder Rights Directive. Storebrand is a member of the Norwegian Committee for Corporate Governance which outlines Best Practice for Norwegian companies and provides a solid basis for engagement. Our main form of active ownership is direct dialogue with companies alone or together with other investors, with a focus, but not exclusively, in Norway and Sweden.</p>			

LEA 02	Mandatory	Gateway	PRI 1,2,3
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LEA 02.1	Indicate the method of engagement, giving reasons for the interaction.		
	<b>Type of engagement</b>	<b>Reason for interaction</b>	
	Individual/Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff	
	Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements	

Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers
	Please specify why your organisation does not engage via service providers.
	<p>Storebrand has a dedicated sustainable investments team of analysts with diverse backgrounds and ESG knowledge which allows us to carry out these engagements directly.</p> <p>This leads to increased knowledge in the team about different ESG issues as well as specific industries and companies. This is also an opportunity to further integrate our team with Storebrand's portfolio managers since in some cases we carry out engagements together. The information collected in this way also furthers the integration of ESG issues in financial decisions as well as gives more complete information for our sustainability analysis. Collaborative engagements provide an opportunity for industry insights. This information has proven useful when designing KPIs for sector research and/or in the process of selecting top performers or assessing company sustainability scores and divesting from high risk companies.</p> <p>We feel that we would not be able to get the same benefits if we engaged indirectly via service providers.</p>

LEA 03	Mandatory	Core Assessed	PRI 2
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LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.
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Yes

LEA 03.2	Describe the criteria used to identify and prioritise engagement activities carried out by internal staff.
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- Geography / market of the companies
- Materiality of ESG factors
- Systemic risks to global portfolios
- Exposure (holdings)
- In response to ESG impacts that have already occurred.
- As a response to divestment pressure
- Consultation with clients/beneficiaries
- Consultation with other stakeholders (i.e. NGOs, trade unions etc.)
- As a follow-up from a voting decision
- Client request
- Other, describe

No

LEA 03.3	Additional information. [Optional]
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Storebrand's policy for engagement and active ownership states that resources will be channelled and prioritised to the following companies

- companies where Storebrand's equity share is over 3% in Norway and 0.7% in Sweden
- companies involved in controversial cases, including governance, environmental and social issues
- companies where the equity share of individual funds is over 5%

Storebrand will mainly address the following topics: incentive structures, capital utilisation, board composition, board member ownership, corruption and economic crime, human rights and international humanitarian law, severe climate- and environmental degradation.

Activities will be prioritised with respect to significance of ownership, risk and/or relevance to value creation, including positive impact. Activities will normally be decided and conducted by responsible portfolio managers (equity and fixed income) and/or ESG analyst. The Engagement Committee oversees framework and policies in this area in addition to supervise, select and prioritize all engagement cases. There is a special focus on theme proactive engagement. It is also a place where active ownership/engagement best practice is discussed. The committee includes financial analysts as well as ESG analysts and the head of Storebrand Asset Management.

Policies/procedures specific to ESG analysts: 3500 companies are monitored by a sustainability data provider to detect potential violations with the Storebrand Standard. The data provider is also in contact with these companies to include all company measures and corporate behaviour changes regarding all potential violations of the Storebrand standard. Potential violation cases where possibilities for changed corporate behaviour are detected are sent by the ESG team to the Engagement Committee for review. The ESG team will also send for review potential theme engagement cases that are detected as opportunity or risk for an industry during our biannual sustainability rating analysis of all companies in our investment universe.

Prior to each engagement process, specific goals are established for the engagement process, in order to ensure clear communication with investees as well as ease the measurement of engagement success. ESG analysts record the level of engagement success in each engagement process. There are four steps, where the fourth level is aligned with the UN PRI definition of success: "The measures taken were all or mostly completed after Storebrand contacted the company". Hence, we can assume our engagement efforts have contributed to the improvement, although it is rarely possible to determine with certainty Storebrand's particular effect on the outcome.

In instances where the engagement process does not lead to the required improvement in reactive engagement processes, Storebrand may exclude a company from investments (Storebrand Standard). In case of exclusion, formal reporting procedures are in place to inform both company, portfolio managers, as well as in-house compliance officers.

Excluded companies are reviewed regularly (every six months), in order to request information on any improvements and/or seek to establish a dialogue.

LEA 04	Mandatory	Core Assessed	PRI 2
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LEA 04.1	Indicate if you define specific objectives for your engagement activities.
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Yes

Yes, for all engagement activities

- Yes, for the majority of engagement activities
- Yes, for a minority of engagement activities
- We do not define specific objectives for engagement activities carried out by internal staff.

**LEA 04.2** Indicate if you monitor the actions that companies take during and following your engagements activities carried out by internal staff.

- Yes
  - Yes, in all cases
  - Yes, in the majority of cases
  - Yes, in the minority of cases
- We do not monitor the actions that companies take following engagement activities carried out by internal staff.

**LEA 04.3** Indicate if you do any of the following to monitor and evaluate the progress of your engagement activities carried out by internal staff.

- Define timelines for your objectives
- Tracking and/or monitoring progress against defined objectives
- Tracking and or monitoring progress of actions taken when original objectives are not met
- Revisit and, if necessary, revise objectives on continuous basis
- Other, please specify
- We do not monitor and evaluate progress of engagement activities carried out by internal staff

**LEA 04.4** Additional information. [Optional]

Prior to 2016 the goals of each engagement have usually been in the area of measures to remedy any violation of the Storebrand Standard (reactive engagement); measures to reduce the risk of recurrence; as well as reporting on these measures publicly. The specific goals may be adjusted, usually enhanced and/or detailed, as the engagement process proceeds.

Ideally, the measures taken by the company should meet best practice standards. However, a reactive engagement is terminated if the company complies with the initial requirements and the risk of recurrence is considered to be reduced to an acceptable level. Typically, we would expect company to meet industry average level.

Storebrand measures and registers all engagement with companies on the following internal scale.

Level 1: Company contacted (explanation of concerns+ request for company practice improvement); no response

Level 2: Company contacted; unsatisfactory response

Level 3: Company contacted: satisfactory response

Level 4: Company contacted: Improved business practice (aligned with PRI definition of success: "The measures taken were all or mostly completed after Storebrand contacted the company)

In 2016 Storebrand started focusing on increasing the amount of proactive engagements. This focus was consolidated in 2017. These engagements can have different goals and a milestone evaluation approach (from basic to advanced practice) might be used; However, so far, we are measuring progress by using the same scale depending on how receptive the company is to achieve those goals.

The progress of engagement is discussed in a monthly meeting in the Sustainable Investment team including minimum requirements, alternative approaches to achieve or improve dialogue, and whether or not to escalate an engagement.

**Escalation of engagement**, if the company does not meet our minimum requirements (or communicate such actions), after repeated attempts at dialogue. "Escalate" might be to contact executive level staff at domestic offices to obtain contact with headquarter staff, involve Storebrand executives in the dialogue, collaborate with other investors etc. As a last resort, the case will be presented before the Sustainable Investment Committee, to make a final decision on whether or not to exclude the company from investments. If excluded, the company is always informed of the decision, and contacted regularly afterwards to encourage improvement.

**LEA 05** **Mandatory** **Core Assessed** **PRI 2**

**LEA 05.1** Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements

- Yes

**LEA 05.2** Describe the criteria used to identify and prioritise collaborative engagements.

- Potential to learn from other investors
- Ability to add value to the collaboration
- Geography / market of the companies targeted by the collaboration
- Materiality of ESG factors addressed by the collaboration
- Systemic risks to global portfolios addressed by the collaboration
- Exposure (holdings) to companies targeted by the collaboration
- In reaction to ESG impacts addressed by the collaboration that have already occurred.
- As a response to divestment pressure
- As a follow-up from a voting decision
- Consultation with clients/beneficiaries
- Consultation with other stakeholders (i.e. NGOs, trade unions etc.)
- Other, describe

other description

The type of engagement: proactive, and the theme or the ESG topic are also a factor. see additional information

No

**LEA 05.3 Additional information [Optional]**

Storebrand tends to prioritize collaborative engagements regarding proactive initiatives and certain pre-identified engagement themes for the year. This is because we think we can obtain better results in proactive cases when we work together with other investors. In 2017, Storebrand decided that climate should be the main engagement theme. Therefore Storebrand became a more active participant in certain PRI proactive engagement initiatives related to climate. So the type of engagement, proactive, and the theme or the ESG topic are also a factor.

**LEA 06 Mandatory Core Assessed PRI 2**

**LEA 06.1 Indicate if you define specific objectives for your engagement activities carried out collaboratively.**

- Yes
  - Yes, for all engagement activities
  - Yes, for the majority of engagement activities
  - Yes, for a minority of engagement activities
- We do not define specific objectives for engagement activities carried out collaboratively.

**LEA 06.2 Indicate if you monitor the actions companies take during and following your collaborative engagements.**

- Yes
  - Yes, in all cases
  - Yes, in the majority of cases
  - Yes, in the minority of cases
- We do not monitor the actions that companies take following engagement activities carried out collaboratively

**LEA 06.3 Indicate if you do any of the following to monitor and evaluate the progress of your collaborative engagement activities.**

- Define timelines for your objectives
- Tracking and/or monitoring progress against defined objectives
- Tracking and or monitoring progress of actions taken when original objectives are not met
- Revisit and, if necessary, revise objectives on continuous basis
- Other, please specify
- We do not monitor and evaluate progress of engagement activities carried out by internal staff

**LEA 06.4 Additional information. [Optional]**

Monitoring and evaluation of progress depends on the type of collaborative engagement. For engagements aimed to improve the practice of an industry (proactive), we might use a milestone evaluation approach (from basic to advanced practice), and companies are benchmarked against each other. In engagements requiring a specific corporate action (i.e. withdrawing from a territory, cleaning up a polluted area, enforcing a judgment), progress is evaluated by responsiveness of the company/companies and actions taken to meet our demands. The objective is not met until the company/companies actually perform(s) the specific activity.

In most collaborative engagements, we seek to define a specific time period. If there is limited progress, we may decide to escalate the engagement, or, alternatively decide to leave the collaborative engagement and divest (if in breach of the Storebrand Standard). See LEA 04.4 Additional information for a detailed description on how Storebrand assesses progress.

Collaborative engagements provide an opportunity for industry insights. This information has proven useful when designing KPIs for sector research and/or in the process of selecting top performers and divesting from high risk companies.

**LEA 09 Voluntary Additional Assessed PRI 1,2**

**LEA 09.1 Indicate if insights gained from your engagements are shared with your internal or external investment managers.**

Type of engagement	Insights shared
Individual/Internal staff engagements	<input checked="" type="checkbox"/> Yes, systematically <input type="checkbox"/> Yes, occasionally <input type="checkbox"/> No
Collaborative engagements	<input type="checkbox"/> Yes, systematically <input checked="" type="checkbox"/> Yes, occasionally <input type="checkbox"/> No

**LEA 09.2 Additional information. [Optional]**

Outcomes from engagement processes are discussed continually with internal investment managers and quarterly with external managers.

**LEA 10 Mandatory Gateway PRI 2**

**LEA 10.1 Indicate if you track the number of your engagement activities.**

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> We do not track
Collaborative engagements	<input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> We do not track and cannot estimate our engagements

**LEA 10.2** Additional information. [OPTIONAL]  
 Engagement is tracked and registered in our internal CRM system. Please see LEA 04.4 and LEA 06.4 for more detailed information

**LEA 11** Mandatory to Report, Voluntary to Disclose Core Assessed PRI 2

**LEA 11.1** Indicate the amount of your listed equities portfolio with which your organisation engaged during the reporting year.

	Number of companies engaged <small>(avoid double counting, see explanatory notes)</small>	Proportion (to the nearest 5%)	Specify the basis on which this percentage is calculated
Individual / Internal staff engagements	70	5Proportion (to the nearest 5%)	<input checked="" type="checkbox"/> of the total number of companies you hold <input type="checkbox"/> of the total value of your listed equity holdings
Collaborative engagements	82	5Proportion (to the nearest 5%)	<input checked="" type="checkbox"/> of the total number of companies you hold <input type="checkbox"/> of the total value of your listed equity holdings

**LEA 11.2** Indicate the proportion of engagements that involved multiple, substantive and detailed discussions or interactions with a company during the reporting year relating to ESG issue.

Type of engagement	% Comprehensive engagements
Individual / Internal staff engagements	<input checked="" type="checkbox"/> > 50% <input type="checkbox"/> 10-50% <input type="checkbox"/> <10% <input type="checkbox"/> None
Collaborative engagements	<input type="checkbox"/> >50% <input checked="" type="checkbox"/> 10-50% <input type="checkbox"/> <10% <input type="checkbox"/> None

**LEA 11.3** Indicate the percentage of your collaborative engagements for which you were a leading organisation during the reporting year.

Type of engagement	% Leading role
Collaborative engagements	<input type="checkbox"/> >50% <input type="checkbox"/> 10-50% <input checked="" type="checkbox"/> <10% <input type="checkbox"/> None

**LEA 11.5** Additional information. [Optional]

Storebrand became part of the Climate Action 100+ in December 2017. However, none of the companies in this initiative have been added to the calculations reported above since the main activities for this action started in 2018.  
 In cases where the companies have been contacted individually and collaborative, the companies have been reported just once as collaborative engagements and as not leading investor.

**LEA 12** Voluntary Additional Assessed PRI 2

**LEA 12.1** Indicate which of the following your engagement involved.



- Letters and emails to companies
  - In some cases
  - In majority cases
  - In all cases
- Meetings and/or calls with the appropriate team
  - In some cases
  - In majority cases
  - In all cases
- Visits to operations
  - In some cases
  - In majority cases
  - In all cases
- Participation in roadshows
  - In some cases
  - In majority cases
  - In all cases
- Other, specify

LEA 13	Voluntary	Descriptive	PRI 2
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**LEA 13.1** Indicate whether you track the number of cases during the reporting year in which a company changed its practices, or made a formal commitment to do so, following your organisation's and/or your service provider's engagement activities.

Yes

**Do you track number of companies that changed or made a formal commitment to change in the reporting year following your organisation's and/or your service provider's engagement activities?**

Yes, we do track information

**LEA 13.2** Indicate the number of companies that changed or made a formal commitment to change in the reporting year following your organisation's and/or your service provider's engagement activities.

	Number of companies	% of total portfolio
Individual / Internal staff engagements	8	0.24% of total Portfolio
Collaborative engagements	15	0.45% of total Portfolio

We do not track this information

No

**LEA 13.3** Additional information [Optional].

Reported only cases where Storebrand is completely sure that the company improved business practice after been contacted. It is not enough that the company intends to change practice or works with strategies, KPI indicators or training.

LEA 14	Voluntary	Additional Assessed	PRI 2
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**LEA 14.1** Provide examples of the engagements that your organisation or your service provider carried out during the reporting year.

Add Example 1

ESG factors	Multiple
ESG issue	Environmental and social, Water access and indigenous peoples rights
Conducted by	Individual / Internal
Objectives	Request companies involved in the DAPL project to consider the potentially negative environmental impact of the project and to respect indigenous peoples' rights, in particular Free Prior and Informed Consent (FPIC). Ask companies to consider an alternative routing of the pipeline in order to mitigate potential negative environmental and social impact.
Scope and Process	In November 2016, Storebrand joined the IIPWG (International Indigenous Peoples Working Group) composed of mainly American investors, organizations and academia. The DAPL was discussed as well as strategies to engage with the companies involved among other Indigenous Peoples issues. In addition, Storebrand made contact with the companies involved in the project, where it had investments: Philips 66, Enbridge and Marathon Petroleum. Storebrand also discussed the DAPL in the PRI Indigenous Rights group with other investors. Storebrand has participated in this PRI group since 2009.
Outcomes	In March 2017, Storebrand divested from Philips 66, Enbridge and Marathon Petroleum after the authorities' final decision authorizing the construction of the pipe and since the engagement with the companies was not providing any positive results.

Add Example 2

ESG factors	Multiple
ESG issue	Environmental and social, Water access and indigenous peoples rights
Conducted by	Collaborative
Objectives	To complement the engagement regarding DAPL --described above--request banks financing the project to support the Tribe's request for a rerouting and utilize their influence as project lenders over the companies in the project to reach a peaceful solution that was acceptable to all parties.
Scope and Process	To complement the engagement regarding DAPL --described above--, in Mars 2017, Storebrand together with Boston Common Asset Management and Calvert edited and sent a letter to the 17 banks financing the project asking them to support the Tribe's request for a rerouting and utilize their influence as project lenders over the companies in the project to reach a peaceful solution that was acceptable to all parties. Over 150 signatories supported the letter, which was published on the PRI platform.
Outcomes	Three of the 17 banks financing the project, ING, DNB and BNP Paribas have sold their loan shares in the project. Citi group has sent a detailed answer to the letter describing why they will not sell their loan share and other banks have had meetings with the tribe to discuss the issues involved.

Add Example 3

ESG factors	Multiple
ESG issue	Environment and Governance: Climate risk and TCFD reporting
Conducted by	Individual / Internal
Objectives	To develop a pilot report on disclosures in alignment with recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The report aims to showcase the dynamics of how information provided by an investee is utilized by an investor.
Scope and Process	<p>To support the adaption and implementation of TCFD recommendations, Storebrand (investor) and Statoil (investee/energy company) have developed a case study for the UN PRI TCFD disclosure pilot group. The case study covers a description of Statoil's 2016 disclosures and how these are aligned with the TCFD recommendation, with potential improvement areas identified by Statoil. Furthermore, the report contains a description of how Storebrand uses the disclosures in investment analysis and decision-making. Joint comments regarding dilemmas, challenges and considerations in the implementation of the recommendation conclude the report.</p> <p>The process going forward will be discussions in the TCFD disclosure pilot group on the following considerations: Disclosure format: How to apply the TCFD guidelines without dis-integrating climate risk from enterprise risk; Materiality: How to ensure flexibility regarding disclosure of information that is not financially material; and Use of scenarios: How to present and use forward-looking information of high uncertainty.</p> <p>By providing an example of a fit-for-purpose TCFD implementation, the target has been to balance the desire for detailed information with considerations of adaptability and comparability across sectors and geographies. A stepwise and cost-effective implementation contributes to relevance for companies regardless of capacity, size and maturity.</p>
Outcomes	As of March 2018, Storebrand and Statoil have produced a final document, which will be shared with the UN PRI TCFD disclosure pilot group. The project has led to constructive dialogue and helped the company mature its approach to the TCFD recommendation from both sides. A considerable outcome has been the increased emphasis on metrics over text-based disclosures, and a stepwise progress to include scenario analysis in the reporting. TCFD alignment will enable investors to take more well-informed investment decisions connected with climate-related risks.

Add Example 4

ESG factors	Multiple
ESG issue	Environmental and social. Palm oil
Conducted by	Individual / Internal
Objectives	To create awareness of environmental and social issues in the palm oil industry and raise its environmental and social standards.
Scope and Process	In 2017 we continued with our annual Palm oil industry assessment. As explained last year, in 2013, Storebrand carried out its first thematic approach to the entire palm oil plantation industry. As a result, Storebrand realized that the poorest environmental and social performance was to be found in palm oil plantations. Therefore, Storebrand mapped and assessed all plantation owners in its investment universe regarding policies, management systems, RSPO membership and other standards. We noticed that there was a big gap between what companies were telling us their practices were and what was actually happening at the plantations. Since the practices were so poor and the incidents so severe, Storebrand decided to exclude all plantation owners but one (GAR) that could show a bit better practice and could be used as an example for the rest of the industry. In 2016, Storebrand decided to reinvest in Wilmar since the company had improved its practice and its policy of "No Deforestation, No Peat, and No Exploitation across its supply chains" policy has inspired the rest of the industry. In 2017, Storebrand divested from two new plantation companies whereas it continued engagement with GAR and Wilmar regarding their practice and incidents.

Outcomes	Although the companies continue to work to implement their policies, we can see that serious incidents in breach of their policies continue to occur. We see some progress regarding how they handle the incidents but these incidents would not occur if the implementation of the policies was better. Therefore, we continued to engage with these companies in 2017 and in 2018. We have planned visiting them in Indonesia in September 2018. In addition, at the beginning of 2018 Storebrand gave feedback to the RSPO on its evaluation of new standards. We hope this feedback will also help improve industry practice.
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Add Example 5

ESG factors	Environment
ESG issue	Environment. Climate change, methane
Conducted by	Collaborative
Objectives	Request companies in the oil and gas sector to measure, manage and reduce methane emissions as well as more transparency and better reporting data.
Scope and Process	In 2017, Storebrand joined a group of PRI investors to engage with 42 companies in the oil and gas sector. Methane gas warms the earth 20 times faster than CO2 and therefore it is important that methane emissions are managed and reduced. The oil and gas sector is particularly exposed to methane emissions. However, there are very few companies that measure their emissions and even fewer that report this data. It is essential for investors to have access to this type of data in order to better assess climate risk in portfolios.  Storebrand has joined this initiative as a support investor and has participated in calls organised by Boston Common Asset Management where several companies have participated (among others ConocoPhillips, Apache, Nobel, BP, Statoil...). Storebrand has also participated in educational call as well as updating calls for the investor group organised by PRI.
Outcomes	So far, it seems that some companies are more responsive to the engagement than others, mainly some American companies. Whereas European companies and Asian companies are more difficult to contact and get a feedback from.

Add Example 6

ESG factors	Social
ESG issue	Social. Product safety
Conducted by	Individual / Internal
Objectives	Create awareness of product quality and safety issues within the pharmacy industry and improve practice.
Scope and Process	In 2016, Storebrand carried out an evaluation of the pharmacy industry to assess to what extent the industry lives up to product quality and safety standards. Over 15 companies were analysed and with the help of data from our sustainability data supplier we managed to identify the worse performers. This led to an engagement with 6 companies that we encouraged to improve their practice.
Outcomes	The majority of the companies we engaged with showed signs of willingness to improve their practices whereas two companies despite very serious product safety incidents were not willing to admit the need for improvement. Storebrand divested from these two companies in 2017.

Add Example 7

Add Example 8

Add Example 9

Add Example 10

LEA 15	Mandatory	Core Assessed	PRI 1,2,3
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LEA 15.1	Indicate whether your organisation has a formal voting policy.
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Yes

LEA 15.2	Indicate what your voting policy covers:
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- Conflicts of interest
- Share blocking
- Securities lending process
- Prioritisation of voting activities
- Decision making processes
- Environmental factors
- Social factors
- Governance factors
- Filing/co-filing resolutions
- Extraordinary meetings
- Regional voting practices

- Transparency of proxy voting activities
- Company dialogue pre/post vote
- Other, describe
- None of the above

**LEA 15.3** Attach or provide a URL to your voting policy. [Optional]

[https://www.storebrand.no/en/sustainability/guidelines/\\_attachment/4823?\\_ts=15457c4c9f3](https://www.storebrand.no/en/sustainability/guidelines/_attachment/4823?_ts=15457c4c9f3)

**LEA 15.4** Provide a brief overview of your organization's approach to (proxy) voting.

Storebrands prioritises its presence and voting at AGMs to the following companies:

- companies where Storebrand's equity share is over 3% in Norway and 0.7% in Sweden
- companies involved in controversial cases, including governance, environmental and social issues
- companies where the equity share of individual funds is over 5%

Storebrand will mainly address the following topics: incentive structures, capital utilisation, board composition, board member ownership, corruption and economic crime, human rights and international humanitarian law, severe climate- and environmental degradation.

Activities will be prioritised with respect to significance of ownership, risk and/or relevance to value creation, including positive impact.

No

**LEA 16**

**Mandatory**

**Descriptive**

**PRI 2**

**LEA 16.1** Indicate how you typically make your (proxy) voting decisions.

**Approach**

- We use our own research or voting team and make voting decisions without the use of service providers.

**Based on**

- our own voting policy
- our clients' requests or policy
- other, explain
- We hire service provider(s) that make voting recommendations or provide research that we use to inform our voting decisions.
- We hire service provider(s) that make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- We hire service provider(s) that make voting decisions on our behalf.

**LEA 16.2** Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made (if applicable).

Storebrand is deeply involved in voting activities in the Norwegian market, primarily on governance and transparency issues.

In 2017 Storebrand conducted a bidding process where 3 Proxy voting providers were assessed. Storebrand has retained ISS Voting Services for Proxy voting from the 2018 season. Storebrand aims to vote on an additional 50-100 companies internationally in 2018.

**LEA 16.3** Additional information. [Optional]

Storebrand's main tool in active ownership is direct dialogue with companies. It is our experience that direct dialogue (i.e. by qualified personnel) is a resource efficient way of achieving improvements, and one that is also valued by the corporates of which we hold equities or bonds.

Voting activities thus far have been limited to domestic markets, and follow the Governance Code and prioritised issues as described earlier. In 2018, as described above, this policy will be extended to international markets.

Voting is performed via third party, but any voting processes require significant quality control at several stages by in-house resources, both in Operations and Front Office.

**LEA 20**

**Mandatory**

**Core Assessed**

**PRI 2**

**LEA 20.1** Indicate whether you or the service providers acting on your behalf raise any concerns with companies ahead of voting

- Yes, in most cases
- Sometimes, in the following cases:
- Neither we nor our service provider raise concerns with companies ahead of voting

**LEA 20.2** Indicate whether you and/or the service provider(s) acting on your behalf, communicate the rationale to companies, when , you abstain or vote against management recommendations.

- Yes, in most cases
- Sometimes, in the following cases.
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

**LEA 20.3** Additional information. [Optional]

Our policy is that we always discuss issues with companies before casting our vote. There are no exceptions to this rule.

**LEA 21.1** For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

We do track or collect this information

<b>LEA 21.1.1</b>	Votes cast (to the nearest 1%)
	1.5%

**LEA 21.1.2** Specify the basis on which this percentage is calculated

- of the total number of ballot items on which you could have issued instructions
- of the total number of company meetings at which you could have voted
- of the total value of your listed equity holdings on which you could have voted

**LEA 21.2** Explain your reason(s) for not voting certain holdings

- Shares were blocked
- Notice, ballots or materials not received in time
- Missed deadline
- Geographical restrictions (non-home market)
- Cost
- Conflicts of interest
- Holdings deemed too small
- Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
- On request by clients
- Other

We do not track or collect this information

**LEA 22.1** Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.

Yes, we track this information

**LEA 22.2** Of the voting instructions that you and/or third parties on your behalf issued, indicate the proportion of ballot items that were:

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	80%
Against (opposing) management recommendations	15%
Abstentions	5%

**LEA 22.3** Describe the actions you take in relation to voting against management recommendations.

As explained above we always discuss our voting intentions with companies in advance.

No, we do not track this information

**LEA 24.2** Additional information. [Optional]

Overview over all voted casted against: [https://www.storebrand.no/en/sustainability/active-ownership/\\_attachment/8980?\\_ts=160502a4c6b](https://www.storebrand.no/en/sustainability/active-ownership/_attachment/8980?_ts=160502a4c6b)

**FI 01.1** Indicate 1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and 2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.

SSA	100	Screening alone
	0	Thematic alone
	0	Integration alone
	0	Screening + integration strategies
	0	Thematic + integration strategies
	0	Screening + thematic strategies
	0	All three strategies combined
	0	No incorporation strategies applied
Corporate (financial)	0	Screening alone
	5	Thematic alone
	0	Integration alone
	95	Screening + integration strategies
	0	Thematic + integration strategies
	0	Screening + thematic strategies
	0	All three strategies combined
	0	No incorporation strategies applied

**FI 01.2** Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

Screening: Storebrand has chosen a comprehensive screening approach that covers all fixed income investments to reduce the risk of being involved in or supporting unethical/irresponsible business practices. See explanation below for corporate and sovereign bonds

Thematic: Storebrand has developed a market leading approach to investments in Green Bonds to enable our clients to invest in climate/social solutions. A European first Green Bond fund was launched in Sweden in March 2015 and now has 3,7 billion SEK in AUM.

Integration: The Sustainable Investment team has, together with portfolio managers identified risk based issues that are most relevant to global bond markets. As a result, tailored corruption analyses are delivered from the sustainability team to PM's.

**FI 01.3** Additional information [Optional].

Screening for Corporate Bonds

Corporate Bonds are covered by the Storebrand Standard which has been explained earlier in the equities sections.

Screening for Sovereign Bonds

Storebrand aims to invest in corporations and countries that contribute actively to sustainable development. We believe such practices – when integrated in core business – will be financially rewarded. Based on this, Storebrand will not invest in government bonds from countries that

- Are systematically corrupt
- Systematically suppress basic political and civil rights
- Are subject to sanctions imposed by the UN Security Council

As a responsible long term investor, with a geographically diverse investment portfolio, it is in Storebrand's interests to promote good governance, stability and the maintenance of basic political and civil rights. Therefore Storebrand's goal is to avoid purchasing bonds from governments that are systematically corrupt, unstable and/or oppressive. To achieve this goal, Storebrand utilizes two corruption indexes, a political and civil rights index and the list of countries subject to UN Security Council sanctions. The indexes and lists chosen are issued by reliable and well respected sources, are methodically rigorous and are updated regularly.

Corruption indexes

Transparency International's Corruption Perceptions Index (CPI), published annually since 1995, has been widely credited for putting the issue of corruption on the international policy agenda. The CPI ranks almost 200 countries in terms of perceived levels of corruption, as determined by expert assessments and opinion surveys. These assessments and surveys include questions relating to bribery of public officials, kickbacks in public procurement, embezzlement of public funds, and questions regarding the strength and effectiveness of public sector anti-corruption efforts.  
[http://www.transparency.org/policy\\_research/surveys\\_indices/cpi](http://www.transparency.org/policy_research/surveys_indices/cpi)

The World Bank Worldwide Governance Indicators; Control of Corruption Index has been published annually since 1996. The index captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption and "capture" of the state by elites and private interests. Information to put together the index is obtained from business providers, surveys of firms and households, non-governmental organisations and public sector data providers. Exclusion criterion: Countries ranking among the 10 percent worst performers on the Transparency International CPI index and/or the World Bank Control of Corruption index will be excluded from investments at Storebrand. The 10 percent threshold includes any country with the same numerical score as the best performer of the group.

Political and Civil Rights Index

Freedom House Freedom in the World index has been published annually since 1972 and ranks over 200 countries and disputed territories countries according to political and civil rights and freedom. To compile the index, analysts used a broad range of sources of information, including foreign and domestic news reports, academic analyses, non-governmental organizations and visits to the region. Exclusion criterion: Countries and territories which are given the lowest rating of 7 will be excluded from investments at Storebrand. Countries are given a rating of 7 when political and civil rights are absent or virtually nonexistent and the nature of the regime is characterised by severe oppression.

UN Sanctions

Under Article 41 of the UN Charter, the UN Security Council may call upon Member States to apply measures not involving the use of armed force in order to maintain or restore international peace and security. Such measures are commonly referred to as sanctions. Current practice at the UN Security Council is to impose targeted measures aimed at removing the circumstances that have led to a threat to, or breach of, international peace and security. Exclusion criterion: Countries that are subject to sanctions imposed by the UN Security Council will be excluded from investments at Storebrand. Countries will not be excluded in cases where sanctions are targeted specifically at independent groups within a country and not at the government of the country.

FI 02	Mandatory to Report, Voluntary to Disclose	Core Assessed	PRI 1
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FI 02.1	Indicate which ESG factors you systematically research as part of your analysis on issuers.
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	SSA	Corporate (financial)
Environmental data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Social data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Governance data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

FI 02.2	Indicate what format your ESG information comes in and where you typically source it
---------	--

- Raw ESG company data
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team
  - In-house – FI analyst, PM or risk team
  - Other, specify
- ESG factor specific analysis
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team
  - In-house – FI analyst, PM or risk team
  - Other, specify
- Issuer-level ESG analysis
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team
  - In-house – FI analyst, PM or risk team
  - Other, specify
- Sector-level ESG analysis
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team
  - In-house – FI analyst, PM or risk team
  - Other, specify
- Country-level ESG analysis
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team

- In-house – FI analyst, PM or risk team
- Other, specify

specify description
Publicly available ESG country information. World Bank Governance indicators, Freedom In the World social indicators and Transparency International Corruption Perceptions Index are examples of this.

<b>FI 02.3</b>	<b>Provide a brief description of the ESG information used, highlighting any differences in sources of information across your ESG incorporation strategies.</b>
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Corporate Fixed Income:

Corporate Issuers are included in Storebrand's In-house ratings system that rates 2600 issuers on a scale of 0-100. Some issuer groups lie outside the scope of the ratings system (which covers MSCI ACWI). For these issuer groups: Norwegian Regional Banks, Swedish Covered Bonds, Norwegian/Swedish communes an internal model has been developed in 2015 to estimate the rating of these groups. The estimate is based on ratings information from the Financials sector analysis.

Government Fixed Income:

Government Bonds screening is based on publically available indexes and information

- Transparency International Corruption Perceptions Index
- World Bank Control of Corruption Index
- Freedom House Freedom in the World Index
- UN Sanctions list

<b>FI 03</b>	<b>Mandatory</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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<b>FI 03.1</b>	<b>Indicate how you ensure that your ESG research process is robust:</b>
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- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits of ESG research are undertaken in a systematic way
- ESG analysis is benchmarked for quality against other providers
- Other, specify
- None of the above

<b>FI 03.2</b>	<b>Describe how your ESG information or analysis is shared among your investment team.</b>
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- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is a standard item on all individual issuer summaries, 'tear sheets', 'dashboards' or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

<b>FI 03.3</b>	<b>Additional information. [Optional]</b>
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Both exclusion lists and ESG ratings are read into company databases quarterly and are available to all investment staff.

Formal fund review meetings are conducted annually where sustainability indices are a central part of the discussion. Portfolio Managers are required to explain investment in poor ESG performers and the fund's overall sustainability rating is assessed relative to peers.

<b>FI 04</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>PRI 1</b>
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<b>FI 04.1</b>	<b>Indicate the type of screening you conduct.</b>
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	SSA	Corporate (financial)
Negative/exclusionary screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Positive/best-in-class screening	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Norms-based screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

<b>FI 04.2</b>	<b>Describe your approach to screening for internally managed active fixed income</b>
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Negative and Norm based screening

The Storebrand Standard applies to all internally managed funds and portfolios, including all Fixed Income investments, and covers:

- 1) Product related exclusions: controversial weapons (landmines, cluster munitions, nuclear weapons, chemical/biological weapons) and tobacco
- 2) Controversial issues: human rights and international humanitarian law, corruption and economic crime, environmental degradation
- 3) Sector specific exclusions: lowest performing companies in high risk industries + climate related (companies with over 30% of revenues from coal or planned coal fired plants over 1000MW, oil sand companies, palm oil companies causing deforestation).

As of Q4 2017 196 companies were excluded.

Positive/Best in Class screening

The Storebrand Sustainability rating covering 2600 companies also includes fixed income funds and portfolios. Ratings are on a 1-100 scale and consist of companies ESG practice, financial robustness and positioning for global sustainability trends. Analyses leading to the rating are sector based. Some types of bonds (Norwegian regional banks, Swedish Covered Bonds and Bonds issued by Norwegian/Swedish communes are given a group score based on ratings



from the Financial sector.

On the basis of this sustainability rating, fixed income funds are rated on a scale of 1-10.

FI 05	Mandatory	Descriptive	PRI 1
FI 05.1 Indicate why you conduct negative screening.			
SSA			
<input checked="" type="checkbox"/> For legal reasons <input checked="" type="checkbox"/> For non-legal reasons			
Corporate (fin)			
<input checked="" type="checkbox"/> For legal reasons <input checked="" type="checkbox"/> For non-legal reasons			
FI 05.2 Describe your approach to ESG-based negative screening of issuers from your investable universe.			
<p>Storebrand aims to ensure that its clients assets are not exposed to companies that breach international norms and conventions, including breaches of humanitarian law, human rights, labor rights, corruption guidelines and environmental laws. From a legal perspective Storebrand believes that it has a duty under the UN Guiding Principles for Business and Human Rights to avoid being complicit in breaches of human rights and humanitarian law.</p>			

FI 07	Mandatory	Core Assessed	PRI 1
FI 07.1 Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.			
Type of screening		Checks	
Negative/exclusionary screening?		<input checked="" type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least every 2 years. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above	
Positive/best-in-class screening		<input checked="" type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least every 2 years. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above	
Norms-based screening		<input checked="" type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least every 2 years. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above	
FI 07.2 Additional information. [Optional]			
<p>Quarterly reports with updated exclusion ratings and ESG ratings are sent from the Sustainability team to Compliance functions. Automated, daily compliance checks for both Storebrand Standard (exclusions)</p> <p>If breaches of the exclusion criteria are found fund managers are immediately notified and required to rectify the breach. Compliance breaches of the Storebrand standard are reported at board level.</p> <p>ESG rating thresholds are monitored and followed up in periodic fund review meetings</p>			

FI 08	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1
FI 08.1 Indicate what proportion of your thematic investments are:			
<input checked="" type="checkbox"/> Green funds 100% <input type="checkbox"/> Social funds <input type="checkbox"/> Sustainability bonds (combination of green and social) <input type="checkbox"/> Other			

FI 08.2	Describe your organisation's approach to thematic fixed income investing		
<p>Of all our themed funds, 100% are green funds.</p> <p>Storebrand has a strong policy for identifying and purchasing Green Bonds. We define Green Bonds as bonds with a clear and documented positive effect on the environment and society. Typically Green Bonds purchased by Storebrand are in the areas of renewable energy, waste management, green buildings, water management and green transport.</p> <p>Storebrand expects that all of the Green Bonds purchased comply with the Green Bonds Principles and are verified by an independent 3rd party. The Sustainable Investment team also does its own pre-qualification of Green Bonds before purchase. This includes a screening of the issuer against the Storebrand standard, an assessment of the verification documents and an assessment of the expected environmental/social impact. Use of proceeds is assessed in order to ensure that the proceeds are used on projects in accordance with Green Bond principles. If the team uncovers potential problems with the structure of the bond, the fund manager is notified and will follow up potential problems with the issuer. On going monitoring of the bond is also done after purchase to ensure that reporting is adequate and to ensure that impact is in line with expected levels.</p> <p>Storebrand/SPP launched a Green Bond fund in 2015 and with 3,3 billion SEK in AUM in 2017 the fund is the world's largest of its kind. Screening is performed quarterly by the sustainable investment team. In addition Green Bonds are bought where possible in other standard Fixed Income products.</p> <p>During 2017 Storebrand has made a concerted effort to raise the sustainability profile of our bond products. This includes the following changes:</p> <p>SPP Penningmarknadsfond (Fossil free)</p> <p>SPP Företagsobligationsfond (Fossil free)</p> <p>Storebrand Global Kreditt IG (Fossil free)</p>			
FI 09	Mandatory	Core Assessed	PRI 1
FI 09.1	Indicate whether you encourage transparency and disclosure relating to the issuance of themed bonds as per the Green Bonds Principles, Social Bond Principles, or Sustainability Bond Guidelines..		
<p><input checked="" type="checkbox"/> We require that themed bond proceeds are only allocated to environmentally or socially beneficial projects</p> <p><input checked="" type="checkbox"/> We require the issuer (or 3rd party assurer) to demonstrate a process which determines the eligibility of projects to which themed bond proceeds are allocated</p> <p><input checked="" type="checkbox"/> We require issuers to demonstrate a systematic and transparent process of disbursing themed bond proceeds to eligible projects until all funds are allocated</p> <p><input checked="" type="checkbox"/> We require issuers to report at least once per year on the projects to which proceeds have been allocated including a description of those projects</p> <p><input type="checkbox"/> Other, specify</p> <p><input type="checkbox"/> None of the above</p>			
FI 09.2	Describe the actions you take when issuers do not disburse bond proceeds as described in the offering documents.		
<p>All acquisitions of Green Bonds are done in accordance with the Green Bond Principles. All Green Bonds are verified by a 3rd party. These 3rd parties have most often been Cicero or DNV_GL.</p> <p>A misuse of bond proceeds would prompt direct contact with the issuer by the fund manager.</p>			
FI 10	Mandatory	Additional Assessed	PRI 1
FI 10.1	Indicate how you assess the environmental or social impact of your thematic investments		
<p><input checked="" type="checkbox"/> We require issuers to report at least once per year on specific environmental or social impacts resulting from our themed investments</p> <p><input checked="" type="checkbox"/> We ensure independent audits are conducted on the environmental or social impact of our investments</p> <p><input checked="" type="checkbox"/> We have a proprietary system to measure environmental and social impact</p> <p><input type="checkbox"/> We measure the impact of our themed bond investments on specific ESG factors such as carbon emissions or human rights</p> <p><input type="checkbox"/> Other, specify</p> <p><input type="checkbox"/> None of the above</p>			
FI 10.2	Additional information. [Optional]		
<p>Storebrand requires reporting from issuers of Green Bonds in line with the Green Bond Principles.</p>			
FI 11	Mandatory	Descriptive	PRI 1
FI 11.1	Describe your approach to integrating ESG into traditional financial analysis.		
<p>The sustainability team rates 2600 issuers with an ESG rating of 0-100. Each issuer is rated on 70 to 100 individual indicators. These indicators form the basis for integration of ESG issues into traditional financial analyses. Storebrand seeks to tailor the ESG input to Portfolio Managers according to the unique set of risks and opportunities that are relevant for portfolio companies.</p> <p>In 2017 Storebrand has implemented fossil free criteria to three fixed income funds. Definition of these criteria is the responsibility of the Sustainability team while implementation lies with fund managers. Compliance is run daily on these exclusions.</p>			
FI 11.2	Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.		
	Corporate (financial)		
<p>Corporate risk is focused heavily on Governance issues. The Storebrand sustainability team has, together with portfolio managers, identified corruption as a key financially material ESG factor in corporate bonds and delivers specific corruption analysis on portfolio companies in specific funds. By using the analysis provided portfolio managers are able to limit exposure to companies classified as high risk.</p>			
FI 12	Mandatory	Core Assessed	PRI 1
FI 12.1	Indicate how ESG information is typically used as part of your investment process.		
	Corporate (financial)		

ESG analysis is integrated into fundamental analysis	<input type="checkbox"/>
ESG analysis is integrated into security weighting decisions	<input checked="" type="checkbox"/>
ESG analysis is integrated into portfolio construction decisions	<input checked="" type="checkbox"/>
ESG analysis is a standard part of internal credit ratings or assessment	<input type="checkbox"/>
ESG analysis for issuers is a standard agenda item at investment committee meetings	<input checked="" type="checkbox"/>
ESG analysis is regularly featured in internal research notes or similar	<input type="checkbox"/>
ESG analysis is a standard feature of ongoing portfolio monitoring	<input checked="" type="checkbox"/>
ESG analysis features in all internal issuer summaries or similar documents	<input type="checkbox"/>
Other, specify	<input type="checkbox"/>

FI 13	Mandatory	Additional Assessed	PRI 1
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**FI 13.1** Indicate the extent to which ESG issues are reviewed in your integration process.

	Environment	Social	Governance
Corporate (financial)	<input checked="" type="checkbox"/> Systematically <input type="checkbox"/> Occasionally <input type="checkbox"/> Not at all	<input checked="" type="checkbox"/> Systematically <input type="checkbox"/> Occasionally <input type="checkbox"/> Not at all	<input checked="" type="checkbox"/> Systematically <input type="checkbox"/> Occasionally <input type="checkbox"/> Not at all

**FI 13.2** Please provide more detail on how you review E, S and G factors in your integration process.

Corporate (financial)	All ESG factors are systematically reviewed for financial relevance by the sustainable investment team. However Governance factors have been selected for further development because of the growing body of literature that points to the specific relevance of this pillar in fixed income management.
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FI 15	Mandatory to Report, Voluntary to Disclose	Core Assessed	PRI 2
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**FI 15.1** Indicate the proportion of your fixed income assets on which you engage. Please exclude any engagements carried out solely in your capacity as a shareholder.

Category	Proportion of assets
SSA	<input type="checkbox"/> >50% <input type="checkbox"/> 26-50% <input type="checkbox"/> 5-25% <input checked="" type="checkbox"/> More than 0%, less than 5%
	<p><b>FI 15.2</b> Indicate your motivations for conducting engagement (SSA fixed income assets).</p> <input type="checkbox"/> To gain insights into ESG (i.e. enhance disclosure) <input type="checkbox"/> To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity) <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> None of the above
Corporate (financial)	<input checked="" type="checkbox"/> >50% <input type="checkbox"/> 26-50% <input type="checkbox"/> 5-25% <input type="checkbox"/> More than 0%, less than 5%
	<p><b>FI 15.2</b> Indicate your motivations for conducting engagement (Corporate, Financial fixed income assets)</p> <input type="checkbox"/> To gain insights into ESG (i.e. enhance disclosure) <input checked="" type="checkbox"/> To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity) <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above

**FI 15.3** Additional information.[OPTIONAL]

Storebrand engages extensively with corporates irrespective of holding a bond or an equity. Please see detailed descriptions in the Active Ownership section.

FI 16	Mandatory to Report, Voluntary to Disclose	Additional Assessed	PRI 1,2
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**FI 16.1** Indicate how you typically engage with issuers as a fixed income investor, or as both a fixed income and listed equity investor. (Please do not include engagements where you are both a bondholder and shareholder but engage as a listed equity investor only.)

Type of engagement	SSA	Corporate (financial)
Individual/Internal staff engagements	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Collaborative engagements	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Service provider engagements	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**FI 16.2** Indicate how your organisation prioritises engagements with issuers

	SSA	Corporate (financial)
Based on potential materiality of ESG factors	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Based on systemic risks (e.g. low-carbon transition) to global portfolios	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Based on our exposure (holdings)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If 'other' has been selected, please give a description

we do not engage with sovereigns

**FI 16.3** Indicate when your organisation conducts engagements with issuers.

	SSA	Corporate (financial)
Engagements are conducted pre-investment	<input type="checkbox"/>	<input type="checkbox"/>
Engagements are conducted post-investment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other, describe	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If 'other' has been selected, please give a description

we do not engage with sovereigns

**FI 16.4** Indicate how your organisation conducts engagements with issuers.

	SSA	Corporate (financial)
We systematically engage prior to ESG-related divestments	<input type="checkbox"/>	<input type="checkbox"/>
We engage proactively in anticipation of specific ESG risks and/or opportunities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
We engage in reaction to ESG issues which have already affected the issuer	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Investment and ESG analysts systematically conduct ESG-related engagements together	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other, describe	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If 'other' has been selected, please give a description

we do not engage with sovereigns

**FI 16.5** Indicate what your organisation conducts engagements with issuers on.

	SSA	Corporate (financial)
We conduct engagements with individual issuers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
We conduct engagements within sectors and industries.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
We conduct engagements on specific ESG themes (e.g. human rights)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other, describe	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If 'other' has been selected, please give a description

we do not engage with sovereigns

**FI 16.6** Indicate how your organisation shares the outcomes of the engagements internally.

	SSA	Corporate (financial)
We have a systematic process to ensure the outcomes of engagements are made available	<input type="checkbox"/>	<input checked="" type="checkbox"/>
We occasionally make the outcomes of engagements available	<input type="checkbox"/>	<input type="checkbox"/>
Other, describe	<input checked="" type="checkbox"/>	<input type="checkbox"/>

We do not make this information available	<input type="checkbox"/>	<input type="checkbox"/>
We do not share the outcomes of the engagements internally	<input type="checkbox"/>	<input type="checkbox"/>

If 'other' has been selected, please give a description

we do not engage with sovereigns

**FI 16.7** Additional information [OPTIONAL]

Proactive engagement: Specific themes are targeted for engagement that can cross sector/industry boundaries. For example engagement on climate reporting and scenario planning. The most common form of engagement here is through PRI Clearing House. See further information in the Active Ownership section.

Reactive engagement: Engagement can be initiated as a result of a specific controversy regarding Human Rights, Environmental issues or Corruption. Monthly screening means that there is a continual stream of potential cases to be prioritised.

Engagement outcomes are logged in internal systems on a scale from 1-4 where 4 represents documented change in company policy and /or practice.

Results from engagements are posted on the company homepage, as is an explanation of our engagement methodology and overarching goals.

**FI 17** Mandatory to Report, Voluntary to Disclose Additional Assessed PRI 1,2

**FI 17.1** Indicate if your publicly available policy documents explicitly refer to fixed income engagement separately from engagements in relation to other asset classes.

Yes

No

**FI 17.3** Additional information [OPTIONAL]

Our engagement is independent of asset class.

**FI 18** Mandatory to Report, Voluntary to Disclose Additional Assessed General

**FI 18.1** Indicate whether your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or ESG performance.

	SSA	Corporate (financial)
We measure whether incorporating ESG impacts funds' reputation	<input type="checkbox"/>	<input type="checkbox"/>
We measure whether incorporating ESG impacts financial returns	<input type="checkbox"/>	<input checked="" type="checkbox"/>
We measure whether incorporating ESG impacts risk	<input type="checkbox"/>	<input checked="" type="checkbox"/>
We measure whether incorporating ESG impacts funds' ESG performance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

**FI 18.2** Describe how your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or ESG performance. [OPTIONAL]

All internal funds and portfolios at Storebrand/SPP are assigned a Sustainability rating based on the sustainability scores of the fund/portfolio holdings. All funds/portfolios also have target rating levels and these levels are monitored continually and formally assessed annually in a fund review process.

Portfolio testing has been conducted on our Green Bond fund that has demonstrated that returns from Green Bonds are on a par with conventional corporate bonds.

Studies have shown that poor Governance scores are associated with the regularity and severity of credit downgrades in corporate bonds (Barclays). Therefore Storebrand has delivered tailor made analyses, specifically on corruption risk to Fixed Income managers.

CM1 01.1	Mandatory	Core Assessed	General
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CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:		
	<input type="checkbox"/> Third party assurance over selected responses from this year's PRI Transparency Report <input checked="" type="checkbox"/> Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year <input type="checkbox"/> Third party assurance or audit of the implementation of RI processes (that have been reported to the PRI this year) <input type="checkbox"/> Internal audit conducted by internal auditors of the implementation of RI processes and/or RI data that have been reported to the PRI this year) <input type="checkbox"/> Internal verification of responses before submission to the PRI (e.g. by the CEO or the board) <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above		

  

CM1 01.2 & 01.8	Mandatory	Descriptive	Planned assurance of this year's PRI Transparency Report
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CM1 01.2	Do you plan to conduct third party assurance of this year's PRI Transparency report?		
	<input type="radio"/> Whole PRI Transparency Report will be assured <input checked="" type="radio"/> Selected data will be assured		

  

CM1 01.8b	Selected data will be assured		
	12.03.2018		
	What data will be assured		
	<input type="checkbox"/> Financial and organisational data <input checked="" type="checkbox"/> Data related to RI activities <input checked="" type="checkbox"/> RI policies <input checked="" type="checkbox"/> RI processes (e.g. engagement process) <input checked="" type="checkbox"/> ESG operational data of the portfolio <input type="checkbox"/> Other		
	Relevant modules		
	<input type="checkbox"/> Organisational Overview <input checked="" type="checkbox"/> Strategy and Governance		
	<input checked="" type="checkbox"/> Direct - Listed Equity Incorporation <div style="border: 1px solid #ccc; padding: 2px; margin: 2px;"> <div style="background-color: #0070c0; color: white; padding: 2px;">Corresponding Indicator number</div> <div style="padding: 2px;">Entire Strategy and Governance module is covered by assurance.</div> </div>		
	<input checked="" type="checkbox"/> Direct - Listed Equity Active Ownership <div style="border: 1px solid #ccc; padding: 2px; margin: 2px;"> <div style="background-color: #0070c0; color: white; padding: 2px;">Corresponding Indicator number</div> <div style="padding: 2px;">LEI 01, LEI 04 to LEI 12</div> </div>		
	<input checked="" type="checkbox"/> Direct - Fixed Income <div style="border: 1px solid #ccc; padding: 2px; margin: 2px;"> <div style="background-color: #0070c0; color: white; padding: 2px;">Corresponding Indicator number</div> <div style="padding: 2px;">LEA 01 to 06 and LEA 11 to LEA 16</div> </div>		
	<input checked="" type="checkbox"/> Direct - Fixed Income <div style="border: 1px solid #ccc; padding: 2px; margin: 2px;"> <div style="background-color: #0070c0; color: white; padding: 2px;">Corresponding Indicator number</div> <div style="padding: 2px;">FI 01 to FI 13</div> </div>		
	Who will conduct the assurance		
	Deloitte AS has conducted the assurance		
	Assurance standard to be used		
	<input checked="" type="checkbox"/> ISAE/ ASEA 3000 <input type="checkbox"/> ISAE 3402 <input type="checkbox"/> ISO standard <input type="checkbox"/> AAF01/06 <input type="checkbox"/> AA1000AS <input type="checkbox"/> IFC performance standards <input type="checkbox"/> ASAE 3410 Assurance Engagements on Greenhouse Gas Statements. <input type="checkbox"/> National standard <input type="checkbox"/> Other		

Level of assurance sought
<input checked="" type="checkbox"/> Limited or equivalent <input type="checkbox"/> Reasonable or equivalent <input type="checkbox"/> We do not plan to assure this year's PRI Transparency report

CM1 01.3 & 01.9	Mandatory	Descriptive	General
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CM1 01.3	We undertook third party assurance on last year's PRI Transparency Report
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- Whole PRI Transparency Report was assured last year  
 Selected data was assured in last year's PRI Transparency Report

CM1 01.9b	Selected data was assured in last year's PRI Transparency Report
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What data has been assured
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- Financial and organisational data
- Data related to RI activities
- RI policies
- RI processes (e.g. engagement process)
- ESG operational data of the portfolio
- Other

Relevant modules
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- Organisational Overview
- Strategy and Governance

Corresponding Indicator number
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Strategy and Governance - Entire section all indicators

- Direct - Listed Equity Incorporation

Corresponding Indicator number
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LEI 15, LEI 17,

- Direct - Listed Equity Active Ownership

Corresponding Indicator number
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, LEA 01, LEA 02,

- Direct - Fixed Income

Corresponding Indicator number
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FI 04, FI 06, FI 11, 12 and 13

Who has conducted the assurance
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Deloitte

Assurance standard used
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- ISAE/ ASEA 3000
- ISAE 3402
- ISO standard
- AAF01/06
- AA1000AS
- IFC performance standards
- ASAE 3410 Assurance Engagements on Greenhouse Gas Statements.
- National standard
- Other

Level of assurance sought
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- Limited or equivalent
- Reasonable or equivalent

Link to auditors report
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<https://digital.storebrand.no/2016/en/>

- We did not assure last year's PRI Transparency report, or we did not have such a report last year.

CM1 01.4, 10-12	Mandatory	Descriptive	General
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CM1 01.4	We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:
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- We adhere to an RI certification or labelling scheme
- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings

**CM1 01.12** Describe the process of external/third party ESG audit of holdings, including which data has been assured.

Description of process (including what data has been assured)

Annual audit of operational processes in the sustainability team conducted by Deloitte AS.

- Other, specify
- None of the above

CM1 01.5	Mandatory	Descriptive	General
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**CM1 01.5** Provide details related to the third party assurance over selected responses from this year's PRI Transparency Report and/or over data points from other sources that have subsequently been used in your PRI responses this year

**What data has been assured**

- Financial and organisational data
- Data related to RI activities
- RI Policies
- RI Processes (e.g. engagement process)
- ESG operational data of the portfolio
- Other

**Relevant modules**

- Organisational Overview
- Strategy and Governance

**Corresponding Indicator number**

All indicators

- Direct - Listed Equity Incorporation

**Corresponding Indicator number**

LEI1 and LEI 04 to LEI 12

- Direct - Listed Equity Active Ownership

**Corresponding Indicator number**

LEA 01 to 06; LEA 11 to LEA 16

- Direct - Fixed Income

**Corresponding Indicator number**

FI 01 to FI 13

**Who has conducted the assurance**

Deloitte AS

**Assurance standard used**

- ISAE/ ASEA 3000
- ISAE 3402
- ISO standard
- AAF01/06
- AA1000AS
- IFC performance standards
- ASAE 3410 Assurance Engagements on Greenhouse Gas Statements.
- National standard
- Other

**Level of assurance sought**

- Limited or equivalent
- Reasonable or equivalent

**Please provide:**

<https://www.storebrand.no/en/sustainability/reports>  
<https://www.storebrand.no/en/sustainability/reports>