

# Sustainable investments in Storebrand Q2 2018



Storebrand chooses the companies it wishes to invest in based on how they create value now and in a future sustainable economy. We use different strategies to create value for our customers through sustainable investments. Our main strategy is a sustainability analysis that applies to all the assets managed by Storebrand and to all asset classes. At the end of Q4 2017, Storebrand managed assets worth just over NOK 600 billion.

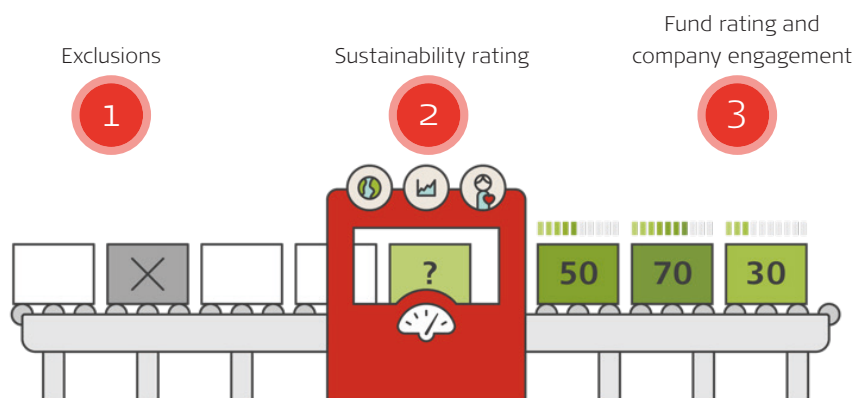
The companies we can invest in are analysed and ranked based on their level of sustainability, and Storebrand invests more in the most sustainable companies. These are companies that for instance, have more energy-efficient or climate-efficient operations or have a strategy for exploiting the potential in new consumer preferences. An example of how we use the sustainability analysis is the Trippel Smart equity fund, where we have chosen the 100 companies we believe to be the most sustainable in each sector. Storebrand also offers customers a wide range of low carbon and fossil free products to reduce their climate risk.

Storebrand also chooses, for various reasons, not to invest in certain companies.

The Storebrand standard applies to all assets under management and stipulates that companies must meet strict criteria relating to human rights and international law, corruption, serious climate and environmental damage. In addition companies that produce tobacco or controversial weapons (land mines, cluster munitions and nuclear weapons) are excluded.

The final criteria in the standard is the low sustainability rating in high-risk sectors. Many of these companies have been excluded because of their negative effect on the climate.

The exclusion process is very extensive. The analysis is based on both external data and the assessments of our experts in the area. The final decision to exclude a company is made by an investment committee whose members are selected from the Storebrand Group. The committee makes its decision based on an anonymous presentation of the company and the case.



| Storebrand's exclusion of companies in Q2 that do not meet Storebrand's criteria linked to: |            |
|---|------------|
| 1. Serious climate and environmental damage   | 78         |
| 2. A low sustainability rating in a high-risk industry                                      | 32         |
| 3. Human rights and international law   | 33         |
| 4. Corruption and financial crime   | 13         |
| 5. The sale of tobacco  | 22         |
| 6. The production of controversial weapons  | 25         |
| <b>No. of companies excluded:</b>   | <b>191</b> |

*Some of the companies were excluded based on several criteria. Storebrand also does not invest in companies that have been excluded by Norges Bank from the Government Pension Fund – Global, where the exclusion principle is the same as the Storebrand standard.*

# Companies that Storebrand Does Not Invest In

## 1. Serious climate and environmental damage

- Aboitiz Equity Ventures Inc
- Adaro Energy Tbk
- AES Gener SA
- AGL Energy Limited
- Alliant Energy Corp
- Ameren Corp
- American Electric Power Inc
- Anglogold Ashanti
- Astra International
- Banpu Public Co
- Barrick Gold Corp
- BHP Billiton Ltd
- BHP Billiton Plc
- Canadian Natural Resources
- Cargill Inc
- Cenovus Energy Inc
- Centrais Eletricas Brasileiro
- China Resources Power Holdings
- China Shenhua Energy
- Chugoku Electric Power
- CLP Holdings
- CMS Energy Corp
- CNOOC Ltd
- Coal India Ltd
- DTE Energy Corp
- Duke Energy
- EDP - Energias do Brasil SA
- Electric Power Development
- Electricity Generating PCL
- Exxaro Resources
- Felda Global Ventures
- Firstenergy
- Gazprom CLS
- Genting BHD
- Genting Plantations
- Glencore Xstrata PLC
- Glow Energy
- Grupo Mexico
- HAP Seng Consolidated Bhd
- HK Electric Investments & HK Electric Investments Ltd
- Huaneng Power International
- IJM Corporation
- Imperial Oil Ltd
- Indofood Sukses
- IOI Corporation
- Kuala Lumpur Kepong
- Kyushu Electric Power
- Marathon Oil
- MMC Norilsk Nickel
- NTPC Ltd
- OGE Energy Corp
- Origin Energy
- PGE SA
- Pinnacle West Capital
- Posco

- Posco Daewoo Corp
- Power Assets Holdings Ltd
- PPL Corp
- RWE AG
- Sime Darby
- Sime Darby Plantation Bhd
- South32 Ltd
- Southern Company
- Southern Copper Corp
- Suncor Energy
- Tata Power Co
- Tauron Polska Energia SA
- Teck Resources Ltd
- Tenaga Nasional
- Tokyo Electric Power
- Uniper SE
- Vale SA
- Vedanta Ltd
- Volkswagen AG
- Westar Energy Inc
- Wisconsin Energy Corp
- Yanzhou Coal Mining Co
- Zijin Mining Group Co

## 2. A low sustainability rating in a high-risk industry

- Air China Ltd
- Aluminum Corporation of China Ltd
- Anhui Conch Cement
- Asia Cement Corporation
- AviChina Industry & Technology
- Brilliance China Automotive
- China Medical System Holdings Ltd
- CIA Siderurgica Nacional SA
- Daicel Chem Ind
- Eclat Textile Co.
- Eva Airways Corp
- Formosa Chemical Fibre
- Formosa Plastic Corp
- Geely Automobile Holdings
- Great Wall Motor Company
- Grupa Azoty SA
- Hindalco Industries Ltd
- JSW Steel Ltd
- Korea Aerospace Industries Ltd
- Korea Zinc
- Nine Dragons Paper
- OCI Co. Ltd
- Petkim Petrokimya Holding AS
- Petronas Chemicals Group Bhd
- Piramal Enterprises Ltd
- Quimica y Minera de Chile
- Ruentex Industries
- Semen Gresik
- Severstal
- Shanghai Fosun Pharmaceutical Group Co Ltd

- Valeant Pharmaceuticals International Inc
- Zijin Mining Group Co

## 3. Human rights and international law

- AES Corp
- Alstom
- Bank Hapoalim
- Bank Leumi Le-Israel
- Bayer AG
- Cemex Cpo
- Centrais Eletricas Brasileiro
- Dongfeng Motor Group Co Ltd
- Elbit Systems Ltd
- General Motors Co
- Glencore Xstrata PLC
- Group 4 Securior
- Grupo Mexico
- Heidelberger Zement
- Hyundai Motor Co
- Intec Pivot Ltd
- Johnson & Johnson
- Mizrahi Tefahot Bank Ltd
- Motorola Solutions
- Nutrien Ltd
- Oil & Natural Gas Corp
- Petrochina Co
- Posco
- Posco Daewoo Corp
- Southern Copper Corp
- Telia Co AB
- TransCanada Corporation
- Turkcell Iletisim Hizmetleri
- Universal Health Services Inc
- Vedanta Ltd
- Walmart Co
- Wesfarmers
- ZTE Corp

## 4. Corruption and financial crime

- China Railway Group
- CTBC Financial Holding Company Ltd.
- Finmeccanica SpA
- Gerdau SA - Spon
- JBS SA
- Korea Electric Power
- Lotte Chemical Corp
- Novartis AG
- Olympus Corp
- Petroleo Brasileiro SA (Petrobras)
- Samsung Electronics
- Sun Hung Kai Properties
- ZTE Corp

## 5. The sale of tobacco

- Alimentation Couche-Tard
- Altria Group
- British American Tobacco Malaysia
- British American Tobacco Plc
- Celanese Corp
- Daicel Chem Ind
- Dufry AG
- Eastman Chemical Company
- FamilyMart
- Gudang Garam Tbk
- Hanjaya Mandala Sampoerna Tbk PT
- Imperial Brands PLC
- ITC Ltd
- Japan Tobacco
- KT&G Corp
- Lagardere
- Lawson
- Phillip Morris International
- President Chain Store Corp
- Seven and I Holdings
- Shanghai Industrial Holdings
- Swedish Match

## 6. The production of controversial weapons

- Airbus Group
- Aselsan Elektronik Sanayi Ve Ticaret AS
- Babcock International Group PLC
- BAE Systems plc
- Boeing Corp
- Elbit Systems Ltd
- Finmeccanica SpA
- Fluor Corp
- General Dynamics Corp
- Hanwha Corp
- Hanwha Techwin Co Ltd
- Harris Corporation
- Honeywell International
- Huntington Ingalls Industries Inc
- Jacobs Engineering Group
- L3 Technologies INC
- Larsen & Toubro Ltd
- Lockheed Martin
- Northrop Grumman Corporation
- Raytheon Company
- Rockwell Collins
- Rolls-Royce Holdings PLC
- Safran
- Textron Inc
- Thales

The list of excluded companies contains an overview over companies that as of present date are excluded from Storebrand's investments. The grounds for such exclusions are based upon Storebrand's own analysis of the companies with consideration of different criteria. The list of excluded companies has been prepared for the sole purpose of giving information about Storebrand's investments. Storebrand wishes to share this information with our customers in order to be transparent with regard to how Storebrand manages its customers' assets. External parties who wish to make use of, or refer to, Storebrand's list of excluded companies in their own commercial business, are requested to contact Storebrand in advance for a commercial agreement.