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Storebrand Asset Management

Sustainable Investment Policy

Adopted by:
Date:
Document owner:

Board of Directors, Storebrand Asset Management AS
20.10.2023
CEO, Storebrand Asset Management AS

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1. Purpose

Storebrand is a Nordic financial group and is a leading player in the Nordic market for long-term savings, pensions, banking and insurance. We are committed to managing our customers' money efficiently and responsibly, helping them to achieve increased financial freedom and security. Our fiduciary responsibility is to manage our customers' portfolios with the best risk-adjusted returns long-term and we recognize the importance of addressing environmental, social and governance-related risks and opportunities to fulfil this responsibility. This policy sets out the overall objectives, principles and limitations for sustainable investments in Storebrand Asset Management AS, including all funds managed by Storebrand Asset Management, and across all asset classes, such as equity funds, fixed income (also applying to sovereign holdings), private equity, infrastructure and real estate.

The financial sector plays a key role in helping to achieve the UN Sustainable Development Goals. Responsible asset management, pension savings, other savings and investments may contribute to realizing these goals. The transition to a low-emission society that considers nature, social conditions and international obligations and regulations, represents both financial risks and opportunities for Storebrand as an investor and asset manager.

Hence, Storebrand focuses on sustainability, both in products, services and cooperation with suppliers and partners. This is fundamental to the Group's strategy. Storebrand seeks to generate the best possible risk-adjusted returns for our clients, while not compromising the ability of future generations to meet their own needs.

Considering sustainability in investments is thus essential in order to identify risks and opportunities arising from environmental, social and governance factors. Integrating sustainability factors into our investment process allows us to make better informed investment decisions and provides a more comprehensive view of each individual investment case.

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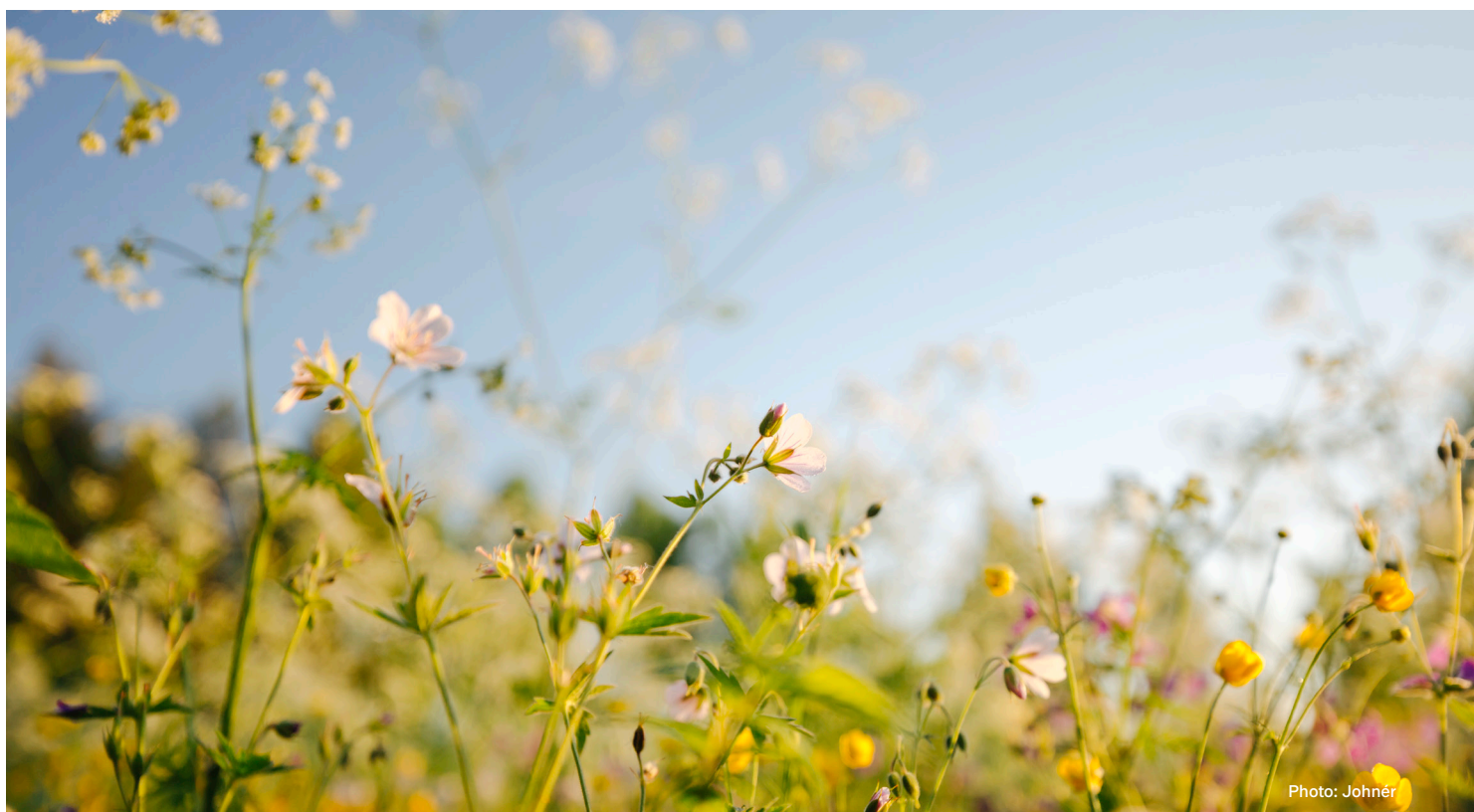


Photo: Johnér

2. Scope and limitations

Storebrand Group is a member of the UN Global Compact, follows the UN Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We also support UN Human Rights Conventions and ILO Core Conventions, UN Environment Conventions, and the UN Convention Against Corruption. We are founding signatories of the UN Principles for Responsible Investment (PRI) as well as support the Principles for Sustainable Insurance (PSI), which guide our activities.

Storebrand has created a set of sustainability principles that sum up how sustainability is integrated into our business. The principles encompass all parts of Storebrand's activities, including our products, services and cooperation with suppliers and partners. This is fundamental to the Group's strategy.

The following principles form the basis for Storebrand's work within sustainability:

- We base our business activities on the UN Sustainable Development Goals (SDGs).
- Through our products and service-offering, we will help customers make more sustainable choices.
- We are a responsible employer.
- We consider sustainability in all processes and decisions – from the Board and executive management level, who have the overall responsibility, to each individual business manager and employee.
- We cooperate with customers, suppliers, authorities, and partners in our work with sustainability.

We are transparent about our work on sustainability and what we achieve. The Board of Directors of Storebrand ASA sets the overall ambitions and principles for the Group's work within sustainable finance and sustainable investments. The latter includes this policy for sustainable investments with principles for exclusions and active ownership (company engagement and voting). The CEO of Storebrand Asset Management is responsible for the underlying policies applicable to Storebrand Asset Management, with oversight by the Board of Storebrand Asset Management (SAM). These include policies, such as for active ownership, engagement and voting, exclusions, human rights, climate, nature and deforestation, as well as associated expectation documents and strategies.

The policy is supplemented by complementary guidelines and procedures, where deemed necessary on various levels. Complementary policies must be aligned with the standards stated in this policy. Further complementary policies are approved at Storebrand Asset Management's Group Management Team as well as its group companies' top executive levels. The Board of Directors of Storebrand ASA are consulted when major changes are made in the complementary policies.

“ This policy sets out the overall objectives, principles and limitations for sustainable investments in for Storebrand Asset Management AS.

Storebrand Asset Management is a wholly owned subsidiary of Storebrand ASA listed on the Oslo Stock Exchange (ticker STB). Storebrand Asset Management owns several asset management companies, collectively forming an asset management group, Storebrand Asset Management (or SAM); including:

- Storebrand Asset Management AS
- SKAGEN AS
- Storebrand Fonder AB
- Cubera Private Equity AS
- Storebrand Fastigheter AB
- Capital Investment AS

The Sustainable Investment Policy is anchored with the Board of Directors of Storebrand ASA and adopted by the Board of Directors at Storebrand Asset Management AS (SAM). The policy applies to the Storebrand Asset Management and all its subsidiaries, and covers listed equities, fixed income, real estate, private equity, private debt, and infrastructure. This policy document sets forth the overarching framework for Sustainable Investment Policy for Storebrand Asset Management, which is implemented in the subsidiaries and complemented by separate guidelines, through decisions by relevant governing bodies in the subsidiaries in question. Depending on the level of operational orientation, implementation will be in the form of company specific policies, guidelines or procedures all within the frame established by the overarching policies.

3. Sustainability themes

Storebrand Sustainable Investment Policy consists of the following sustainability themes;



Climate

Nature and
Biodiversity

Deforestation

Human Rights

“ Storebrand seeks to generate the best possible risk-adjusted returns for our clients, while not compromising the ability of future generations to meet their own needs.

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3.1 Theme: Climate



Photo: Unsplash

Climate risk is now acknowledged as one of the greatest risks facing humanity. This realization is demonstrating a need for a massive shift of capital, away from the highest emitters of GHG towards companies that provide solutions to the climate crisis. We are not only vulnerable to the systemic disruptions that climate change will unleash on ecosystems, societies, and our own portfolio companies, but also have a key role to play in accelerating de-carbonization of the global economy and investing in climate-resilience and companies that are part of the transition.

Commitments: Storebrand has committed to realizing the goals of the Paris Agreement and to making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development. Successfully managing climate change will require substantial investments far beyond what the public sector can provide alone.

Storebrand aims to achieve net-zero GHG in investment portfolios by 2050, at the latest. In 2019, Storebrand was one of the founding members of the United Nations-convened Net-Zero Asset Owner Alliance. The members of the Alliance have as an objective to transition their investment portfolios consistent with a maximum temperature rise of 1.5°C above pre-industrial temperatures, taking into account the best available scientific knowledge and regularly reporting on progress.

To achieve net zero emissions by 2050, Storebrand in 2021 defined targets towards 2025:

- Reducing the carbon footprint in Storebrand's total investments in equities, corporate bonds and real estate by at least 32 per cent by 2025 (base year in 2018).
- Direct capital towards solution companies: 15 per cent of Storebrand's total investments will be invested in what we define as solutions by 2025. This includes equity investments in solution companies, green bonds, certified green real estate, and investments in green infrastructure.
- Be an active owner and driving force, focusing on the 20 companies with the highest emissions in our portfolio.

In 2022, the Group's science-based targets were validated by the Science Based Targets Initiative. For investments, Storebrand commits to 42% of its listed equity and corporate bond portfolio (by invested value) setting SBTi validated targets by 2027. For real estate investments, Storebrand commits to reducing its real estate portfolio scope 1 and 2 GHG emissions 64% per square meter for residential buildings and 71% per square meter for commercial buildings within its management of direct real estate investments by target year 2030 from a base year 2019.

To attain our climate goals, we have developed a detailed strategy. More details will be found in Storebrand Asset Management's Climate Policy as well as Storebrand Asset Management's subsidiaries' level policies. Our climate policy applies to all our asset classes.

3.2 Theme: Nature and Biodiversity



Storebrand has committed to maintaining and strengthening biodiversity. We believe biodiversity and nature loss will affect the capacity of our long-term economic growth and is likely to have implications for long-term asset returns. The IPBES Global Assessment Report estimated that 1 million animal and plant species are threatened with extinction. It identified the following main drivers of biodiversity loss:

- Land use change and nature deterioration
- Overexploitation
- Climate change
- Invasive species
- Pollution

Five of the nine “planetary boundaries”, that have ensured the stable conditions that have enabled all civilizations to form and prosper over the last 11,000 years, are already exceeded. Environmental change can therefore trigger significant disruptions to economic production. Business risk may be related to the impacts of a company’s operations on nature, or to the dependence of a business on ecosystem services as inputs to production.

Storebrand works to ensure that the companies we invest in operate in accordance with good international practice regarding nature and biodiversity, helping those that make acceptable progress, but ending relationships with those who do not meet our standards.

The following are key areas in our work with biodiversity:

- 1) Impact assessment and target setting
- 2) Engagement with relevant stakeholders
- 3) Risk management: Increasing our positive and reducing our negative impact on nature.
- 4) Reporting: Nature related Financial Disclosure.

Commitments: As a signatory to the Finance for Biodiversity Pledge, we are committed to collaborating, sharing knowledge, engaging with companies, assessing impact, setting targets and reporting publicly on biodiversity before 2025.

To attain our biodiversity goals, we have developed a detailed policy on nature with specific targets relating to nature. More details about the specific targets and implementation of this theme can be found at Storebrand Asset Management’s Policy on Nature, (as well as Storebrand Asset Management’s subsidiaries’ level policies. Our Nature policy applies to all asset classes.

3.3 Theme: Deforestation



Deforestation poses a systemic risk for the global economy, because of the vital ecosystem services provided by forests, including climate change mitigation, water cycle regulation and protection of biodiversity. Forest loss also threatens the health and livelihoods of nearly a fifth of the world's population, that depends on access to renewable forest resources. Human rights violations against Indigenous peoples and other traditional communities as well as human rights defenders are frequently associated with deforestation. The main driver of deforestation and conversion of natural ecosystems is production of commodities such as palm oil, soy, cattle, timber, pulp and paper, rubber, cocoa, coffee, and minerals.

Companies that are directly or indirectly exposed to deforestation can face significant material risks, including physical and transition risks. Their management of these risks may impact the long-term returns of shareholders. We have a fiduciary duty to act in the best long-term interests of our clients, and we recognize the urgency of addressing climate, biodiversity and food security-related risks and opportunities across our portfolios. As deforestation is an urgent, cross-cutting issue affecting both climate change, biodiversity loss and human rights, Storebrand has decided to prioritize it as a separate sustainability theme. By using our best efforts to eliminate commodity-driven deforestation from our investment portfolios, we intend to reduce deforestation-related risks

while supporting the transition to sustainable agricultural, forestry and mining sectors.

Commitments: Storebrand's ambition is to have an investment portfolio that does not contribute to commodity-driven deforestation, conversion of natural ecosystems or associated human rights abuses.

Our main lines of action to achieve this goal are the following:

- 1) Portfolio screening of deforestation risk
- 2) Active ownership and stakeholder engagement
- 3) Reducing risk exposure
- 4) Disclosure

To attain our goals under this theme, we have developed a detailed policy on deforestation. More details about the specific targets and implementation of this theme can be found at Storebrand Asset Management's Deforestation Policy, as well as Storebrand Asset Management's subsidiaries' level policies. Our Deforestation policy applies to all asset classes.

3.4 Theme: Human Rights

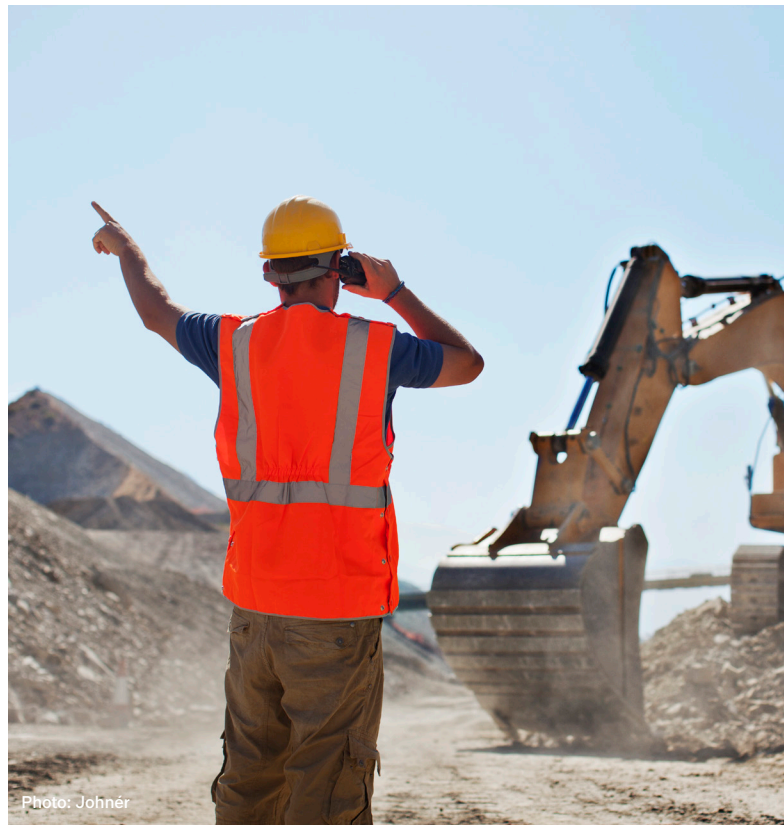
Storebrand is committed to respecting human rights. To fulfil our corporate responsibility to respect and uphold human rights, it is fundamental that portfolio companies also do so, and as such act in a manner that does not cause damage to operations or reputation, results in legal action, or diminishes future business opportunities.

Companies that Storebrand invests in have a responsibility to respect and promote human rights in their operations in every country in which they conduct business. In many countries, human rights and labour rights are neither observed nor safeguarded. Either proper legislation is non-existent, or the government does not have the resources or incentives to uphold and enforce these rights. Some corporations may take advantage of this situation to reduce costs by operating on the edge, or even in violation of core labour rights. They pay less than a living wage or not even a minimum wage, apply forced overtime or engage in even more serious violations such as child labour, forced labour or even human trafficking by using abusive and fraudulent recruitment practices. Some other practices might not be as visible or are difficult to prove. Discriminatory practices on grounds of for example gender, ethnicity, disability, religious background or sexual orientation in hiring, employment and promotion are clearly a problem, but hard to trace and prove. There are also corporations that deny their workers the right to collectively organize and bargain.

Others may have operations with a negative impact on local communities such as indigenous peoples or vulnerable populations in occupied territories and conflict zones or living under authoritarian regimes where surveillance technology may be used to trace political opposition, journalists and human rights defenders resulting in arbitrary arrests and torture among others.

With increasing amounts of capital being moved towards solving the climate crisis, investors also have an increased responsibility to ensure their investee companies respect the rights of workers—also by minimizing the impact of relocation due to the transition - and those of communities and the most vulnerable, as they work towards low-carbon goals so that they contribute to a just transition.

Commitments: Storebrand Asset management is committed to the UN Guiding Principles on Business and Human Rights (the Protect, Respect and Remedy Framework) and the guidance on its implementation for investors in the OECD Guidelines for Responsible Business Conduct for Institutional Investors. This work has been reinforced by regulation in the EU requiring Storebrand to focus on specific Principal Adverse Impacts across industries (EU Sustainable Financial Disclosure Regulation as well as the EU Directive for Corporate Sustainability Due Diligence). General human rights due diligence requirements from the Norwegian Transparency Act (Åpenhetsloven) also complement our approach.



Storebrand will not knowingly invest in companies with operations that are illegal, fail to respect, or that contribute to the severe violations of the rights of workers, children, communities, indigenous peoples or consumers among others. We will engage across industries so that human rights as reflected in UN International Bill of Human Rights and ILO conventions are respected regardless of geography and sector and conduct human rights due diligence to identify, avoid, manage and mitigate human rights risk in our portfolios.

Our approach to assessing impact on people is four-fold:

1. Workforce (Labour rights)
2. Workers in the value chain (Labour rights)
3. Affected communities (Among others: Indigenous Peoples rights; International Humanitarian law/Conflict areas)
4. People impacted by end use (Among others: Digital rights; Consumer rights/Product safety)

For more information on how we attain our human rights commitments goals, please see the Storebrand Asset Management Human Rights policy, as well as our Exclusion Policy, and Engagement and Voting Policy.

4. Sustainability approaches

SAM uses different methods and approaches to achieve the group's expectations towards companies, thus mitigating risk as part of the due diligence in our portfolios and in order to create value:



Screening and
Exclusions

Engagement and
Voting

Integration into
the investment
decision making
process

4.1 Screening and Exclusions

Storebrand is committed to respecting international norms and conventions. Screening and Exclusions are steps in Storebrand Asset Management's implementation of due diligence to identify, manage and mitigate actual and potential adverse impacts in our portfolios, and when this cannot be mitigated, we do not invest in companies in breach of our policy.

This is done by applying two main methods:

1. Continuously monitoring our investments for controversies in breach of our Exclusion Policy, which covers the main themes outlined above – among others – and excluding companies that are in breach, or setting companies on observation when the company may be considered in breach, but where there is opportunity to influence a company's practice.
2. Assessing specific Principal Adverse Impacts within our investments as required by the EU Sustainable Finance Disclosure Regulation, also covering the themes highlighted among others.

We monitor several thousands of companies for potential breaches of our Exclusion Policy through our external data providers. We assess if companies breach the Exclusion Policy, which is our minimum sustainability standard for investments, and exclude companies quarterly. The Exclusion Policy describes in detail international norms and conventions within human rights, the environment, governance/anti-corruption as well as guidelines that we expect companies to follow. Please see Exclusion Policy for more detail.

The Exclusion Policy applies to all of Storebrand's internally managed funds and pension portfolios. The standard does not distinguish between passive and active investments and applies to all asset classes.

The Storebrand Group will not invest in:

- Companies that contribute to serious and systematic breaches of international law and human rights
- Companies involved in serious environmental degradation, including the climate
- Companies involved in systematic corruption and financial crime
- Companies that produce or sell controversial weapons (nuclear weapons, land mines, cluster munitions, biological and chemical weapons)

In cases where there is a risk that companies are systematically in breach of our Exclusion Policy, we use our position as an investor to engage companies in dialogue and seek to achieve improvements. If the company is not willing to come into dialogue, or the dialogue does not lead to positive change within a reasonable amount of time, a company may be excluded from investment. Exclusion is regarded as a last resort, in cases where companies fail to demonstrate the will to improve and there is a risk of recurrence. Decisions for exclusion under these criteria are taken by Storebrand's independent Sustainable Investment Committee, comprising of Directors from the various divisions within the Storebrand Group. For more detailed information please see our Exclusion Policy.

We also exclude investments in companies within certain single product categories and practices or activities that are unsustainable. These products or industries are associated with significant risks and liabilities from societal, environmental or health related harm. In these product categories there is also limited scope to influence companies to operate in a more sustainable way. These products include tobacco, cannabis, coal, oil sands, and companies that are involved in severe and/or systematic unsustainable production of palm oil, soy, cattle, timber, cocoa, coffee, rubber and minerals. Companies who actively lobby against the goals of the Paris Agreement or the Global Biodiversity Framework or involved in the following activities will also be excluded; operations in biodiversity sensitive areas, deep sea mining, and marine/riverine tailings disposal. In addition, fossil fuels, gambling, alcohol, pornography and conventional weapons are excluded in selected funds, but not in all funds.

Storebrand Asset Management will not, on behalf of our clients, invest in sovereign bonds from countries lacking elementary institutions to prevent corruption, fulfil basic social and political rights, and contribute to maintaining international peace and security. This criterion also applies to the state-owned or controlled companies of these countries. Special rules also apply to green bonds with regard to fossil fuels. For more detailed information, please see our Exclusion Policy.

Assessing specific Principal Adverse Impacts within our investments, as required by the EU Sustainable Finance Disclosure Regulation, may also result in exclusion from some of our funds as a way of mitigating risk. For additional information on how we manage Principal Adverse Impacts, please see the Integration section in this document as well as the Principal Adverse Impact Statement and the SFDR Policy.

4.2 Engagement and Voting

We use our position as owners to influence issuer to improve corporate behaviour and reduce adverse sustainability impact. Through active ownership, we reduce risks, improve the quality of our investments and influence companies to move in a more sustainable direction. We believe in a combination of dialogue, exclusion, inclusion and integration.

We exercise our shareholder rights in two main ways: either through voting at shareholder meetings or by engaging with companies at different levels including management and board levels. This engagement can be both direct individually and/or in collaboration with other investors. Both approaches can be very effective in addressing concerns regarding environmental, social and corporate governance (ESG) issues in order to reduce adverse sustainability impact. Combined, they can reinforce each other and be an effective signal to companies regarding our views on important ESG issues.

Our engagement strategy emphasizes a positive impact (proactive engagement) in addition to redressing wrongs (reactive engagement). Therefore, we prioritize engagements where we think we can have a better opportunity to obtain results and positive impact in alignment with our policies. This means better quality engagements for longer periods of time and when possible, with other investors for more leverage. This also allows for more proactive engagement. The decision to engage with selected companies is made based on our assessment of the significance of a particular matter, the size of holdings, comparison of the companies' performance compared to peers, scope to

effect change and opportunities to collaborate with other investors. This can also be a result of mapping portfolios to identify high risk industries with largest investment exposure against salient climate, biodiversity or human rights risks inherent to these industries leading to the prioritization of engagements to mitigate these risks.

Storebrand Asset Management also uses its voting rights in order to reduce the adverse sustainability impact companies in its portfolios may cause and advance the sustainability agenda. We believe combining engagement with companies and voting is a good strategy to achieve change in corporate behaviour and thus reduce adverse impact. Engagement includes both dialogue with companies and voting. Voting can exert extra influence over companies we are engaging with or just to signal that some sustainability issues are important to us.

The framework for the use of voting rights for funds managed by the Storebrand Group is set out in regulation following EU's Shareholder Rights Directives and related local regulations and industry recommendations.

The ultimate responsibility for the execution of corporate governance in the Storebrand Group's funds lies with the Board of Directors of the respective fund management company. The daily execution is delegated to the portfolio managers of each fund and activities are reported back to the Board. The Board of Storebrand Asset Management annually evaluates the execution of corporate governance.

For more detailed information please see our Engagement and Voting Policy and the different policies themes (Climate, Biodiversity, Deforestation, Human Rights policies), to see how we specifically engage on these issues.



Photo: Unsplash

4.3 Integration

Storebrand Asset Management manages investments within a broad range of asset classes and products. The approach to integration of sustainability in asset management may therefore vary across different mandates, including these methods below.

4.3.1 Risk rating

Storebrand Asset Management integrates sustainability risk ratings in investment decisions to avoid or invest less in companies associated with high sustainability risk and prioritize or invest more in companies with low sustainability risk.

The ESG Risk Rating feeds into the Storebrand Sustainability Score assigned to all the (listed) companies we invest in, and it is available for our portfolio managers to integrate in investment decisions. The idea is to move capital away from high sustainability risk companies to companies with lower sustainability risk. There may be local variations in the way risk ratings are applicable for different boutiques and asset classes.

4.3.2 Sustainability Score

The score is used to optimize portfolios towards more sustainable companies and to calculate an internal fund rating. We calculate the sustainability score on over several thousand companies and base it on a scale of 0-100. The sustainability score is the basis for a total weighted sustainability score given to our funds. Portfolio Managers at Storebrand Asset Management are able to access the score on several levels. Total Score, Risk Score, SDG Score, and scores for underlying themes within these building blocks, are all readily available. Implementation of the score is dependent on the style and risk profile of the fund/portfolio in question. The score can be used to better assess the ESG risk of a particular investment, for identifying companies with an attractive SDG positioning, or for assessing the overall exposure on ESG risk and opportunities of a portfolio.

4.3.3 Principle Adverse Impacts (PAIs)

Since 2021, we have integrated the Principal Adverse Impacts (PAIs) identified in the EU Sustainable Finance Disclosure Regulation (SFDR) into our risk analysis for asset classes where data is available. There is an overlap between PAI indicators, and our general work carried out to mitigate risk. This has not changed our methodology to identify risk, but has added a new dimension to further

map, manage, measure and mitigate adverse impact as more specific data is available. In order to further mitigate risk, Storebrand will sell its holdings in companies with a considerable risk of involvement in activities with severe negative impacts such as Principle Adverse Impacts (PAIs) as described by EU regulations, so called, risk-based sale of assets. For more information regarding PAIs and our due diligence work addressing them, please see our Principal Adverse Impact Statement available on our website.



Photo: Johnér

5. Implementation across asset classes and products

Storebrand Asset Management manages investments within a broad range of asset classes and products, covering listed equities, fixed income, real estate, private equity, private debt, and infrastructure. In the implementation of the principles of the Sustainable Investment Policy, we have to make necessary adjustments and tailoring to the

classes and products in question. The following sections illustrate and exemplify how Storebrand Asset Management (SAM) implements the Storebrand Sustainable Investment policy across selected asset classes, subsidiaries, and products.



5.1 Solution companies

Storebrand's investments aim to contribute to the achievement of the Sustainable Development Goals (SDG) and thus moving capital towards more sustainable companies while ensuring no harm to society and the environment.

A "Solution company" is a term used by Storebrand to describe a company with a business model that contributes to achieving the SDGs through its products and services, without causing significant harm. Solution company investments are one of several ways to help shift capital towards alignment with the Paris Agreement, in particular paragraph 2.1.c): "Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development" and the SDGs, including both social and climate solutions. A solution company should be compliant with the EU Taxonomy on Sustainable Finance if it is eligible for the classification system on sustainable business activities.

Solution companies are categorized by four major themes

(Climate, Smart Cities, Responsible Consumption and Empowerment), and linked to one or several of the 17 SDGs. On a more granular level, the key business model is centred around investment themes like renewable energy, technologies for sustainable city development, circular economy and recycling, electric public transport, water management, energy efficiency, sustainable materials and technology, responsible consumption and production, empowerment through access to health services and financial services.

5.2 Green Bonds

Green bond investments enable fixed income funds to shift their exposure to projects with a dedicated focus on sustainability. The green bonds we invest in shall be in line with the international standard Green Bond Principles and the upcoming EU Green Bond standard. The sustainability of each project is verified by a third party, which contributes to transparency. The green bond shall be compliant with the ICMA framework. In addition, the company issuing

the green bond must pass our sustainability criteria. Investments vary from renewable energy and waste management to water purification and drinking water supply.

5.3 Real Estate investments

Through our direct real estate investments, we aim to contribute to the achievement of the SDGs without causing harm to society and the environment. By combining different strategies, our investment approach focuses on both reducing the adverse sustainability impact our investments may cause and contributing to positive sustainability impact by allocating investments in sustainability opportunities. Risk assessments are conducted in both the pre and post investment phase and include environmental, social and governance risks. With respect to reducing negative sustainability impacts, the main indicators are fossil fuel exposure, energy consumption, GHG emissions, resource consumption, and health and well-being. Prioritizing and addressing potential negative impacts is conducted throughout the following stages: screening and excluding investments or partnerships, integration in investment selection decisions and due diligence, and integration in investment decisions on property management and development.

With respect to contributing to positive sustainability impacts, UN sustainability goal number 11 on sustainable buildings, cities and societies is a core issue of our business and is the overarching goal that frames the prioritized target areas. Four main target areas are relevant to new investments, developments and operational management of our real assets: climate and energy, circularity and material resources, life on land and in water, and health and well-being among tenants, community and in supply chain.

5.4 Private Equity investments

Storebrand Asset Management's private equity investments are carried out through the wholly owned subsidiary Cubera Private Equity ("Cubera"). Cubera is an investment advisor and fund-of-funds manager. Based on the decades-long investment experience in the private equity space Cubera is in the position to materially contribute to the ESG efforts within its fund manager network. In its role as a limited partner in a private equity fund, Cubera has limited formal influence on ESG issues during its ownership phase, and no direct influence on the underlying portfolio companies.

Therefore, Cubera focuses its resources where they will in fact create value: in its relationships with the fund managers in its investment universe, and in the evaluation of investment opportunities. Cubera always strives to focus on the matters that are material to long-term value creation, and within its range of influence. The firm engages acti-

vely with fund managers through dialogue, coaching and best practice sharing, to ensure that existing and potential investees' values and processes are aligned with Cubera's requirements. Cubera's ESG process is integrated in all aspects of the organization, in order for Cubera to make better decisions and act responsibly.

Cubera recognizes that ESG factors affect the long-term market value of an asset and therefore invests with fund managers who also share this view. By encouraging fund managers to undertake relevant ESG actions amongst their activities, Cubera believes it can drive sustainable value for its investors. A dedicated ESG Policy, in line with this overarching policy, has been developed by Cubera to cover private equity-related processes in detail.



Photo: Ruter AS - Nucleus AS - Daniel Jacobsen

5.5 Infrastructure investments

Infrastructure investments enable us to further contribute to the green transition through long-term investments with a positive impact. Storebrand Infrastructure Fund invests in assets which contribute to the environmental objective of climate change mitigation, mostly by enabling the transition to cleaner energy production and transitioning the consumption of energy from fossil sources to renewable sources. The main sector focus of the strategy is within energy and transportation, where renewable energy production and storage together with electrification of transportation are key themes. Investments in other infrastructure sectors and different areas of energy and transportation are also considered.

Environmental, Social and Governance concerns are central in every stage of the investment and asset management process related to infrastructure investments. The screening stage of the investment process shall filter out investments in violation with Storebrand's ESG framework on issues such as human rights, corruption and severe environmental damage (deforestation, coal). The analysis

stage of the investment process places great emphasis on a thorough ESG due diligence assessment, which includes indicators for adverse impacts on sustainability factors. The ESG due diligence is normally led by the sourcing partner, while key findings are assessed by Storebrand and the fund's investment committee. Storebrand Infrastructure Fund has selected sourcing partners with ESG policies well aligned with Storebrand's. The post-investment phase involves identification, monitoring and managing of ESG-risks; assets are monitored regarding environmental incidents, health and security incidents of staff, etc. The

monitoring process is led by sourcing partners and is a central topic in the periodic asset reporting.

The Fund is restricted from investing in assets that do not comply with Storebrand's Sustainable Investment Policy at the time of Investment, and every stage of the investment process shall comply with Storebrand's commitment including the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the Paris agreement and the PRI.

6. Reporting

Storebrand shall annually prepare a report on how measures and activities related to sustainable investments following this policy have been implemented. This report shall be published on the Company's website.

Storebrand's Sustainable Investment Policy and policies for sustainability themes and approaches shall be made available and published on its website.

The Board of Directors of Storebrand Asset Management AS, which is responsible for having oversight over this policy, shall be informed about the implementation of this policy, and all underlying policies, at least on an annual basis.

Subsidiaries are also responsible for relevant annual entity-level sustainability reporting.

7. Revisions

This is an updated version of Storebrand's Sustainable Investment Policy, which was first adopted in 2021.

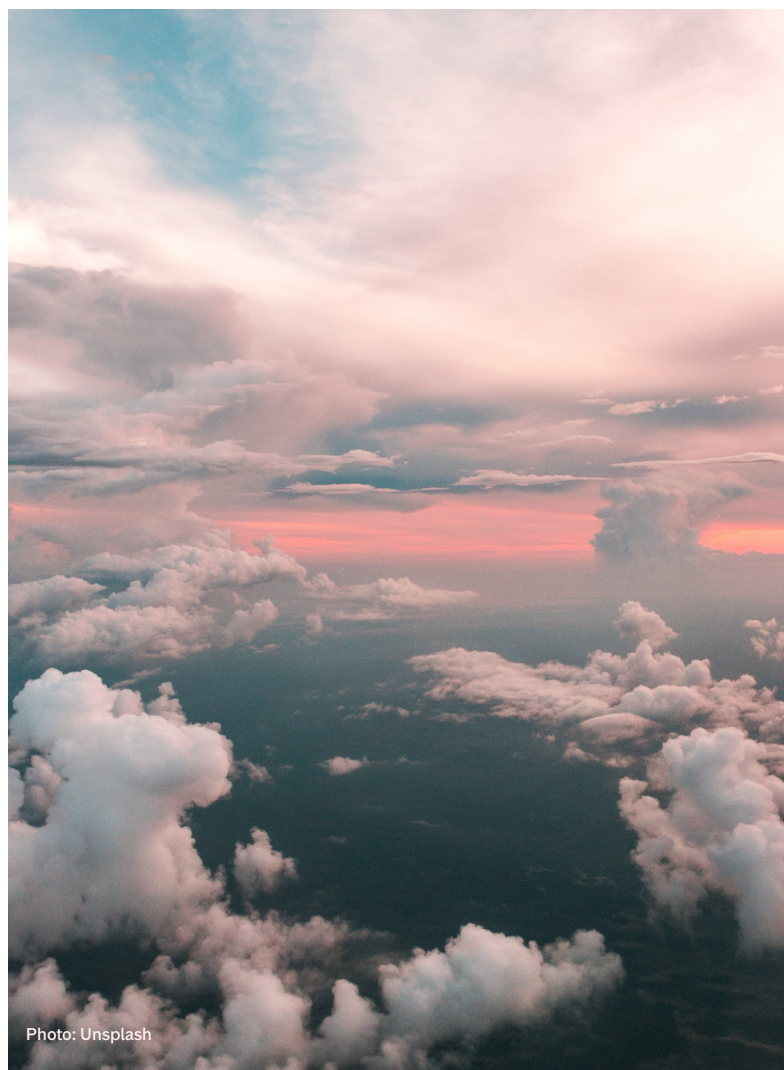


Photo: Unsplash

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