Statement on principal adverse impacts of investment decisions on sustainability factors

Storebrand Asset Management AS

30.06.2025

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Financial market participant: Storebrand Asset Management AS (529900ZTCGG5XNFGB694)

Summary

This Principal Adverse Impact (PAI) Statement is prepared by Storebrand Asset Management AS (SAM) in accordance with Article 4 of the Sustainable Finance Disclosure Regulation (SFDR) and its Regulatory Technical Standards (RTS). The statement covers the reference period from 1 January 2024 to 31 December 2024, and provides a consolidated view of how SAM identifies, monitors, and mitigates principal adverse impacts on sustainability factors across its investment activities at the entity level.
SAM is a financial market participant under SFDR and manages assets on behalf of a broad range of clients across different asset classes and geographies. The scope of this statement includes assets managed by SAM at the entity level, excluding those for which PAI data is not currently available. Certain SAM subsidiaries are also subject to separate PAI reporting obligations under SFDR and publish their own statements accordingly. In particular, data for Storebrand Fonder AB is excluded here; please refer to its own PAI statement on its respective website.

This statement discloses the performance of our investments against mandatory PAIs, and additional environmental, social and governance indicators.
SAM evaluates these impacts using both qualitative and quantitative data obtained primarily from external ESG data providers, including Sustainalytics, Trucost, and Stamdata. Where possible, we apply actual reported data; where gaps exist, we may supplement this with estimates or conduct our own internal assessments.
SAM has developed a systematic approach to assess, monitor, and address adverse sustainability impacts:

- For companies with elevated ESG risks, our Risk and Ownership team conducts further analysis and may initiate engagement or recommend exclusion based on the nature and severity of the issue.
- SAM integrates ESG and PAI considerations into investment decision-making and active ownership practices, including voting and engagement with portfolio companies.
- Our methodology involves classifying companies as PAI laggards (red), intermediate performers (yellow), or PAI leaders (green), helping portfolio managers assess ESG risk and allocate capital accordingly.

This PAI statement is reviewed annually. **This version is applicable as of 30 June 2025.**

For more detailed insights on our methodology, actions taken, and future targets related to principal adverse impacts, please refer to the subsequent sections of this report and supporting documentation available at www.storebrand.com.

Sammendrag

Denne redegjørelsen for vesentlige negative bærekraftspåvirkninger (Principal Adverse Impact – PAI) er utarbeidet av Storebrand Asset Management AS (SAM) i henhold til artikkel 4 i EUs forordning om bærekraftig finans (SFDR) og tilhørende regulatoriske tekniske standarder (RTS). Redegjørelsen dekker referanseperioden fra 1. januar 2024 til 31. desember 2024, og gir en samlet fremstilling av hvordan SAM identifiserer, overvåker og håndterer vesentlige negative påvirkninger på bærekraftsfaktorer på selskapsnivå.

SAM er en finansmarkedsdeltaker under SFDR og forvalter kapital på vegne av et bredt spekter av kunder på tvers av ulike aktivaklasser og geografiske områder. Omfanget av denne redegjørelsen inkluderer eiendeler forvaltet av SAM på selskapsnivå, med unntak av eiendeler der PAI-data for øyeblikket ikke er tilgjengelig. Enkelte datterselskaper i SAM er også underlagt egne rapporteringsforpliktelser etter SFDR og publiserer egne redegjørelser. Spesifikt er data for Storebrand Fonder AB ikke inkludert her; vennligst se deres egen PAI-redegjørelse på deres respektive nettside.

Denne redegjørelsen viser resultatene av våre investeringer målt mot obligatoriske PAI-indikatorer, samt rapportering på frivillige indikatorer for miljø, sosiale forhold og eierstyring. SAM vurderer disse påvirkningene ved hjelp av både kvalitative og kvantitative data, primært innhentet fra eksterne ESG-dataleverandører, inkludert Sustainalytics, Trucost og Stamdata. Der det er mulig benyttes faktisk rapportert data; der det foreligger datagap, kan dette suppleres med estimater eller interne vurderinger.
SAM har utviklet en systematisk tilnærming for å vurdere, overvåke og håndtere negative bærekraftspåvirkninger:

- For selskaper med forhøyet ESG-risiko gjennomfører vårt Risk and Ownership-team ytterligere analyser, og kan igangsette dialog eller anbefale ekskludering basert på sakens art og alvorlighetsgrad.
- SAM integrerer ESG- og PAI-hensyn i investeringsbeslutninger og aktivt eierskap, inkludert stemmegivning og dialog med porteføljeselskaper.
- Vår metode innebærer å klassifisere selskaper som PAI-etternølere (rød), middels ytende (gul) eller PAI-ledere (grønn), noe som hjelper porteføljeforvaltere med å vurdere ESG-risiko og fordele kapital deretter.

Denne PAI-redegjørelsen gjennomgås årlig. Denne versjonen gjelder fra og med 30. juni 2025.

For mer detaljert informasjon om vår metodikk, tiltak og fremtidige mål knyttet til vesentlige negative bærekraftspåvirkninger, se de påfølgende seksjonene i denne rapporten og tilhørende dokumentasjon på www.storebrand.com.

Description of the principal adverse impacts on sustainability factors

All economic activity has some form of impact, and SAM will gather data and monitor the principal adverse impact of all mandatory as well as several additional indicators. We will use this screening to further identify and manage sustainability risks from our investments. SAM has been working to reduce adverse impact in its portfolios since the turn of the century and it has identified the following as main adverse sustainability impact categories that applies to all equity and debt portfolios:

- Adverse impacts affecting the environment and climate such as: severe environmental damage; greenhouse gas emissions; biodiversity loss and deforestation.
- Adverse impact affecting workers, communities, and society such as: violations of labour rights; gender/diversity discrimination; indigenous rights violations; digital rights violations or violations of international humanitarian law.
- Adverse impact in connection with gross corruption and money laundering
- Adverse impact in connection with controversial weapons (landmines, cluster munitions and nuclear weapons)
- Adverse impact in connection with tobacco products

SAM already uses environmental, social and governance data in a sustainability rating and for other screening and engagement purposes, but it will now also be used specifically for the screening of principal adverse sustainability impacts. We have also identified some products as adverse impacts that we aim to avoid in all our funds such as coal or oil sands and others for some of our portfolios such as alcohol, gambling, and conventional weapons. These products are associated with significant risks and liabilities from a societal, environmental or health related harm. See our Sustainable Investment Policy at www.storebrand.com for more detail.

The table below describes the current work and planned actions we are taking to address each indicator.

Table 1							
Principal adverse impact indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
Green-house gas emissions	**1. GHG emissions expressed in tonnes**	Scope 1 GHG emissions in tonnes	1,384,611.13 tonnes CO2e (coverage 77.75%)	1,033,097.25 tonnes CO2e (coverage 68%)	1 200 148 tonnes CO2e (coverage 63%)	The increase in GHG scope 1 is partially driven by higher exposure to some high emitting investee companies. These companies are identified as "top emitters", see comments under "actions taken" of how we address these issues. Primary data sources are Sustainalytics, Trucost, and Stamdata.	**Actions taken:** Storebrand Asset Management has committed to our investment portfolios having net-zero GHG emissions by 2050, at the latest. Our long-term ambition is backed up by short-term strategies, and we have set a target to reduce the emissions intensity of our investments in listed equity, publicly traded corporate debt and real estate) by 32% from baseline year 2018 to 2025. (Including scope 1 and 2 emissions of investee companies, in accordance with NZAOA (Net Zero Asset Owner Alliance) methodology). While our emissions reduction target is intensity-based, we also disclose absolute owned emissions as well as carbon footprint. Climate and Nature Disclosure We have designed an engagement approach to create an impact in the real economy and encourage companies to define and implement climate strategies align with the goals of the Paris Agreement and reaching net-zero emissions by 2050 or sooner. Emphasis will be placed on the emitters that generate the biggest amounts of owned emissions in our portfolios on and companies that have significant impact on ecosystems with high carbon value. These dialogues have been carried out at the C-suite level and through our participation in the Climate Action 100+ and the Institutional Investors Group on Climate Change (IIGCC). As part of our engagement strategy, we have also identified companies that are not ready for a transition to a low-carbon economy. Building on the data from Transition Pathway Initiative, Climate Action 100+ and self-collected data, climate laggards have been identified and direct concerns raised to the companies. In 2024, we voted against 24 directors or financial statements at 24 companies in the climate laggard category. Where laggards are held actively, this is flagged to investment analysts who have the opportunity to engage with companies on their climate change approach prior to voting. If we do not see any significant improvements, we will vote against the financial statements of these companies at the Annual General Meetings.
		Scope 2 GHG emissions in tonnes	406,930.70 tonnes CO2e (coverage 77.50%)	305,580.40 tonnes CO2e (coverage 68%)	283 846 tonnes CO2e (coverage 63%)	The increase is mainly due to higher reported emissions from a few companies with relatively large portfolio weights. Primary data sources are Sustainalytics, Trucost, and Stamdata.	
		Scope 3 GHG emissions in tonnes	15,603,581.86 tonnes CO2e (coverage 76.75%)	11,475,568.29 tonnes CO2e (coverage 67.33%)	9 554 500 tonnes CO2e (coverage 63%)	Higher exposure to companies with increased Scope 3 emissions. Primary data sources are Sustainalytics, Trucost, and Stamdata.	

Table 1							
Principal adverse impact indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
		Total GHG emissions in tonnes	17,381,840.57 tonnes CO2e (coverage 75.50%)	12,808,939.43 tonnes CO2e (coverage 63.33%)	11 038 451 tonnes CO2e (coverage 63%)	See above comments. We also see an increase in data coverage. Engagement data for PAI 1-3 includes all engagements related to GHG emissions and climate change. Primary data sources are Sustainalytics, Trucost, and Stamdata.	For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Planned actions:** Climate change is one of our top 3 priority engagement themes for 2024-2026. For status updates on these engagements, please see our regular reporting in the quarterly and annual Sustainable Investment reports: Document library - www.storebrand.com **Targets for reference period:** Our climate target for 2025 is to reduce emissions intensity with 32% for specific asset classes (listed equity, publicly traded corporate debt and real estate). Status for end of year 2024 is 58% reduction for listed equity and fixed income, and 51% reduction in real estate (from 2018). Performance against our climate targets are reported to the Board at least twice a year.
	2. Carbon footprint	Carbon footprint	423.57 tonnes per million EUR invested (coverage 73.50 %)	452.44 tonnes per million EUR invested (coverage 61%)	464.58 tonnes per million EUR invested (coverage 60%)	Primary data sources are Sustainalytics, Trucost, and Stamdata. Metric showing tonnes GHG emission per million EUR invested.	**Actions:** Storebrand AM measures the carbon emissions of the investment portfolio, which can then be used to compare portfolio emissions to global benchmarks, identify priority areas for reduction (including the largest carbon emitters and the most carbon intensive companies) and engage with companies on reducing carbon emissions/mitigate their climate risk and improving disclosure standards. Out of our total ongoing engagements during the reference period, 406 of the engagements were linked to climate change, relevant to PAI 1 – GHG emissions, PAI 2 – Carbon footprint and PAI 3 – GHG intensity. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Planned actions:** Carbon footprint for the investment portfolios will continuously be measured and reported. **Targets for reference period:** See above under PAI 1, on our climate strategy and target to reduce owned emissions.

Table 1						
Principal adverse impact indicator	**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
3. GHG intensity of investee companies	GHG intensity of investee companies	975.99 tonnes per million EUR sales (coverage 74.0%)	1,098.28 tonnes per million EUR sales (coverage 66.67%)	1045.04 tonnes per million EUR sales (coverage 60%)	The reduction in intensity is partly due to decreased portfolio weights in key contributors from 2023, as well as general reduction of GHG intensity in global indexes. In addition, the share of AUM invested in funds covered by Storebrand's fossil fuel exclusion criterion increased from 47% to 50% from 2023 to 2024. Primary data sources are Sustainalytics, Trucost, and Stamdata. GHG intensity is a measure of tonnes CO2 equivalents per million EUR of revenue.	**Actions taken:** As described above under PAI 1, Storebrand Asset Management has set a target to reduce carbon intensity of investments in listed equity, publicly traded corporate debt and real estate, by 32% between 2018 and 2025. Carbon intensity per fund is publicly disclosed and compared to benchmarks. In line with Storebrand Asset Management's PAI statement, our methodology is to identify PAI laggards (red), PAI intermediate performers (yellow) and PAI leaders (green). We have done an initial gap analysis and assessed the data quality of the PAI indicators, including whether we deem the data coverage to be of good quality and coverage, in order to be able to assess companies as red/yellow/green. GHG intensity is one of the indicators where quality and coverage of data is good enough, so we have identified red, yellow, and green flagged companies based on the 'GHG intensity' indicator. This information is made available to the portfolio managers. By the end of the reference period, we had surpassed the 32% emissions intensity reduction target for 2025, reaching 58% reduction for equity and fixed income and 51% for real estate. Out of our total ongoing engagements during the reference period, 406 of the engagements were linked to climate change, relevant to to PAI 1 – GHG emissions, PAI 2 – Carbon footprint and PAI 3 – GHG intensity. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Planned actions:** The red-flagged companies will be further analyzed, and depending on the risk of negative impact, mitigation through engagement or potential risk-based exclusion will be considered as a final resort. In2024, we have l set new emissions reduction targets for 2030. The new targets are the following for emission reduction: Listed equities and corporate bonds: 60% reduction of GHG intensity (scope 1 and 2 emissions) from baseline year 2018 – Real Estate: 64% reduction of GHG intensity for residential buildings and 71% for commercial buildings (SBTi validated) – Private Equity: GHG intensity not exceeding 60% of applicable listed index (ACWI) – Infrastructure: 90% of assets aligned with net zero pathways. In addition, we have a financing target of investing 20% of total AUM in solutions by 2030. **Targets for reference period:** Aim to engage with all the red flagged companies where we have a holding in our actively managed funds. See above under PAI 1, on our climate strategy and target to reduce owned emissions.

Table 1						
Principal adverse impact indicator	**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	5.91% (coverage 68.0%)	6.68% (coverage 58%)	6.74% (coverage 56%)	Decreased exposure in several companies with high contributions to this indicator. Primary data sources are Sustainalytics, Trucost, and Stamdata. Expressed as a percentage of total AUM.	**Actions taken:** Storebrand AM will not invest in companies that derive more than 5 % of their revenues from coal, companies that derive more than 5% of their revenue from oil sands-based activities or companies that deliberately and systematically work against the goals and targets enshrined in the Paris Agreement. For specific funds we apply additional fossil criteria as follows: we will not invest in companies: which derive 1) more than 5% of their revenue from the production or distribution of fossil fuels as well as, or 2) derive more than 25% of their revenue from relevant products and services to fossil fuel operations, or 3) whose fossil reserves exceed 100 million tonnes of CO_2. We define 'production and distribution' to include all activities linked to the extraction, refining and transport or distribution of fossil fuels. Companies that manufacture products derived from fossil fuels such as plastic, asphalt or synthetic rubber are not included. Public bodies such as states or local government entities are not within the scope of this criterion. Services are defined as any activity pertaining to the provision of relevant services to fossil fuel operations and other logistical activities relation to it. These include transportation, shipping and storage of fossil fuels. As of end of 2023, the additional fossil criteria applied to 50,15% of total AUM. Quarterly exclusions can be found here: Document library - www.storebrand.com For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com In 2024, we published the results of a sector-based climate scenario analysis, as a framework for assessing potential impacts of climate change on our portfolios and the resilience of our strategies.The analysis is published in our 2024 Nature and Climate report: Climate and Nature Disclosure. Out of our total ongoing engagements during the reference period, 49 companies were linked to PAI 4 – Exposure to companies active in the fossil fuel sector. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Planned actions:** Storebrand AM will continue to develop our understanding and assessment of climate transition and what this means for different sectors and for companies active in the fossil fuel sector. Ensuring continued compliance with exclusion criteria and develop our analysis and assessment in terms of climate transition. **Targets for reference period:** No companies flagged as in breach of this PAI to be eligible as a sustainable investment.

Table 1							
Principal adverse impact indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	Energy consumption: 58.48 % (coverage 70%) Energy production: 1.28% (coverage: 66.5%)	Energy consumption: 58.75% (coverage: 61%) Energy production: 0.98% (coverage: 56.33%)	Energy consumption: 56.71% (coverage: 59%) Energy production: 0.81% (coverage: 57%)	An improvement in data coverage during the period has resulted in more complete and accurate data. Primary data sources are Sustainalytics, Trucost, and Stamdata. Metric expressed as a percentage of total AUM.	**Actions taken:** Companies involved in *non-renewable energy production* are excluded under the additional fossil fuel exclusion criterion, as described above. The climate scenario analysis that we published in 2024 brings more detail to the potential risks related to companies producing non-renewable energy: Climate and Nature Disclosure **Planned actions:** The transition to renewable energy consumption and production is a central element in our climate engagement theme, and we address it through engagement and voting. In 2024, we engaged with 49 companies in the energy sector. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Targets for reference period:** No target set yet for the next reference period.
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	Sector A: 0.24 Sector B: 3.56 Sector C: 13.43 Sector D: 16.70 Sector E: 0.34 Sector F: 0.31 Sector G: 0.06 Sector H: 2.00 Sector L: 0.81 Coverage: Sector A:100 % Sector B: 95.5 % Sector C: 98.25 % Sector D: 65.25 % Sector E: 98.75 % Sector F: 89.25 % Sector G: 95.25 % Sector H: 96.25 % Sector L: 100 %	Sector A: 0.24 Sector B: 4.41 Sector C: 13.29 Sector D: 3.56 Sector E: 0.38 Sector F: 0.26 Sector G: 0.05 Sector H: 1.76 Sector L: 0.50 Coverage: Sector A:76.0 % Sector B: 82.3 % Sector C: 94.0 % Sector D: 56.7 % Sector E: 98.7 % Sector F: 95.7 % Sector G: 98.3 % Sector H: 79.7 % Sector L: 78.0 %	Sector A: 0.3 Sector B: 4 Sector C: 13.8 Sector D: 5.6 Sector E: 0.6 Sector F: 0.2 Sector G: 0.1 Sector H: 2.8 Sector L: 0.3	Sector A: no material changes. Sector B: Reduced exposure to the largest contributors. Sector C: no material changes. Sector D: large increase YoY, mainly due to some investee companies decreasing their revenue, and intensity staying constant. Sector E: no material changes. Sector F: increased intensity at the largest contributors. Sector G: no material changes. Sector H: increased intensity at the largest contributors. Sector L: Primary data source is Sustainalytics and Trucost.	A: Agriculture, forestry and fishing B: Mining and quarrying C: Manufacturing D: Electricity, gas, steam and air conditioning supply E: Water supply; sewerage; waste management and remediation activities F: Construction G: Wholesale & retail trade; repair of motor vehicles H: Transportation and storage L: Real estate activities **Actions taken:** The transition to zero net zero energy consumption is a central element in our climate engagement theme, and we address it through engagement and voting. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Planned actions:** We will continue to consider energy consumption as a data point for company analysis, engagement and voting. **Targets for reference period**: No target set for the next reference period. **Targets for reference period:** No target set for the next reference period.

Table 1							
Principal adverse impact indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
Bio-diversity	**7. Activities negatively affecting biodiversity sensitive areas**	Share of investments in investee companies with sites/ operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas	4.99% (coverage 67%)	5.46 % (coverage 57.67%)	6.49% (coverage 56%)	Primary data source is Sustainalytics and Stamdata. Metric expressed as a percentage of total AUM.	**Actions taken:** Biodiversity is one of three focus areas for engagement. We expect companies to mitigate impacts on biodiversity and ecosystems through commitments at the organizational level and respect international agreements such as the UN Convention on Biological Diversity. Companies depending on or impacting biodiversity and ecosystems should integrate relevant nature-related risks and opportunities into their corporate strategy, risk management and reporting, in accordance with the recommendations of the Task Force on Nature-related Financial Disclosure (TNFD). In Storebrand's Nature policy from 2022, we committed to: • Screening portfolios and setting targets • Active ownership and stakeholder engagement • Reducing our negative and increasing positive impact • Disclose and promote transparency As a first step to assess the impacts and dependencies of our investments on nature and biodiversity, we screened our portfolios using the tool ENCORE in 2022. This sector-level analysis gave insights for the development of our engagement strategy. In 2024 we have also assessed our exposure to water risk and started initial mapping of sensitive locations in line with TNFP LEAP approach. In 2024 we launched our first integrated climate and nature report. Climate and Nature Disclosure Regarding active ownership, we participated in or supported 280 engagements related to nature and biodiversity in the reference period. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com In 2022, we expanded our exclusion criteria to reduce our negative impact on biodiversity and valuable and vulnerable ecosystems. The activity-based criteria cover: • **Mining operations that conduct direct marine or riverine tailings disposal** • **Companies that operate in ecologically sensitive areas:** Companies that derive more than 5 % of their revenues from Arctic drilling will be put on our observation list and closely monitored and engaged with based on our existing ownership. • **Deep-sea mining :** Conduct-based exclusions of companies based on severe environmental damage (for example activities negatively affecting biodiversity sensitive areas) can be found here: Document library - www.storebrand.com **Planned actions:** Storebrand will give a priority to the most material sub-industries from the perspective of nature-related impacts to ensure that these companies are mitigating their potential negative impacts. We will continue to engage with companies individually and through Nature Action 100+. Storebrand will also seek improved data sources for assessing biodiversity impacts and dependencies of our portfolio. **Targets for reference period:** Storebrand have committed to assess impact on biodiversity, set targets and report on this by the end of 2025.

Table 1							
Principal adverse impact indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
Water	**8. Emissions to water**	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.78 tonnes per million EUR invested (coverage 5.75%)	0.98 tonnes per million EUR invested (Coverage 4.33%)	0.4 tonnes per million EUR invested (Coverage 3%)	Data coverage for this indicator is very low, however we see that it has increased some. Primary data source is Sustainalytics and Trucost. Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average.	**Actions taken 2024:** We address emissions to water both through our engagement on biodiversity (see above) and pollution. Water pollution is a major driver of biodiversity loss as well as a threat to human health. In the reference period, we were involved in 127 engagements related to pollution or hazardous chemicals. In 2024 we have assessed our exposure to water risk and started initial mapping of sensitive locations in line with TNFP LEAP approach. In 2024 we launched our first integrated climate and nature report. Conduct-based exclusions of companies based on severe environmental damage (for example spills and emissions to water) can be found here: Sustainable investment review - www.storebrand.com For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Planned actions:** The data availability and coverage are low for the emissions to water indicator. We are looking at how this could be improved and how we could better address the data gaps going forward. **Targets for reference period:** No target set for the next reference period.
Waste	**9. Hazardous waste ratio**	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	2.21 tonnes per million EUR invested (coverage 58.25%)	4.70 tonnes per million EUR invested (Coverage 48.33%)	10 tonnes per million EUR invested (Coverage 21%)	One of the investee companies have had a significant reduction from 2023 to 2024 of their hazardous waste generation. Sustainalytics, Trucost and Stamdata are the primary data sources on companies' hazardous waste ratio. The ratio is measured as a weighted average tonnes of emissions per mEUR invested.	**Actions taken:** In 2024, through Nature Action 100, we are engaging with 100 companies including companies within chemical, consumer goods and pharmaceutical sector, that might contribute to environmental pollution if not disposed properly. These companies are expected to set timely and necessary actions to address their impact on nature. Out of our total ongoing engagements during the reference period, 18 of the engagements were linked to PAI 9 – Hazardous waste ratio. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Planned actions:** Continued engagement with chemical companies on the use of hazardous chemicals throughout 2025. The data availability and coverage are low for the hazardous waste indicator. We are looking at how this could be improved and how we could better address the data gaps going forward. **Targets for reference period:** No target set for the next reference period.

Table 1							
Principal adverse impact indicator		Metric	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, actions planned, and targets set for the next reference period
Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters							
Social and employee matters	**10. Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises**	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.34% (coverage 67%)	1.03% (coverage 57.67%)	1.2% (coverage 56%)	One investee company is not flagged for violation in 2024 according to Sustainalytics, hence the number has decreased. Sustainalytics is the primary data source for this indicator. Storebrand will also make our own evaluations of identified breaches based on additional data providers, try to engage with the companies to encourage corrective actions, and as a last resort exclude the company. In addition, we conduct additional in-house research and assessments in cases when information from data providers is missing, which may result in a risk-based sale of assets. Metric expressed as a percentage of total AUM.	**Actions taken:** Norm-based exclusions: Storebrand AM aims to not invest in companies that contribute to serious and systematic breaches of international law and human rights as well as for other environmental and governance criteria. See exclusion policy here. Companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. This has been the practice at Storebrand since 2005. In 2024, we excluded 24 companies related to human rights issues. This includes ten exclusions under our criteria for human rights and international humanitarian law. The list of companies excluded as of December 2024 can be found here. We have also excluded (pre-investment screening) fourteen companies in connection to human rights in high-risk countries. In line with Storebrand Asset Management's PAI statement, our methodology is to identify PAI laggards (red), PAI intermediate performers (yellow) and PAI leaders (green). We have continued to assess the data quality of all the PAI indicators, including whether we deem the data coverage to be of good quality and coverage, in order to be able to assess companies as red/yellow/green. We have identified red-flagged companies for some of the PAI indicators, including those based on the PAI 10 indicators, and this information on red flags has been made available to the portfolio managers. ***Risk-based sale of assets:*** We started implementing a risk-based sale of assets based on this PAI at the end of 2021 for certain high-risk sectors after identifying risk of forced labor in supply chains as a particularly severe salient issue. This has resulted in the exclusion of three companies so far. Our total ongoing engagements for social issues and human rights during the reference period were 374, 300 of which were linked to PAI 10 – Violations of UN Global Compact principles and OECD guidelines. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Planned actions:** Ensuring continued compliance with our exclusion policy. The red-flagged companies will continue to be reviewed and further actions to mitigate the risk/impact will be considered during the reference period, which may also result in the exclusion or risk-based sale of companies. **Targets for reference period:** No companies flagged as in breach of this PAI to be eligible as a sustainable investment. PAI red flagged companies in our actively managed fund will be prioritized for engagement.

Table 1						
Principal adverse impact indicator	**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	56.1 % (coverage 66.25%)	51.83 % (coverage 57%)	65.7% (coverage 53%)	The increase is due to higher relative weights in companies flagged as non-compliant with PAI1.11 (none of which trigger PAI1.10 violations), as well as new companies entering non-compliance status per Sustainalytics (also not flagged under PAI1.10). Sustainalytics is the primary data source for this indicator. Metric expressed as a percentage of total AUM.	**Actions taken:** The data availability and coverage for this indicator is medium. This is due to the fact that many companies still do not disclose grievance mechanisms. The screening for investee companies' potential lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines is carried out by our data providers. Engagement with companies: Storebrand palliates this insufficient data by participating in collaborative initiatives such those by the World Benchmarking Initiative as the Corporate Benchmarking Alliance and PRI Advance that aim to encourage companies to adopt such processes and compliance mechanisms and report specific data on them. In addition, Storebrand has mapped certain high-risk industries where there is a special need to push companies to adopt such mechanisms due to their exposure to human right risk and the severe negative human right impact. As a result, we have been focusing on resilient company supply chains in order to lift industry standards and encourage companies to adopt processes and compliance mechanisms. We do this in a collaborative manner with other investors for more leverage and through organizations such as the Investor Alliance on Human Rights, the PRI Advance initiative, and the Platform Living Wages Financials. Another area of increased risk for companies is conflict zones. In this context, since October 2023 and during 2024 has been participating in investor collaborative initiative on Conflict Affected and High-Risk Areas (CAHRA) to build the capacity of institutional investors to engage portfolio companies in the tech and renewable energy sectors, on how to address CAHRA-related risks in their operations and value chain relationships. The aim is for companies to adopt heightened human right due diligence processes for CAHRA. We are engaging with standard setters to contribute to guidelines on human rights due diligence for companies and investors. This is complemented by our engagement with companies facing these challenges. During 2024, Storebrand continued engaging together with other investors with EU policymakers to ensure a robust Corporate Sustainability Due Diligence Directive and encouraging EU Member States to maintain their commitment to support this directive. For more information about engaging on EU regulation see here. For more information about how we work with engagement, please see here. Our total ongoing engagements for social issues and human rights during the reference period were 374, 296 of which were related to PAI 11. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com Voting: In 2024 we voted on 272 social shareholder resolutions, covering themes such as: human rights impact assessments, human rights due diligence; operations in high-risk countries; gender and racial equality; gender pay gap; workplace sexual harassment.

Table 1							
Principal adverse impact indicator		Metric	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, actions planned, and targets set for the next reference period
							Norm-based exclusions: As explained in the previous PAI, Storebrand aims to not invest in companies that contribute to serious and systematic breaches of international law and human rights. Often, this is the case, due to the lack of policies and mechanisms to be in compliance with GC and OECD Guidelines. Companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. Quarterly exclusions can be found here: Document library - www.storebrand.com **Planned actions:** We will continue to engage with companies in order to mitigate this risk as well as divest from them if we see severe violations of human rights as a result of lack of policies and mechanism to monitor compliance in accordance with Storebrand international law and human rights standards. As we obtain better data, we will start measuring investee companies based on this indicator, which may lead to risk-based exclusions or mitigation by further engaging with investee companies if possible. **Targets for reference period:** No target set for the next reference period. Although a target for substantial alignment with UNGP is set for 2030.

Table 1							
Principal adverse impact indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
	12. Un-adjusted gender pay gap	Average unadjusted gender pay gap of investee companies	13.2 % (coverage 3.25%)	13.62 % (cov-erage 3%)	18% (coverage 2%)	Sustainalytics and Stamdata are the primary data sources for this indicator. Note that the data coverage for this indicator is very low. The ratio shows the relative difference between the two genders pay.	**Actions taken:** The data availability and coverage for this indicator is very low. ***Norm-based exclusions:*** Storebrand AM aims to not invest in companies that contrib-ute to serious and systematic breaches of international law and human rights as well as for other environmental and governance criteria. Companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. Severe and systematic gender discrimination is covered by our Storebrand standard and has in some instances resulted in exclusion. Quarterly exclusions can be found here: Document library - www.storebrand.com Engagement with companies: Living wages for women (including gender pay gap) are also covered in our engagement and assessment for companies through our participa-tion in the Platform for Living Wages Financials, where the textile, Agrifood and retail sectors are targeted. For more information, please see here. Our total ongoing engagements for social issues and human rights during the refer-ence period were 374, 67 of which were linked to gender equality related topics. ***Voting:*** Storebrand AM prioritizes voting on key ESG issues in order to reduce the adverse sustainability impact of the companies it is invested in. One of the identified key ESG issues are gender equality, diversity and remuneration. Our goal is to vote at all meetings with ESG and/or shareholder resolutions on the agenda, including shareholder resolutions on gender pay gap. In 2024, we supported 14 shareholder resolutions requesting disclosure on gender pay gap. ***Sustainability rating:*** We calculate the Sustainability Score on over 4500 compa-nies and base it on a 0-100 scale. It is comprised of two main building blocks, ESG risks and SDG opportunities. The SDG opportunities section of the score particularly includes data on Gender Equality, which is integrated in the sustainability score for the companies we have coverage. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Planned actions:** The data availability and coverage are low for the gender pay gap indicator. We are looking at how this could be improved until full coverage on this indicator is available. **Targets for this reference period:** No target set for the next reference period.

Table 1						
Principal adverse impact indicator	**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
13. Board gender diversity	Average ratio of female to male board members in investee companies	35.95% (coverage 70.25%)	35.75 % (coverage 60.33%)	26.9% (coverage 60%)	Sustainalytics, Trucost, Equileap and Stamdata are primary data sources for this indicator. The ratio is calculated as number of female board members divided by the number of male board members, expressed as a percentage. The increase in the percentage is due to more reported data.	**Actions taken:** In line with Storebrand Asset Management's PAI statement, our methodology is to identify PAI laggards (red), PAI intermediate performers (yellow) and PAI leaders (green). We have continued assessing the data quality of all the PAI indicators, including whether we deem the data coverage to be of good quality and coverage, in order to be able to assess companies as red/yellow/green. We identified red-flagged companies for some of the PAI indicators, including the PAI 13, and this information on red flags has been made available to the portfolio managers. Our total ongoing engagements for social issues and human rights during the reference period were 374, 67 of which were linked to gender equality related topics. *Voting:* Storebrand prioritizes voting on key ESG issues in order to reduce the adverse sustainability impact of the companies it is invested in. One of the identified key ESG issues are gender equality, diversity and remuneration. Our goal is to vote at all meetings with ESG-related and/or shareholder resolutions. Storebrand Asset Management typically votes against management in situations such as quality of board and its members, including lack of diversity. We generally vote against or withhold from the chair of the nominating committee if the board lacks at least one director of an underrepresented gender identity. Our default voting policy has different minimum thresholds for board diversity in different markets, such as 40% in continental Europe, 33% in the UK. See ISS Sustainability voting policy for more details ***Sustainability rating:*** We calculate the Sustainability Score on over 4500 companies and base it on a 0-100 scale. It is comprised of two main building blocks, ESG risks and SDG opportunities. The SDG opportunities section of the score particularly includes data on Gender Equality from Equileap, which is integrated in the sustainability score for the companies we have coverage on and includes data on board diversity. For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Planned actions:** The red-flagged companies will be further analyzed, and depending on the risk of negative impact, mitigation through engagement will be considered. We will continue with our voting strategy in order to mitigate adverse impact and risk in relation to this. The red-flagged companies will be reviewed and further actions to mitigate the risk/impact will be considered during the reference period. **Targets for reference period:** Aim to vote against the nomination committee and/or re-election of board members at all red flagged companies for this PAI.

Table 1							
Principal adverse impact indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0% (coverage 67%)	0% (coverage 57.67%)	0% (coverage 56%)	Sustainalytics and Stamdata are the primary data sources for this indicator. Expressed as a percentage of total AUM.	**Actions taken:** Storebrand will not invest in companies involved in the development and/or production of controversial weapons; testing of controversial weapons; production of components to be used exclusively for controversial weapons; or stockpiling and/or transfer of controversial weapons. This criterion includes but is not limited to landmines, cluster munitions, nuclear weapons and biological and chemical weapons. The definitions and scope are in line with the corresponding conventions and norms, including but not limited to the Convention on Cluster Munitions (CCM), the Ottawa Treaty/Mine Ban Treaty and the Non-Proliferation Treaty. Our total ongoing engagements for social issues and human rights during the reference period were 374, 3 of which were linked to Exposure to controversial weapons. During 2024 we excluded three new companies under our controversial weapons criteria. Quarterly exclusions can be found here: Document library - www.storebrand.com For more information on how our engagements during the reference period were linked to the PAIs, see the online engagement dashboard on our website: Active ownership - www.storebrand.com **Planned actions:** Ensuring continued compliance with the exclusion criterion. **Targets for reference period:** No investments in companies in breach of this PAI.
Indicators applicable to investments in sovereigns and supranational							
Environmental	**15. GHG intensity**	GHG intensity of investee countries	201.77 tonnes per million EUR GDP of investee countries (coverage 100%)	237.45 (coverage 100%)	257 (coverage 100%)	Reduced portfolio weight in major contributors has decreased the portfolio intensity. Additionally, the US has shown a year-over-year decline in GHG emissions relative to GDP. Sustainalytics and Trucost are the primary data sources for this indicator. GHG intensity of investee countries is a measure of tonnes CO2 equivalents per million EUR of GDP. Only governmental and municipality issued investments covered in this metric.	**Actions taken:** As of now we have not used GHG intensity in our analysis of country risk on sovereigns. **Planned actions:** We will integrate GHG intensity into our sovereign risk analysis when we have sufficient data quality. We are considering the possibility of including the asset class of sovereign bonds in 2030 climate target. **Target for reference period:** No target set for the next reference period.

Table 1							
Principal adverse impact indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
Social	**16. Investee countries subject to social violations**	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	0 countries (coverage 100%)	0 countries (coverage 100%)	0 countries (coverage 100%)	Sustainalytics is the primary data source for this indicator. Only governmental and municipality issued investments covered in this metric.	**Actions taken:** Storebrand will not invest in government bonds or state-controlled companies from countries that are systematically corrupt, systematically suppress basic political and civil rights or are subject to sanctions imposed by the UN Security Council. Storebrand can neither invest in companies owned or controlled by a country excluded from sovereign bond investments. To access this, we are currently using data from the World Bank, Transparency International, Freedom House, and UN and EU sanctions lists. In addition to this we make country risk analysis based on current events. **Planned actions:** Ensuring continued compliance with the exclusion criterion. **Target for reference period:** No investments in sovereign bonds in countries in breach of this PAI, including no investments in state owned and controlled companies from these states.
Indicators applicable to investments in real estate assets							
Fossil fuels	**17. Exposure to fossil fuels through real estate assets**	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0 % (coverage 100 %)	0 % (coverage 100 %)	0 % (coverage 100 %)	We do generally not invest in real estate (RE) assets involved in the extraction, storage, transport or manufacture of fossil fuels.	No action needed, the policy and practice of having no or near zero exposure to fossil fuel related investments continues.
Energy efficiency	**18. Exposure to energy-inefficient real estate assets**	Share of investments in energy- inefficient real estate assets	60 % (coverage 100 %)	66 % (coverage 100 %)	80 % (coverage 100 %)	Value-based share of RE investments in Norway and Sweden with a third-party EPC (energy performance certificate) class C or lower. National rating schemes are used and have different EPC thresholds.	Good energy performance of buildings is focused in both acquisition and standing investments in order to mitigate adverse environmental impact and risk. In the screening and Due Diligence of the acquisition process, the actual or potential EPC class and corresponding costs are assessed. In the property management phase improvement targets and measures are included in business plans and operations based on detailed energy monitoring, assessments and the upgrading opportunities of the building life cycle. On portfolio level the distribution of EPC classes is monitored and targeted, and efforts are balanced against total carbon emissions (in particular scope 3 embodied carbon) and economic returns. In 2024 some buildings were acquired that hold EPC class A and B while a few of standing investments were upgraded or sold. The result is overall reduced exposure to energy inefficient assets.

Table 2							
Principal adverse impact indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
Additional climate and other environment-related indicators							
Other indicators for principal adverse impacts on sustainability factors							
In addition, we consider the voluntary indicator relating to deforestation measured as share of companies without a policy to address deforestation (Table 2, indicator 15. Deforestation) and additional PAIs regarding real estate (table 2, indicator 18, 19 & 20). We also consider the voluntary indicator supplier code of conduct measured as share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour) (Table 3, indicator 4. Lack of a supplier code of conduct).							
Water waste and material emissions	**15. Deforestation**	Share of investments in companies without a policy to address deforestation	81.83 % (coverage 65.50 %)	68.16 % (coverage 56.33%)	66.39% (coverage 56%)	We see an improvement to the data coverage. Sustainalytics is the primary data source for this indicator. Expressed as a percentage of total AUM.	**Actions taken:** Our ambition is to have an investment portfolio that does not contribute to deforestation by 2025. We take the following actions to achieve this: • Portfolio screening and risk assessment • Active ownership (engagement and voting) • Exclusion • Disclosure and promotion of transparency See further detail in our Deforestation Policy. In 2024 Storebrand completed our third portfolio screening, using the new Forest IQ database for the first time. Of the 2100 companies and financial institutions included in Forest IQ, Storebrand has exposure to 139 companies and 133 financial institutions with varying degrees of deforestation risk. Using Forest IQ rankings, Storebrand assesses companies' progress towards eliminating deforestation and prioritizes companies for active ownership engagement, individually and through collaborative initiatives like Finance Sector Deforestation Action. (FSDA). In line with Storebrand Asset Management's PAI statement, our methodology is to identify PAI laggards (red), PAI intermediate performers (yellow) and PAI leaders (green). We have done an initial gap analysis and assessed the data quality of the PAI indicators, including whether we deem the data coverage to be of good quality and coverage, in order to be able to assess companies as red/yellow/green. We have identified red-flagged companies based on the 'Deforestation' indicator, and this information has been made available to the portfolio managers. Out of our total ongoing engagements during the reference period, 80 of the engagements were linked to the PAI on deforestation. **Planned actions:** The data availability and coverage are low for the deforestation indicator. The indicator is narrow in scope, so we are using several other data sources to assess companies' exposure to and management of deforestation risk. At the moment our in-house methodology gives a better understanding of deforestation impact than the PAI indicator. However, we are using data on the PAI deforestation indicator to enhance of our analysis. The red-flagged companies will be reviewed and further actions to mitigate the risk/impact will be considered during the reference period. **Targets for reference period:** Storebrand will revise screening methodology to incorporate more forest risk commodities and establish guidelines for voting against directors of red-flagged companies.

Table 2							
Principal adverse impact indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
Other principal adverse indictors applicable to investments in real estate assets							
Green-house gas emission	**18. GHG emissions**	Scope 1 GHG emissions generated by real estate asset (tCO2e/yr)	40 (coverage 85 %)	67 (coverage 81 %)	77 (coverage 87 %)	Location-based in-use operational emissions calculated from sc. 1 stationary combustion of fossil fuels and leakage of refrigerants, sc. 2 district heating and electricity consumption, and sc. 3 waste handling and water consumption, for all standing investments in Norway and Sweden with a whole-building approach. Development properties not included. For electricity a Nordic mix emission factor is used, for district heating and cooling local /actual emission factors are used.	Through the environmental management system of assessing status, setting targets, implementing measures and monitoring results at asset level, all input factors of the GHG emissions are targeted: energy, waste and water. This is a continuous improvement process consisting of smaller operational measures and larger investments yielding greater results. The systematic approach is designed to realize the SBTi-validated science based target of 71 % reduction in 2030 compared to 2019 (market-based emissions). Medium term target is -29 % from 2019 to 2025 (location based). The total emission reduction is primarily due to a reduction in energy consumption of 6% from 2023 to 2024 (measured, not temp. corrected), and a lower emission factor for electricity. **Emission intensity** is reduced by 12 % (kg CO2e/m2 heated floor area)
		Scope 2 GHG emissions generated by real estate asset (tCO2e/yr)	5080 (coverage 97 %)	5341(coverage 97 %)	5065 (coverage 96 %)		
		Scope 3 GHG emissions generated by real estate asset (tCO2e/yr)	968 (coverage 73 %)	1327 (coverage 74 %)	1194 (coverage 73 %)		
		Total GHG emissions generated by real estate asset (tCO2e/yr)	6088 (coverage 93 %)	6735 (coverage 93 %)	6336 (coverage 90 %)		
Energy consumption	**19. Energy consumption intensity**	Energy consumption in kWh of managed real estate assets per square meter (kWh/m2-yr)	153(coverage 97 %)	161 (coverage 97 %)	168 (coverage 96 %)	Energy consumption metered on-site with whole-building approach (including tenant consumption) divided by gross heated floor area for all standing investments in Norway and Sweden. Development properties not covered.	Reduction of energy intensity with individual asset targets goes hand in hand with the emissions reduction target over. Energy audits have been carried out and measures been integrated in property business plans in 2021-2024. This in addition to close (minimum weekly) energy monitoring (automated system) with detection of functional errors and improvements in building automation system, e.g. temperature settings for energy systems. Reduction targets are set individually for building renovation and energy upgrade projects in order to reduce energy cost and consumption and reduce GHG emissions according to our Science Based Targets for 2030.
Waste	**20. Waste production in operations**	Share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract	0% (coverage 100 %)	0 % (coverage 100 %)	0% (coverage 100 %)	All standing investments and development projects have extensive waste sorting facilities and recycling contracts.	The policy of targeting and monitoring the improvement of facility waste production and sorting for recycling, or extracting material from the waste cycle to reuse, is basic both in standing investments and in development projects. Improvement targets are set annually for assets that underperform in sorting rate.

Table 3							
Principal adverse impact indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Impact 2022**	**Explanation**	**Actions taken, actions planned, and targets set for the next reference period**
Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters							
Social and employee matters	**4. Lack of a supplier code of conduct**	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)	6.5% (coverage 66.75%)	6.59% (coverage 57%)	6.3% (coverage 56%)	Sustainalytics is the primary data source for this indicator. Expressed as a percentage of total AUM.	**Actions taken:** *Norm-based exclusions:* Storebrand aims to not invest in companies that contribute to serious and systematic breaches of international law and human rights. We see this is often the case within their supply chains. Thus, companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. There was a total of 10 exclusions under our criteria for human rights and international humanitarian law. The list of companies excluded as of December 2024 can be found here ***Engagement with companies.*** We continued with our engagement regarding resilient company supply chains as explained above. We do this in a collaborative manner with other investors for more leverage on issues such as forced labor, child labor, unsafe working conditions and/or living wages and through organizations such as the Investor Alliance on Human Rights, the PRI and the Platform Living Wages Financials. Our engagement work on this topic has been further reinforced by the Norwegian Transparence law (Åpenhetsloven) which we have been using as requirement for Norwegian companies and companies with operations in Norway. More information on how we work with engagements please see here . We also encourage companies to report on these issues to benchmarks such as Know-the-Chain and the Corporate Human Rights Benchmark Initiative. **Planned actions:** We will continue our focus on resilient supply chains under the theme reducing inequalities and just transition as one of our three main engagement themes. In addition, we will continue to exclude companies if we find severe violations of human rights in accordance with Storebrand international law and human rights standards and our exclusion policy. **Target for reference period:** No target set for the next reference period.

Description of policies to identify and prioritise principal adverse impacts on sustainability factors

The following polices were updated at the end of 2023 and approved by SAM Board in Oct 2023; Sustainable Investment Policy, Exclusion Policy, Human Rights Policy, Deforestation Policy. Given these polices had a substantive review and updating end-2023, no update was made to these polices in 2024. The Climate policy was not part of the larger Policy update in 2023, on account of on-going internal work for updating short term climate targets (previous set to 2025). The Climate Policy was revised, updated and approved by the SAM Board in October 2024 (and included an updated of SAMs short term climate target from 2025-2030.)

Storebrand Asset Management prioritizes and addresses these adverse impacts by using several combined strategies that involve:

- Screening and excluding companies that do not live up to Storebrand's (minimum) investments standards based on international norms and conventions and/or companies that are involved in the production of certain unsustainable products.

- Engaging with companies to discuss these adverse impacts with the aim to improve corporate behavior and thus reducing the adverse impact.
- Integrating sustainability risk ratings in investment decisions to avoid or invest less in companies with high-risk sustainability rates and prioritize or invest more in companies with low sustainability risk
- Risk-based sale of assets for assets with a high risk of involvement in activities with severe adverse impacts such as those identified as Principle Adverse Impacts (PAIs) in EU regulation.

Although principal adverse impacts (PAIs) are already being addressed and integrated in a general way by following the approach described above, SAM will be enhancing further integration for mitigation of PAIs, as outlined below.

SAM has been identifying adverse impact in its portfolios for over a decade, and thus there is an overlap between PAI indicators, and our general work carried out to mitigate risk. Regarding the identification of the specific PAI indicators, SAM will be monitoring these PAI indicators including the selected Additional Indicators on an ongoing basis as data becomes available from data providers. Our methodology is to identify PAI laggards (red), PAI intermediate performers (yellow) and PAI leaders (green) so that risk can be avoided, and more capital can be allocated to more sustainable companies and solution companies.

- **RED:** Those companies identified as PAI laggards will be further analyzed by the Risk and Active Ownership team and may result in exclusion depending on the risk and severity of the negative impact identified and the total cumulative negative impact identified across all PAI indicators.
- **YELLOW:** PAI intermediate performers will also be further analyzed with the aim to mitigate adverse impact through engagement.
- **GREEN:** In addition, the analyzed PAI data will be further integrated in financial decisions with the aim of allocating more capital to PAI leaders, and thus lift the sustainability value of our funds.

More generally, once the PAI laggards (red) are identified, portfolio managers have the opportunity and responsibility to further integrate this already categorized PAI data in order to further mitigate risk and allocate more capital into more sustainable companies. This is to be done by selecting different methodologies. These may include: 1. "PAI worst in class approach" where companies scoring poorly on a PAI indicator can be avoided; 2. "High-risk sector only PAI approach", where only companies belonging to high risk sectors and performing poorly on a PAI indicator may be avoided, or 3. "Integrated PAI risk rating approach," where companies are avoided based on the integrated average PAI indicator score or a combination of critical material PAI indicators. A strategy may also be developed for optimization of investments in companies that are identified as PAI leaders [5-10 %] as part of the PAI class/sector/rating PAI analysis.

For more information see our policies here.

Data inputs and limitations

The process is data driven with both internally and externally collected data which are assessed by our Risk and Ownership team. The Risk and Ownership team is responsible for selecting data providers that deliver relevant data enabling the organization to perform these screens. Data providers may vary over time and are described in the standards pertaining to each product or practice. Data is primarily collected from external data providers, namely Sustainalytics, Trucost, Stamdata and ISS.

If data gaps are identified, Storebrand will initiate a dialog with the different entities to collect more information. Since we receive data from different providers there are instances where the information is inconsistent. In these cases, the Risk and Ownership will conduct our own additional research and analysis on the company and potential issue. In any case we will contact the company to verify the information and the data providers to hear why the data differs.

The principle adverse impact indicators are accounted for based on the underlying securities' data availability. As the data quality and availability improves, we will be considering a range of methods to account for these and mitigate adverse impact. These methods will be applied taking into consideration the type of strategies that best fit specific portfolios' sustainability objectives, as well as Storebrand's general sustainability strategies that apply across all asset classes.

Engagement policies

The Storebrand Group believes in exercising our rights as shareholders. We employ two main ways of doing this: voting at shareholder meetings or direct company engagement by expressing our views, in writing or through dialogue with the company's management, advisers or Board of directors. Both methods can effectively address ESG concerns and provide complementary signals to companies on where we stand on important issues.

The decision to engage with companies is based on our assessment of the significance of a particular matter, holding size, scope to effect change and opportunities to collaborate with other investors.

Storebrand Asset Management has prioritised three thematic engagement themes and two cross cutting themes for the 2024-2026 period. Our prioritised themes align with the Sustainable Development Goals and with our own corporate commitments, as outlined in our Sustainable Investment Policy. These are: climate change, nature, human rights, and the cross-cutting themes are; policy dialogue and sustainability disclosure.

Please see our engagement and voting policy for more information here.

References to international standards

SAM follows many international standards as reflected in our Sustainable Investment Policy, Exclusion Policy and theme specific policies. For an exhaustive list please see our Document Library. These include but are not limited to the following standards listed below with respective PAI indicator.

- UN Guiding Principles for Business and Human Rights
  PAI 10 Violations of UNGC
  PAI 11 Lack of policies/mechanisms UNGC
  PAI 16 Countries subject to social violations
  Additional PAI 4 Lack of a supplier code of conduct

- OECD Guidelines for Multinational Enterprises/OECD Guidelines on Responsible Business Conduct for Institutional Investors
  All PAIs

- ILO Conventions
  PAI 10 Violations of UNGC
  PAI 11 Lack of policies/mechanisms UNGC
  PAI 12 Gender pay gap
  PAI 13 Gender equality on the board
  Additional PAI 4 Lack of a supplier code of conduct

- UN Human Rights Declaration and Human Rights Conventions
    - PAI 10 Violations of UNGC
    - PAI 11 Lack of policies/mechanisms UNGC
    - PAI 12 Gender pay gap
    - PAI 13 Gender equality on the board
    - Additional PAI 4 Lack of a supplier code of conduct

- UN Global Compact
    - PAI 10 Violations of UNGC
    - PAI 11 Lack of policies/mechanisms UNGC
    - Additional PAI 4 Lack of a supplier code of conduct

- UN Environmental Conventions (including the UN Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, and the Convention on Biological Diversity (CBD) and the Kunming-Montreal Global Biodiversity Framework)
    - PAI 1 GHG emissions
    - PAI 2 Carbon footprint
    - PAI 3 GHG intensity of investee companies
    - PAI 4 Exposure to companies active in the fossil fuel sector
    - PAI 5 Share of non-renewable energy consumption and production
    - PAI 6 Energy consumption intensity per high impact climate sector
    - PAI 7 Activities negatively affecting biodiversity-sensitive areas
    - PAI 8 Emissions to water
    - PAI 9 Hazardous waste ratio
    - PAI 15 GHG intensity of investee countries
    - PAI 17 Exposure to fossil fuels through real estate assets
    - PAI 18 Exposure to energy-inefficient real estate assets
    - Additional PAI 15 Deforestation
    - Additional PAI 18 GHG emissions of real estate investments
    - Additional PAI 19 Energy consumption intensity of real estate investments
    - Additional PAI 20 Waste production in operations
- International Humanitarian Law treaties and conventions and Controversial Weapons treaties
    - PAI 10 Violations of UNGC
    - PAI 11 Lack of policies/mechanisms UNGC
    - PAI 14 Controversial weapons
    - PAI 16 Countries subject to social violations

Historical comparison

A historical comparison of the period reported (2024) versus the previous years (2023 and 2022) are made in the table above. This PAI statement also includes a historical comparison of the principal adverse impacts on sustainability factors over the past three reporting periods: 2022, 2023, and 2024. It reflects Storebrand Asset Management AS's (SAM) progress in identifying, mitigating, and reporting sustainability-related risks and adverse impacts in accordance with Article 4 of the SFDR.

Over this period, SAM has observed gradual improvements in data availability, data quality, and the effectiveness of mitigation strategies. The increase in coverage across key indicators has allowed for more robust assessments of sustainability impacts and enhanced alignment with regulatory expectations.

In 2023 SKAGEN AS was dissolved through a parent-subsidiary merger of SKAGEN AS and SAM, and after the merger SAM became manager of SKAGEN mutual funds, this resulted in a higher AuM for SAM and thus we see an increase in several indicators affected by AuM changes. Some of the changes in PAIs year on year are commented below.

Greenhouse gas (GHG) emissions (PAI 1&3) — absolute emissions increased from 2022 to 2024 due to specific portfolio weightings, and also due to the merger of SKAGEN AS, however, we see that emissions intensity has decreased. This reduction is a result of multiple factors: decreased exposure to high-emission sectors, improved emissions disclosures from investee companies, and SAM's active decarbonization strategy, including engagement with major emitters and exclusions based on fossil criteria.

Indicator	2024	2023	2022	Trend
Scope 1 GHG emissions (tonnes CO_2e)	1,384,611	1,033,097	1,200,148	↑
Scope 2 GHG emissions (tonnes CO_2e)	406,931	305,580	283,846	↑
Scope 3 GHG emissions (tonnes CO_2e)	15,603,582	11,475,568	9,554,500	↑
Scope GHG emissions (tonnes CO_2e)	17,381,840	12,808,939	11,038,451	↑
GHG Intensity of investee companies (per million EUR sales)	976	1098	1045	↓

Fossil fuel exposure (PAI 4) has decreased year over year. In 2022, SAM had higher exposure to companies involved in fossil fuel activities, but this has been significantly reduced through stricter exclusion criteria and strategic divestments. Additional fossil-related thresholds introduced in recent years, such as limits on revenue from fossil fuel services, have contributed to the downward trend in fossil sector holdings.

Indicator	2024	2023	2022	Trend
Share of investments in companies active in fossil fuel sector (%)	5.91%	6.68%	6.74%	↓

Activities negatively affecting biodiversity-sensitive areas (PAI 7) - our exposure to companies with activities negatively affecting biodiversity-sensitive areas has decreased over the past three years due to strengthened exclusions, targeted engagement, and improved screening. Since 2022, we have introduced new exclusion criteria (e.g., marine and riverine tailings disposal, deep-sea mining), used tools like ENCORE and the TNFD LEAP approach, and conducted over 280 biodiversity-related engagements. These measures have led to reduced holdings in high-risk companies and improved alignment with our nature policy.

Indicator	2024	2023	2022	Trend
Share of investments in companies with negative impacts on biodiversity-sensitive areas (%)	4.99%	5.46%	6.49%	↓

However, some challenges remain. Data coverage for indicators like emissions to water, hazardous waste, and unadjusted gender pay gaps continues to be limited. While trends suggest incremental improvements, SAM acknowledges that data scarcity and quality issues in these areas constrain the ability to draw firm conclusions over time. Efforts are ongoing to improve disclosure and data sourcing across all PAI indicators.

Overall, the historical trend from 2022 through 2024 demonstrates SAM's continued progress in addressing principal adverse impacts across its investment activities. Emphasis on engagement, exclusions, and science-based targets has yielded tangible results in several key areas, particularly GHG emissions, fossil exposure, and governance-related practices. Looking forward, SAM will continue to strengthen its data infrastructure, refine methodologies, and align its practices with regulatory developments and international standards.

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