Storebrand ASA - Climate Change 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Storebrand's ambition is to be the best provider of saving for pensions. Storebrand will deliver sustainable solutions adapted to the customer's individual situation, so that each person receives a better pension in a more sustainable world. Storebrand has about 40.000 corporate customers and 1.9 million individual customers, and is headquartered in Lysaker outside of Oslo, Norway. Storebrand manages more than NOK 830bn and is Norway's largest asset manager. We work hard to reach our vision, which is to serve them so well that we are “Recommended by our customers”. Storebrand (STB) is listed on the Oslo Stock Exchange.

Storebrand provides better pensions – simple and sustainable. Total savings and pension are the sum total of many minor and major financial decisions and the Group offers products within savings, insurance and banking to private individuals, companies and public sector entities. The Group is divided into the segments Savings, Insurance, Guaranteed Pension and Other. Savings and Insurance are the Group’s focus areas, while Guaranteed Pension is in long-term decline. Storebrand’s strategy is to provide profitable growth within focus areas through simple and sustainable solutions, while we also manage our guaranteed portfolios in a capital-efficient manner. Occupational pension is a core product in both Norway and Sweden. In Norway, employees and former employees of companies that have a pension agreement with Storebrand are also offered attractive retail market solutions. Our vision is simple: We are successful when recommended by our customers. Therefore, the follow-up of feedback from customers is a priority. Storebrand’s goal is to create, through our business activities, a future to look forward to. Our sustainable solutions not only contribute to better pensions, but also to a better world in which to retire. For several decades, it has been our ambition to be bold trailblazers within sustainable investments. We take an active position on the companies in which we invest both our own capital and that of our customers. We believe that companies that integrate environmental, social and good corporate governance considerations in their business activities will be part of creating better returns over time, both through reducing risk and creating new opportunities. This focus is further reinforced by more thorough reporting and the integration of sustainability into all parts of the value chain.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2020	December 31 2020	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Norway
Sweden

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

NOK

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C-FS0.7) Which organizational activities does your organization undertake?

Investing (Asset manager)
Investing (Asset owner)
Insurance underwriting (Insurance company)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Board of Storebrand ASA has as well established a Risk Committee consisting of 3-4 Board members, which has the overall responsibility for managing, limiting and following up the interdisciplinary risks associated with the activities. Here, the climate-related issues are included. The main task of the Risk Committee is to prepare matters to be considered by the Board in the area of risk, with a special focus on the Group's appetite for risk, risk strategy and investment strategy. The reason why the board has this responsibility, is that the Board sets annual limits and guidelines for issues including risk-taking in the company, receive reports on the actual risk levels, and perform a forward-looking assessment of the risk situation. The Board-level Risk Committee meets monthly and contributes forward-looking decision-making support related to the Board's discussion of risk taking, financial forecasts and the treatment of risk reporting, including climate-related risks. Storebrands CRO, is responsible for the groups climate risk analysis, presenting this to the board. In 2020, an assessment of the life insurance branch of the companys exposure to the oil and gas sectors was conducted. It included an assessment of the share of pension payments and premiums that came from these sectors, in order to analyze the risks assosiated with a steep decline in oil and gas prices and/or demand.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Overseeing major capital expenditures, acquisitions and divestitures	Climate-related risks and opportunities to our investment activities Climate-related risks and opportunities to our insurance underwriting activities Climate-related risks and opportunities to our other products and services we provide to our clients The impact of our own operations on the climate The impact of our bank lending activities on the climate The impact of our investing activities on the climate The impact of our insurance underwriting activities on the climate	Climate-related issues are part of our interdisciplinary risk management process and CSR strategy, and therefore both directly and indirectly included in all scheduled Board meetings. Risk management is a key part of the Storebrand's business model, particularly in relation to manage Insurance risk and financial market risk. The risk management process contributes to the boards oversight of climate issues through different governance mechanisms, including reviewing and guiding policies, budgets and future business plans. The board maintains oversight over the major company investments in reducing our greenhouse gas emissions and how much the company both invests in and saves from the various climate-related projects.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Risks Officer (CRO)	Risk - CRO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our investing activities Risks and opportunities related to our insurance underwriting activities Risks and opportunities related to our other products and services Risks and opportunities related to our own operations	More frequently than quarterly
Other C-Suite Officer, please specify (Executive Vice President: Communication, Sustainability, and Industry Policy)	Corporate Sustainability/CSR reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our investing activities Risks and opportunities related to our insurance underwriting activities Risks and opportunities related to our other products and services Risks and opportunities related to our own operations	More frequently than quarterly
Chief Financial Officer (CFO)	CEO reporting line	Other, please specify (Reporting)	Risks and opportunities related to our bank lending activities Risks and opportunities related to our investing activities Risks and opportunities related to our insurance underwriting activities Risks and opportunities related to our other products and services	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Climate related issues are continuously monitored in Storebrand. One of the highest management-level positions with responsibility for climate-related issues, is an independent control functions which have been established for risk management for the business (Risk Management Function / CRO), for compliance with the regulations (Compliance Function), for ensuring the insurance liabilities are calculated correctly (Actuary Function) and for the bank's lending. The independent control functions are organised directly under the companies' managing director and report to the board. The relevant independent control functions are affiliated with the CRO, who answers directly to the CEO and reports to the board. The CRO shall ensure that all significant risks are identified, measured and appropriately reported to the CEO and the Board. The CRO shall be actively involved in the development of the Group's risk strategy and maintain a holistic view of the company's risk exposure. This includes responsibility for ensuring compliance with the relevant regulations for risk management and the consolidated companies' operations. The reason why the CRO has the responsibility is that internal audit function is organised directly under the Board and shall provide the boards of the relevant consolidated companies with confirmation concerning the appropriateness and effectiveness of the company's risk management, including how well the various lines of defence are working. Storebrands CRO has the overarching responsibility for the groups climate risk analysis and process. The climate risk assessment is integrated into Storebrands risk review, in which the CRO is also responsible.

Storebrand's Executive Vice President (EVP), Communication, Sustainability, and Industry Policy is also involved in monitoring climate-related issues relevant to the company. The EVP leads a team working on sustainability and climate issues and reports the team's progress to the Board. The EVP has overall responsibility for developing and implementing the company's sustainability action plans (as decided by the Board), monitoring key performance indicators, ensuring effective communication with customers on the topic of Storebrand's sustainability and climate work, and cooperating with relevant partners, organizations, and authorities. Storebrand has decided to place responsibility for monitoring sustainability and climate issues (as well as executing climate-related action plans and strategies) in a high-level position in order to promote sustainability and climate change as core values and priorities for Storebrand's business operations.Storebrands EVP Communication, Sustainability, and Industry Policy, as responsible for the groups sustainability strategy, is evidently responsible for our response to climate-related issues. Both reducing negative impact on the climate from Storebrands operations, reducing risks arising from climatic changes or the transition to a low-carbon economy, as well as capitalizing on these. Moreover, the EVP is responsible for how we communicate to our shareholders and other stakeholders om climate related issues. Transparency is a vital component to our climate.

Storebrands CFO is responsible for the Groups Annual Accounts and notes, as well as the Groups quarterly reports. The reporting seeks to incorporate climate related issues in a transparent manner, in order for our shareholders and other stakeholders to be able to make informed choices.

Storebrand is a driving force for the recommendations on The Task Force on Climate-related Financial Disclosures (TCFD), and we report comprehensively in accordance with this framework.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Storebrand does not have variable compensation

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Chief Executive Officer (CEO)	Monetary reward	Behavior change related indicator Company performance against a climate-related sustainability index Portfolio/fund alignment to climate-related objectives	Each year, Storebrand establishes so called Must Win Battles across our business areas. Our CEO has specific responsibility for a number of Must Win Battles, including on sustainability. The achievement of Must Win Battles is an important aspect when renumeration is reviewed once a year. One of the CEO "must win battles" on sustainability is to increase the proportion of AUM in our ESG investment products. One of Storebrand's targets within this area is that combined AUM in Investment in solutions (solution companies, Green Bonds, and real estate with Green Building Certificate) shall be 8% in 2020 and 15% in 2025. At present it stands at 6.5% of AUM
Corporate executive team	Monetary reward	Emissions reduction target Energy reduction target Efficiency target Environmental criteria included in purchases Supply chain engagement Company performance against a climate-related sustainability index Portfolio/fund alignment to climate-related objectives	As expressed above, Storebrand establishes so called Must Win Battles across our business areas each year. As for our CEO, all members of the executive team has specific responsibilities for a number of Must Win Battles, including on sustainability. The achievement of Must Win Battles is an important aspect when renumeration is reviewed once a year. The CEOs must win battle to increase the proportion of AUM in our ESG investment products, is also highly relevant for other members of the corporate executive team, and contingent on execution by the CEO of Storebrand Asset Management. Other specific Must Win Battles on climate related issues that Corporate Executive team members are responsible for are; Emission reduction targets in line with the Paris Agreement, environmental criteria in purchases, establishment of new and improved climate-related policies and active contribution in alliances and collaborative efforts related to sustainability and climate-related issues.
Dedicated Responsible Investment staff	Monetary reward	Company performance against a climate-related sustainability index Portfolio/fund alignment to climate-related objectives	Discretionary bonus is available to the sustainability team based on individual performance on key development areas in sustainability. Bonus awarded to two team members in 2018 for their work with our internal ESG analysis work and/or strengthening Storebrand's position externally within sustainable investments.

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles, including climate change?

	We offer an employment-based retirement scheme that incorporates ESG principles, including climate change.	Comment
Row 1	Yes, as the default investment option for all plans offered	All Storebrand employees are entitled to an employment-based retirement scheme managed by Storebrand Asset Management. All storebrand funds integrate ESG principles, including climate change. In 2019 100% of our assets under management were screened for ESG, and we rate all our investments based on our internally developed ESG rating.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	Short term risks are risks Associated with financial budgeting each year.
Medium-term	1	5	Medium term risks are risks associated with financial planning 2-5 years ahead in time.
Long-term	5	30	Our commitment through the Net Zero Asset Owner Allince is for our entire investment portfolio to be net zero by 2050. Our Science Based Targets also have a target year of 2050. For our property portofolio, life expectancy of buildings is minimum 60 years. We are a long term owner and investor.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Any impact that alters our strategic focus on long-term value creation is considered substantive. This is identified through a materiality analysis conducted to prioritise our most important input factors and most important drivers for creating value from these input factors. The guidelines for International Integrated Reporting Council (IIRC) are used as a starting point for the materiality analysis for long-term value creation. This model is based on identifying input factors for ensuring overall value creation and also includes risks.

In terms of quantification of a substantive impact of climate-related risk, Storebrands overall risk framework and the threshold values for substantive risks are used. This matrix consists of impact on financial or operational targets on one axis, and likelihood on the other axis. A combination of the two axes determines if the risk is deemed substantial. For example, a risk is considered substantive if the impact on a financial/operational target is in the range of 30-50% given that the likelihood is below 5%. However, if the likelihood is between 5 and 20%, the impact on financial/operational targets must be 20-30% for the risk to be seen as substantive.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Climate-related issues are integrated into multi-disciplinary company-wide risk identification, assessment and management processes, which is continuously monitored by the board, management and through each of our departments in Storebrand. Storebrands process used to determine which climate-related risks and opportunities could potentially have a substantive financial or strategic impact on the organization. Our risk mapping system is based on the management teams in each division/business unit and in corporate functions, reviewing identified and potential risk factors, including corrective actions quarterly. An aggregated Group risk report, including a corrective action plan related to each risk, is presented to Management and the Board. The data is used to plan and implement contingency plans and action programs. The Executive management group has regular meetings where megatrends and future risks; including climate changes, are discussed. The strategic discussions include actions on how the company should respond to the climate challenges and which actions to be made. We are involved in different research programmes where future risk-exposure is a key element. The executive management team is working with scenarios together with internal and external project leaders. An internal innovation department examines different trends, like environment and ethics, and evaluates the impact on Storebrand. We have an ongoing Product developing process in the asset management field with a focus on future environmental and social risks. Product portfolio review with focus on climate related risks are done at executive management level. The risks (including climate change) identified in our risk-mapping system "Easy Risk Manager" (ERM) are evaluated both on consequences and probability in short-term, medium term and long term, both before and after corrective actions. The risks are based on the evaluation marked as "red, yellow or green", both before and after corrective actions. All red risks within each division/business unit are aggregated to the next organisational level. This implies that every management level is aware of its own risks and the risks registered by lower business levels in their organisation, to ensure visibility and priority. The Risk Management software (including legacy EasyRisk functionality) supports our employees in the overall process of identifying, qualifying and mitigating risks in an interactive and transparent process. The Risk Management system supports all stages of decision-making, from the front-end users to back office or mobile resources – all in a flexible package covering everything from offline forms to online real-time dashboards. · Identification, management and control of risk in real time · Best practice risk management principles in accordance with ISO 31000, COSO, ISO 27000 etc. · Software based on DNV GL's extensive experience in risk management, including oil and gas risk management A case study of how we identify, assess and respond to climate-related risks and opportunities can be seen through our work with our new climate strategy for investments. The policy states that we should: Reorient capital flows towards low-carbon, climate-resilient and transition companies. This is a clear strategy to reduce the transition risk of our investments, and an extension of the investment strategy to make all our Swedish Subsidiary (SPP) funds fossil free. Through this, we now have nearly 40% of our AUM in fossil free funds. This reorientation of capital flows was based on an identification of carbon intensive assets as having high transition risk, and that we should reduce our exposure. In order to assess our exposure, we mapped our exposure to High-emitting sectors (not just oil, gas and coal) in 2020. Our response is to engage with the companies we are invested in, as well as to reorient capital flows towards low-carbon, climate-resilient and transition companies. On the physical risk side, a case study of how we identify, assess and respond to climate-related risks and opportunities can be seen through our physical risk mapping for our real estate subsidiary. The property investments portfolio consists of properties across Norway and Sweden of approximately 49 billion NOK. In collaboration with external experts, we conducted a physical climate risk assessment (focused on perticipation and flooding) for all our properties. The analysis found that physical risks are low for our portfolio as a whole, with a few properties with medium physical risk exposure. We are currently working to identify measures on how to respond to these risks.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulations are included as a part of our interdisciplinary risk process by being continuously monitored as part of our company wide risk identification and assessment process. Example: For Storebrand Real estate all buildings owned, managed or controlled is renovated in accordance with the regulations in the country it is located in, when it comes to climate-related issues this is particularly important when it comes to building efficiency and reducing fossil fuel use for energy related purposes. Another example is the new EU sustainable finance action plan. The EU taxonomy affects how we can label and market our investment products. It can be a reputational risk if our investments are not "green enough". Also, we find that asset managers and fund providers have different understandings of what it means to provide a category 8 fund, which is clearly a regulatory risk for Storebrand, if we categorize our funds differently than other providers.
Emerging regulation	Relevant, always included	Changes in regulatory requirements are assessed as a risk if regulation involves increasing demand on solvency when seen in conjunction with climate change. Storebrand includes the risks from emerging regulation as a part of our interdisciplinary risk process, and they are being continuously monitored as part of all legal risks. For example, a tax on carbon will have a significant impact. The Board considers the company to be fully in compliance with the applicable regulations and well-prepared for impending changes. Example: Regulations in our investment portfolio might emerge from the latest emission reduction target set by Finance Norway which is to reduce emissions from investments in Norway by 50 % in 2030. We are a member of Finance Norway as well as other engagements on reducing emissions in both Norway and Sweden. Measuring emissions from investments is carried out for Storebrand, which is a way of dealing with potential regulations on this in the future.
Technology	Relevant, sometimes included	Technology is relevant and sometimes included in our risk management by being monitored as part of our investments, such as in R&D led by a devoted group of people in our risk management. In addition, we include these climate-related risks by having an increased focus on companies which address the challenges of the future especially concerning climate-related risks through funding. Example: One of the measures used for funding such investments is to identify solution-oriented companies with a business model that promotes sustainable development. We refer to these companies as “solution companies” because they develop good solutions to important societal challenges. The total sum of good solutions in key sectors and the interaction between different technologies will pave the way for sustainable development in society. By systematically investing in solution-oriented companies, the capital flows can reduce capital expenditure for the companies that have the greatest ability to adapt. For example, solution companies can contribute by producing new technology within renewable energy, energy efficiency improvements, recycling and green transport. The winners of tomorrow will adapt current business models or adopt new business models that use resources more efficiently. Optimizing the use of resources and applied technology are both financially profitable, but also a long-term investment for value creation to continue overtime. The digital transition has also meant major changes in how Storebrand meets customers and places an increased focus on digital customers. This also requires a high level of digital expertise internally, i.e. knowledge of the solutions our customers prefer to use and where the market is moving at any given time.
Legal	Relevant, always included	The climate-related legal risks are relevant and always included as a part of our interdisciplinary risk process. The legal risks are assessed by being continuously monitored by the legal department. Example: The disclosure/non-disclosure may cause legal risks for Storebrand. One solution to reduce this is that we provide our customers with relevant information of our investment products which is included in the insurance certificate and explanation of coverage. The MIFID II regulations put legal requirements on the sustainability-related information a customer recieves from fund/asset managers related to the placement of their savings, and that the advisors should uncover clients preferences when it comes to sustainability. These legal requirements pose a risk to Storebrand, either that the financial advisors do not inform the customers properly, or discuss customer preferences, or that the customer does not understand or otherwise don't comprehend the information given. In Norway, we have an ambition that 75 per cent of our financial advisors across savings, banking and insurance should be authorised at all times. In Sweden, certification is required for advisors to carry out counselling, and all our advisers are certified. We believe this will reduce the Legal risk of not adhering to the MIFID II sustainability-related legal requirements.
Market	Relevant, always included	Climate-related market risks are relevant for Storebrand and are always included in our risk assessment process. This is done by continuously monitoring the climate-related market risks as part of our market and procurement risks. Example: The marked expectations may be a high risk related to the investment strategies for the ESG funds and other low-carbon funds which Storebrand is providing. Another example of how we manage this risk is that Storebrand is developing knowledge through educating our risk employees in monitoring market signals, market changes or uncertainties in regards to climate risk, here we have one of the Nordic region’s largest competence environments for sustainable investments. Our analysts are specialists in everything from resource economics and consumption, to innovation and political regulation.
Reputation	Relevant, always included	Reputational risks are always included in our climate-related risk assessment by being continuously monitored by our communication department and reported to the Board. Storebrand shall have an incentive model that supports the Group’s strategy, with emphasis on the customer’s interests and long-term perspective, an ambitious model of cooperation, as well as transparency that enhances the Storebrand’s reputation. Storebrand assess climate-related reputational risk by for example developing low carbon Investments Products to customers for pension savings. Our main purpose is to develop Products that consider the need for transition into a low carbon economy, Storebrand secures a good reputation, by participating in activities and Investments that help shape a sustainable future. Example: Storebrand can face reputational risks in the context of climate change, specifically around NGOs critizing Nordic investors, including Storebrand to be invested in Asian banks financing the palm oil industry. To assess such risks, Storebrand monitors reputation and feedback from customers and other shareholders to understand their perception of how sustainable Storebrand is in regards to climate change as a part of our overall sustainability strategy. An other example is that Storebrand Insurance works to make the claims process as transparent as possible for the customer. We have for example a "track my case"-solution for construction cases where the customer can follow his/her case (which partners are involved and how what the status of the case is etc.). We have also established a chatbot solution on our websites. This is a step towards better self-service solutions and the development of our web platforms, which enable all “simple” inquiries to be managed digitally. This reduces both the need for office space and resources, as well as employee and customer commuting. More complex inquiries are in the safe hands of our expert advisors.
Acute physical	Relevant, always included	Acute physical climate risk related to Extreme weather are covered by the natural perils fund for Insurance Companies, including Storebrand. Geographical areas with repeated flooding, which is the case for some areas in the Nordic region where owned buildings are located, are assessed an identified as risk areas such that the insurance premiums reflect a higher price in that area. One example to manage this risk is that technical economical due- diligence is done when purchasing new property for leasing. For standing real estate Investments, risk analysis is done through analysis and monitoring of available climate emissions data. For example, we avoid including buildings on flood plains or in harm of sea level rise in our portfolio of real estate. We also collaborate with Finance Norway, committing us to share our damage data, and compare it to the municipalities' injury data. This helps determine how the municipalities should prioritize infrastructure improvements.
Chronic physical	Relevant, always included	Chronic physical risks are always included as a part of our interdisciplinary climate-related risk process and are continuously monitored in our operational risks. Example: Extreme chronically changes in temperatures or weather may affect our own properties and buildings, as well as our clients' houses, cars or other physical belongings. One example to manage this risk is through technical economical due diligence when purchasing new property for leasing, and for standing real estate Investments, risk analysis is done through analysis and monitoring of available climate emissions data. For example, we avoid including buildings on flood plains or in harm of sea level rise in our portfolio of real estate.

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio’s exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	Our largest climate-related financial risks and opportunities are believed to lie in the transition to a low-emission society. Climate policy and regulations, emission requirements, changed cost structure and market preferences may affect our investments. Our main initiatives to mitigate risks and capitalise on potential opportunities are: - Investing in solutions: Our investment strategy includes allocating more capital towards more sustainable companies. We define solution-oriented companies as firms that contribute to the UN Sustainable development Goals (SDGs), without significantly hindering other SDGs or the Paris Agreement. - Active ownership: We exercise active ownership by voting at general meetings, including proxy voting, and direct dialogue on ESG issues with the management and boards of these companies. Through participation in the UN PRI, we work with other investors to engage with companies in relevant areas of sustainable business, including climate and deforestation. - Exclusions: All companies in our investment portfolio must comply with the Storebrand Standard, our minimum requirements for human rights and international law, corruption and financial crime, climate and environmental damage, controversial weapons and tobacco. In case of serious violations of the Storebrand Standard, we use our role as owner to suggest improvements in dialogue with the company. If our engagement is not successful, the company is excluded. In addition, Storebrand Asset Management stress tested its investments through the 2 Degrees Investing Initiative scenario analysis tool (PACTA7) in 2019, and an updated analysis in the spring 2021. Transitional risk was mapped through exposure to high and low carbon technologies in the most important sectors, including fossil fuels and electrification in the transport sector. The results indicate how our investments are influenced by different scenarios, compared to reference portfolios. We were also one of twenty leading investors in the UNEP FI investor group on TCFD. The group developed models to enable scenario-based assessment and disclosure of climate-related risks and opportunities. The group worked on methods to determine the value at risk for equity, bond and real estate portfolios.
Investing (Asset owner)	Yes	Storebrand is both an asset owner, and manager. See answer above for a description of how we work in our own Asset Management department. As an asset owner, we assess the exposure to climate risks and opportunities across all asset classes (most of these explained through the other boxes of this question). Additionally, we set stringent requirements and engage actively with other asset managers when we invest in externally managed funds and other external investments. ESG is an integrated part of the Storebrand Asset Management manager selection process. The process includes qualitative and quantitative measures and assessments. Quantitative measures include our proprietary ESG rating which covers E, S and G considerations on stock and portfolio level. We also complement internal ratings with data from our external data providers. The quantitative measures will include considerations of the current and historical portfolio characteristics, but also how well the portfolios are positioned in terms of relevant future sustainability trends. All funds are given an ESG score, which is further explained in section C-FS2.2d. The score is used to assess the portfolio’s exposure to climate-related risks and opportunities. We also rate our external funds/managers using a wide range of criteria. The main areas in this qualitative assessment are as following: The fund mandate with respect to ESG considerations Attitudes expressed, implemented policies and dedicated ESG resources in the fund organization Integration of ESG in the investment process Portfolio manager/team knowledge and attitudes Previous experience with the manager in question When monitoring the external managers selected, we also use a combination of quantitative and qualitative measures. Changes in overall ratings and portfolio content is of course important, as well as ongoing periodical fund reviews with the managers where we discuss portfolio positions from an ESG perspective. Working together with our external managers to influence the portfolio companies in a better direction is also important for us, as this gives increased leverage to our internal impact potential.
Insurance underwriting (Insurance company)	Yes	The direct impact on insurance liabilities from climate change is limited for Storebrand. The greatest climate-related financial risk for our real estate and casualty insurance business is physical risk in the form of increased payments due to climate-related damage. In the long term, rising sea levels and changes in weather patterns may also have an impact. We believe that transitional risks, such as changing customer behaviour, technological developments and new regulations, will affect the real estate and casualty insurance markets. Our most important initiatives to mitigate climate risks are: • Risk assessment and pricing: climate factors are included in risk assessment and pricing in the underwriting process. • Exposure mapping and reinsurance: We reinsure assets in areas with a high exposure to physical risks associated with climate change. • Diversified risk through national plan: Participation in Norwegian natural perils pool is statutory and provides joint reinsurance protection linked to property insurance for real estate and housing. • Pilot project under the auspices of UNEP FI: In 2019, we participated as one of 18 insurance companies to further develop standardised reporting for insurance providers in accordance with TCFD. The work was finalized in 2020. Following this work, Storebrands EVP Sustainability, communication and industry policy is now Board Chair of PSI (Principles for sustaianbel Insurance). • Rewarding damage prevention: We actively communicate with our customers, encouraging damage prevention measures, such as securing property during periods prone to flooding.
Other products and services, please specify	Yes	Real Estate Investments: Storebrand had direct real estate investments valued at NOK 49 billion at the end of 2020. Physical risk results largely from extreme weather impacts on real estate assets. Transitional risk is associated primarily with medium-long term uncertainty. We anticipate that the real estate sector will be subject to new requirements for energy and climate efficiency, and our ability to adapt to these requirements is crucial to managing risk as well as realising market opportunities. Mitigation measures that we have already implemented include real estate green building certification program and Global Real Estate Sustainability Benchmark (GRESB) rating. Our real estate portfolio had 43% certified green property in 2020 in Norway and Sweden, increased from 30 % in 2018 and 41% in 2019. By 2021, the goal is to increase this number to 53% and 75% by 2025. Our share of certified green buildings is seen as a good proxy for our property portfolios exposure to climate-related risks, especially transition risks. In 2020, we conducted an climate risk assessment of both physical an transition risks for our property protfolios. We road-tested the Science Based Targets methodology for setting science based targets (SBTi), and calculated SBTi targets for our real estate portfolios, and wrote a case study on the process. We did a physical climate risk assessment in collaboration with external experts.

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio’s exposure to climate-related risks and opportunities.

	Portfolio coverage	Assessment type	Description
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>

	Portfolio coverage	Assessment type	Description
Investing (Asset manager)	All of the portfolio	Qualitative and quantitative	Storebrand will at all times seek to align its investments with scientific consensus on climate change. This means that Storebrand supports the commitments outlined in the Paris Agreement and that statements and reports from the Intergovernmental Panel on Climate Change (IPCC) will provide the scientific basis for our subsequent investment decision making. If there is scientific uncertainty with regards to the negative effects of specific activities on climate change, Storebrand will adopt the precautionary principle. In order to accurately gauge climate risk and make informed investment decisions, Storebrand will utilize Climate scenarios as an analysis tool. Selection of scenarios will be in accordance with the following expectations. - The scenario provider must be scientifically recognized - Scenarios must cover both transition and physical risk - Scenario design should not rely on overshoot or on technical optimism - The scenario provider should deliver a range of scenarios from best case to worst case. On the basis of these expectations, Storebrand will actively use the Intergovernmental Panel on Climate Change (IPCC) models. When setting short, medium and long-term investment strategies, Storebrand will make use of scenarios consistent with limiting global warming to 1.5 C with no or limited overshoot. These scenarios require CO2 emissions decline by about 45% from 2010 levels by 2030 and net zero emissions by 2050. We were also one of twenty leading investors in the UNEP FI investor group on TCFD. The group developed models to enable scenario-based assessment and disclosure of climate-related risks and opportunities. The group worked on methods to determine the value at risk for equity, bond and real estate portfolios. Defining what is low-carbon and climate aligned not only presents investment portfolios with risks that need to be mitigated, it also presents new opportunities to diversify portfolios and improve their resilience to the effects of climate change. The EU taxonomy will be central when defining low-carbon and climate-resilient activities. The Taxonomy sets performance thresholds (referred to as "technical screening criteria") for economic activities which make a substantive contribution to climate change mitigation and adaptation. These activities must avoid significant harm to other environmental objectives (pollution, waste & circular economy, water, biodiversity) and meet minimum social safeguards, currently defined as ILO Core Labour Conventions. In addition to using external frameworks like the EU Taxonomy to inform investment decisions, Storebrand will further develop internal analyses in order to identify companies that provide Solutions to managing climate change. So called "Solution companies" as identified by Storebrand will be included in investment portfolios, and we seek to increase their weighting. We will undertake an assessment of companies' preparedness for the transition to a low-carbon economy, with a focus on high impact sectors. Businesses that are undergoing a transition towards a low-carbon economy will be supported in this. We will use the following metrics to measure, monitor and disclose climate-related risks and to capture investment opportunities. • Carbon footprint: Measure 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 and improving disclosure standards. • Ratings and research: Use the outputs from one or more of the various climate-related data, research and ratings service providers as part of our assessment of climate-related risks and opportunities. • Adaptation metrics: Assess the preparedness of investee companies and entities to the physical impact risks associated with climate change. • Climate risk assessment and monitoring: Storebrand will strengthen and enhance continual climate risk assessment in financial decision making. This means that all fund managers in the Storebrand Group are responsible for assessing and reporting on the climate risk profile of their portfolios. These climate risk assessments will be supported by the sustainable investment teams and followed up in annual fund reviews Our new climate policy also puts additional emphasis on the importance of decarbonizing high emitting sectors. By 2020, Storebrand will map our portfolio exposure to high emitting sectors, set targets for the relevant sectors, and report on the exposure and progress per sector annually. See the new climate policy here: https://lnkd.in/eUEBgXc We will continue to report on the overall exposure of our portfolios to the risks and opportunities presented by climate mitigation and adaptation, and to align this reporting with the TCFD Climate strategy for investments covers our entire portfolio
Investing (Asset owner)	All of the portfolio	Qualitative and quantitative	Storebrand is both an asset owner, and manager. See answer above for a description of how we work in our own Asset Management department. As an asset owner, we assess the exposure to climate risks and opportunities across all asset classes (most of these explained through the other boxes of this question). Additionally, we set stringent requirements and engage actively with other asset managers when we invest in externally managed funds and other external investments. ESG is an integrated part of the Storebrand Asset Management manager selection process. The process includes qualitative and quantitative measures and assessments. Quantitative measures include our proprietary ESG rating which covers E, S and G considerations on stock and portfolio level. We also complement internal ratings with data from our external data providers. The quantitative measures will include considerations of the current and historical portfolio characteristics, but also how well the portfolios are positioned in terms of relevant future sustainability trends. We also rate our external funds/managers using a wide range of criteria. The main areas in this qualitative assessment are as following: The fund mandate with respect to ESG considerations Attitudes expressed, implemented policies and dedicated ESG resources in the fund organization Integration of ESG in the investment process Portfolio manager/team knowledge and attitudes Previous experience with the manager in question When monitoring the external managers selected, we also use a combination of quantitative and qualitative measures. Changes in overall ratings and portfolio content is of course important, as well as ongoing periodical fund reviews with the managers where we discuss portfolio positions from an ESG perspective. Working together with our external managers to influence the portfolio companies in a better direction is also important for us, as this gives increased leverage to our internal impact potential. Climate strategy for investments covers our entire portfolio, and hence the way we assess ourportfolio's exposure to climate-related risks and opportunities, which is based on the discriptions and requirements of the climate strategy for investments, is appliccable to all the activitites/assets in this question (Word count issues meant it could not be explained above, but it also covers investing (asset manager). Therefore, we have ticked "all of the portfolio".
Insurance underwriting (Insurance company)	All of the portfolio	Qualitative and quantitative	The direct impact on insurance liabilities from climate change is limited for Storebrand. The greatest climate-related financial risk for our real estate and casualty insurance business is physical risk in the form of increased payments due to climate-related damage. In the long term, rising sea levels and changes in weather patterns may also have an impact. We believe that transitional risks, such as changing customer behaviour, technological developments and new regulations, will affect the real estate and casualty insurance markets. Our most important initiatives to mitigate climate risks are: • Risk assessment and pricing: climate factors are included in risk assessment and pricing in the underwriting process. • Exposure mapping and reinsurance: We reinsure assets in areas with a high exposure to physical risks associated with climate change. • Diversified risk through national plan: Participation in Norwegian natural perils pool is statutory and provides joint reinsurance protection linked to property insurance for real estate and housing. • Pilot project under the auspices of UNEP FI: We are currently participating as one of 18 insurance companies to further develop standardised reporting for insurance providers in accordance with TCFD. The work is expected to be finalised in 2020. • Rewarding damage prevention: We actively communicate with our customers, encouraging damage prevention measures, such as securing property during periods prone to flooding. Climate strategy for investments covers our entire portfolio, and hence the way we assess ourportfolio's exposure to climate-related risks and opportunities, which is based on the discriptions and requirements of the climate strategy for investments, is appliccable to all the activitites/assets in this question. Therefore, we have ticked "all of the portfolio".
Other products and services, please specify	All of the portfolio	Qualitative and quantitative	Real Estate Investments: Storebrand had direct real estate investments valued at NOK 49 billion at the end of 2020, this includes 100 % of the portfolio. Physical risk results largely from extreme weather impacts on real estate assets. Transitional risk is associated primarily with medium-long term uncertainty. We anticipate that the real estate sector will be subject to new requirements for energy and climate efficiency, and our ability to adapt to these requirements is crucial to managing risk as well as realising market opportunities. Mitigation measures that we have already implemented include real estate green building certification program and Global Real Estate Sustainability Benchmark (GRESB) rating . In 2019, we participated in the UNEP-FI TCFD project for developing a risk assessment model for real estate investments, covering Scope 1 and 2 emissions. The model needs to be further developed, but the analysis indicates that, in an international context. the risk level of our portfolio is generally regarded low, both on physical and transition risk. We have decided to use the tool that is recommended by the UNEP FI climate-risk pilot project, namely the CREEM tool , based on the SDA methodology. The aim is to test combinations of various potential measures on building level in order to project the effect on portfolio level towards our mid-term decarbonisation targets. This should be completed in 2021. Through the assessment conducted in 2020, we found that physical risks are low for our portfolio, with a few properties with medium physical risk exposure. Climate strategy for investments covers our entire portfolio, and hence the way we assess ourportfolio's exposure to climate-related risks and opportunities, which is based on the discriptions and requirements of the climate strategy for investments, is appliccable to all the activitites/assets in this question. Therefore, we have ticked "all of the portfolio".

C-FS2.2d

(C-FS2.2d) Do you assess your portfolio's exposure to water-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	All of the portfolio	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. On the ESG risk side, the score assesses companies' exposure to, and management of, financially material sustainability risks, hereunder water risk. On the SDG opportunities side, we analyse sustainability data sources, to find companies whose products and services contribute positively to the achievement of financially relevant SDGs, hereunder SDG 6 Clean Water and Sanitation and 14 Life Below Water. For products and services, we source FTSE Russel Green Revenue data, in addition to internal research, to identify solutions companies. The SDG opportunities section of the score also has a company operations dimension, particularly related to Gender Equality. Fund Managers at Storebrand Asset Management are able to access the score on a number of levels. Total Score, Risk Score, SDG Score, and scores for underlying themes within these building blocks, are all readily available. The data sources underpinning the scores are external sources from quality controlled data providers, coupled with internal research. The following providers are currently in use: ESG Risks: Sustainalytics ESG Risk Rating (50%) SDG Opportunities - Products & Services: FTSE Russell Green Revenue Streams plus internal research (40%) SDG Opportunities - Operations: Equileap data on Gender Equality (10%) The Sustainability Score is relevant across asset classes. Implementation of the score is dependent on the style and risk profile of the fund/portfolio in question. Storebrand's ESG risk assessment of companies include the following indicators: Physical Climate Risk Management, Water Risk Management, Water Management Programmes and Water Intensity. Decreasing the amount of water usage during the production process should be an important focus for water-intensive companies. Industries such as textiles, food and beverage, paper and forestry, automobiles and mining are heavily reliant on water. If dependency on water is not met with the proper responses to ensure accessibility, the company's profit is at risk. As an investor, we depend on information. Reporting on water metrics, even as basic as water intensity, is still not good enough.
Investing (Asset owner)	Yes	Majority of the portfolio	As an Asset owner, our assessment of our portfolio's exposure to water-related risks and opportunities is highly contingent on the work that is done by ourasset management team. We are very aware of the impacts of global water challenges, driven by factors such as water scarcity and extreme weather events, are increasingly materializing for companies around the globe. This poses a potential risk to our investments. Therefore, water risk is analyzed on indicators such as: Physical Climate Risk , Water Risk Management, Water Management Programmes and Water Intensity. As an example, the very high water consumption in the sector was one of the factors that led us to exclude investments in Oil Sands from our investments. We also see a lot of opportunities within the area of water, which is reflected in a strategic target for us to increase our investments in green bonds, hereunder investments in water purification and drinking water supply. More can be read here: https://www.storebrand.no/en/asset-management/sustainable-investments/our-climate-strategy/ We also went into a partnership with the Norwegian Church's Aid on the topic of water stress and SDG 6, where we wrote a collaborative report . In the report, we give an investors view on water management, explain how we analyse water risk, and give an easy step by step guide to how other investors can analyse water stress. Report is available here: https://www.storebrand.no/en/asset-management/sustainable-investments/our-climate-strategy/ One of our main engagement activities in recent times has been to engage with companies to reducef water use and GHG emissions within intensive livestock producers. The engagement has been through FAIRR, collaborative investor network that raises awareness of ESG risks and opportunities caused by intensive livestock production. Livestock production consumes nearly a third of global freshwater use and contributes 14.5% of global GHG emission. We directly ask companies to de-risk their meat and dairy supply chains by requiring them to undertake climate risk scenario analysis, develop strong supplier policies on climate and water, set science-based targets, and publicly report on progress against these targets.
Insurance underwriting (Insurance company)	Yes	Majority of the portfolio	Storebrand Insurance is part of a public-private partnership where insurance claims data from water, such as heavy rainfall and flooding is gathered in a public database used for risk mapping of potential risks to infrastructure and residential homes. This is used in our insurance underwriting. Moreover, in settling claims, environmental assessment is performed when relevant, The environmental assessment is performed by external third party, and includes water risk elements both in terms of ground/drinking water pollution risk as well as flood risk.
Other products and services, please specify	Yes	All of the portfolio	Real Estate Investments: For all developments of new properties, an environmental assessment is allways performed, The environmental assessment is performed by external third party, and includes water risk elements both in terms of ground/drinking water pollution risk as well as flood risk. BREEAM NOR and BREEAM-in use is used actively for our pre and post investment activities. Water consumption and water- related risks and opportunities are central themes in both BREEAM schemes. In our existing buildings, water usage is monitored closely, and we have specific targets to reduce water consumption, as expressed in our annual report.

C-FS2.2e

(C-FS2.2e) Do you assess your portfolio's exposure to forests-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	All of the portfolio	Storebrand deforestation policy is a call on companies to eliminate deforestation. This policy defines our minimum standard for investment and outlines the objectives of our engagement with the sector. Storebrand's deforestation policy lays out what we expect of companies regarding their disclosure and management of deforestation risks. Storebrandbrand's ambition is to have an investment portofolio that does not contribute to deforestation by 2025. Storebrand will not knowingly finance operations that are illegal, fail to protect high conservation value forests/land or violate the rights of workers and local people". We commit to use the tools that we as shareholders have at our disposal to induce companies to meet the expectations described in this document. We will cooperate with other financial institutions to promote standards for measuring, monitoring and reporting on direct and indirect deforestation risk. By 2020 we will map our portfolio exposure to deforestation risk and report on progress annually. The policy applies to all relevant companies in our portfolio, that are involved in production, trade, use or financing of forest-risk commodities, particularly palm oil, soy, timber and cattle products. The policy covers both upstream and downstream companies linked to forest-risk commodities through their operations and supply chains. Despite the increasing attention amongst institutional investors on the importance of tropical forests to the global economy and environment, it remains challenging for institutional investors to effectively address risks arising from deforestation. Although a range of new tools and data sources have recently become publicly available, there is the need to better understand, assess and manage deforestation risks in a systematic manner and integrate deforestation data into existing systems for risk analysis. In response to this challenge, Storebrand initiated a research project to conduct a deforestation tools assessment and gap analysis. The research findings and recommendations are for institutional investors with the aim of addressing deforestation risk in a systematic manner. Available here: https://www.storebrand.no/en/asset-management/sustainable-investments/document-library/_/attachment/inline/6eb0a349-027e-47f1-8d33-630af0e0eb23:d156c55f96906cc3147eeb51eb4e07a1c2344653/Deforestation_tools_assessment.pdf
Investing (Asset owner)	Yes	All of the portfolio	Storebrand deforestation policy is a call on companies to eliminate deforestation. This policy defines our minimum standard for investment and outlines the objectives of our engagement with the sector. Storebrand's deforestation policy lays out what we expect of companies regarding their disclosure and management of deforestation risks. It calls for companies to demonstrate a commitment to eliminating deforestation by taking the following steps, among others: Storebrandbrand's ambition is to have an investment portofolio that does not contribute to deforestation by 2025. Storebrand will not knowingly finance operations that are illegal, fail to protect high conservation value forests/land or violate the rights of workers and local people". We commit to use the tools that we as shareholders have at our disposal to induce companies to meet the expectations described in this document. We will cooperate with other financial institutions to promote standards for measuring, monitoring and reporting on direct and indirect deforestation risk. By 2020 we will map our portfolio exposure to deforestation risk and report on progress annually. The policy applies to all relevant companies in our portfolio, that are involved in production, trade, use or financing of forest-risk commodities, particularly palm oil, soy, timber and cattle products. The policy covers both upstream and downstream companies linked to forest-risk commodities through their operations and supply chains. Despite the increasing attention amongst institutional investors on the importance of tropical forests to the global economy and environment, it remains challenging for institutional investors to effectively address risks arising from deforestation. Although a range of new tools and data sources have recently become publicly available, there is the need to better understand, assess and manage deforestation risks in a systematic manner and integrate deforestation data into existing systems for risk analysis. In response to this challenge, Storebrand has initiated a research project to conduct a deforestation tools assessment and gap analysis. The research findings and recommendations of this research project will be presented to institutional investors with the aim of helping others to also address deforestation risk in a systematic manner.
Insurance underwriting (Insurance company)	Not applicable	<Not Applicable>	The Insurance branch of Storebrand is restricted merely to insurance of private homes, automobiles and health/travel insurance, and forest-related risks are seen as not applicable to these business activities.
Other products and services, please specify	Not applicable	<Not Applicable>	

C-FS2.2f

(C-FS2.2f) Do you request climate-related information from your clients/investees as part of your due diligence and/or risk assessment practices?

	We request climate-related information	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	The Storebrand Group believes in exercising our rights as shareholders. We employ two main ways of doing this, either through voting at shareholder meetings or direct company engagement by expressing our views, in writing or orally, to the company's management, advisers or Board of directors. Both methods can be very effective in addressing ESG concern 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. The Storebrand Sustainability team has prioritized four engagement themes for 2020. The themes align with the Sustainable Development Goals and focus on financially material topics that address environmental, social and governance (ESG) issues. Two of the topics are especially important in this regard: Decarbonizing companies - we engage with companies to reduce their emissions, report their emissions (for instance to CDP), and to set targets for emission reductions in line with the Paris Agreement. Biodiversity and deforestation - we engage with companies on deforestation and land use. Data is limited, and Storebrand has initiated a research project to conduct a deforestation tools assessment and gap analysis. The research findings and recommendations of this research project will be presented to institutional investors with the aim of helping others to also address deforestation risk in a systematic manner. Our new climate policy also puts additional emphasis on the importance of decarbonizing high emitting sectors. To ensure a climate trajectory of no more than 1,5°C of global warming and reduce climate-related financial risks, it is crucial to work with the highest GHG emitting sectors in their decarbonization pathway. We acknowledge that the carbon-mitigation pathways will be different for different sectors, based on factors such as available technology and infrastructure and will take this into consideration. By 2020, Storebrand will map our portfolio exposure to high emitting sectors, set targets for the relevant sectors (starting with 2025), and report on the exposure and progress per sector annually. We will also work actively with investor groups such as Climate Action 100+ and Net Zero Asset Owner Alliance to ensure necessary decarbonization In addition, we will be requesting the following from companies in high emitting sectors: • Publicly disclose scope 1-3 GHG emissions • Integrate relevant climate change risks and opportunities (physical or transition) in their investment planning, risk management and reporting. Reporting should be in line with international recognized reporting initiatives • Have a strategy addressing a transition to a low-emissions energy system. These efforts should be in line with recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) • Set scientifically verifiable targets that support a 1,5°C pathway - Implement executive compensation linked to the above-mentioned climate targets • Incorporate social considerations into company decarbonization strategies, to secure the trust of workers and communities By See the new climate policy here: https://lnkd.in/eUEBgXc
Investing (Asset owner)	Yes	The Storebrand Group believes in exercising our rights as shareholders. We employ two main ways of doing this, either through voting at shareholder meetings or direct company engagement by expressing our views, in writing or orally, to the company's management, advisers or Board of directors. Both methods can be very effective in addressing ESG concern 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. The Storebrand Sustainability team has prioritized four engagement themes for 2020. The themes align with the Sustainable Development Goals and focus on financially material topics that address environmental, social and governance (ESG) issues. Two of the topics are especially important in this regard: Decarbonizing companies - we engage with companies to reduce their emissions, report their emissions (for instance to CDP), and to set targets for emission reductions in line with the Paris Agreement. Biodiversity and deforestation - we engage with companies on deforestation and land use. Data is limited, and Storebrand has initiated a research project to conduct a deforestation tools assessment and gap analysis. The research findings and recommendations of this research projectise presented to institutional investors with the aim of helping others to also address deforestation risk in a systematic manner. https://www.storebrand.no/en/asset-management/sustainable-investments/document-library/_/attachment/inline/6eb0a349-027e-47f1-8d33-630af0e0eb23:d156c55f96906cc3147eeb51eb4e07a1c2344653/Deforestation_tools_assessment.pdf As expressed, we our new climate policy intensivises our efforts to decarbonize companies in high-emitting sectors, and hence we are requesting the following from companies within these sectors: In addition, we will be requesting the following from companies in high emitting sectors: • Publicly disclose scope 1-3 GHG emissions • Integrate relevant climate change risks and opportunities (physical or transition) in their investment planning, risk management and reporting. Reporting should be in line with international recognized reporting initiatives • Have a strategy addressing a transition to a low-emissions energy system. These efforts should be in line with recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) • Set scientifically verifiable targets that support a 1,5°C pathway - Implement executive compensation linked to the above-mentioned climate targets • Incorporate social considerations into company decarbonization strategies, to secure the trust of workers and communities By
Insurance underwriting (Insurance company)	Yes	Storebrand insurance have introduced "green settlement" through a cooperation with a company, GIAB, which specializes in circular economy. All products and movables that are condemned in an injury are collected by GIAB. The company then repairs and prepares the products for resale/reuse. This partnership will reduce the waste from our insurance operations, and the reduction in CO2 emissions which will be reported monthly by GIAB. We recycle and repair when possible. In 2019, we started a strategic partnership with Hurtigruta Carglass, a car glass company with a high repair ratio. Instead of replacing all car windows after accidents, four out of ten windows are now repaired through Hurtigruta Carglass. This helps reduce waste. 40 replaced car windows fill a trailer with waste, while the waste of 40 repaired car windows can be held in the palm of your hand. Storebrand has established a strategic partnership with Løvenskiold Handel / Maxbo, a provider of building materials. The partnership entails that they will support our main partner in insurance claims for the housing insurance market, Polygon Norway, in choosing more environmentally friendly materials and products in the reconstruction / rebuilding of the damaged property. The partnership is one of a kind, and is contingent on active participation from all parts. We collaborate closely in order to make real world changes in settling insurance claims. In order to nudge our home insurance customers to behave more sustainably, we offer a grant of up to NOK 150,000 for installation of climate-friendly or safety-related measures beyond what is required by law or regulations when rebuilding insured houses. Climate-friendly measures are defined as fixed installations, construction methods and use of building materials that are intended to reduce carbon emissions and energy consumption. Storebrand's car insurance customers are offered a cash compensation if they choose not to use a rental car while their car is being repaired, nudging the customer to use more environmentally friendly transportation in this period. In addition to reducing emissions further, we operate by a strict safety policy stating that environmental issues are to be prioritized. We have a defined safety regulations when handling buried oil and paraffin tanks in insured homes (an issue in the Norwegian housing market). We also have a zero tolerance for leaving waste at the bottom om the sea which means that all boats that have sunken are to be raised and safely restored.
Other products and services, please specify	Yes	Real Estate investments: For our property investments, we request climate-related data for the property investments both in relation to new acquisitions and for the operations of properties in our existing portfolio. Climate related information is part of our thorough technical economical due diligence when purchasing new property for leasing, and for standing real estate Investments, risk analysis is done through analysis and monitoring of available climate emissions data. For example, we avoid including buildings on flood plains or in harm of sea level rise in our portfolio of real estate. For all developments of new properties, an environmental assessment is allways performed, The environmental assessment is performed by external third party, and includes climate-relatedelements such as energy consumption, flood risk, ground/drinking water pollution risk, materials used and much more. In our property investments, we request climate reladet information such as water usage, waste generation, energy use, waste sorting etc, which is is monitored closely, and we set specific targets on these parameters for every property individually and on an aggregated level.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact
Increased insurance claims liability

Climate risk type mapped to traditional financial services industry risk classification
Market risk

Company-specific description
As an insurance provider Storebrand is exposed to physical risks through insurance in the Norwegian retail market (insuring our clients' real estate, cars, etc.). The physical risks from climate changes are linked to the risks that natural disasters/cyclone storms, floods and other severe weather conditions affect our clients' houses, cars or other physical belongings. Storebrand insurance operate mainly in the Norwegian market. Norway has a very limited exposure to cyclones. However, due to the Norwegian climate, with a lot of snow in the winter months, certain geographical locations have an elevated risk of flooding if snow melting happens rapidly. Especially in combination with heavy rainfall. Climate predictions and weather extrapolations indicate that increased precipitation, both in terms of frequency and volume is likely to arise in Norway over the next decades. This might make the occurrence of flooding more frequent, also in locations with limited flood risk today. Risk management also plays a crucial role when deciding the premium the customer has to pay for each of Storebrand insurance products. We use climate change data in our risk considerations from each region we insure in and premium analysis which defines the premium rating for each location. The insurance risk in Norway is largely standardised between the contracts in the same industry as a result of detailed regulation from the authorities. In Sweden, the framework conditions for insurance contracts entail major differences between the contracts within the same industry.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
5000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
To reduce the risk for our customers, Storebrand sets aside funds yearly to a national collective pool of funds (mandatory) that cover damages from natural disasters. Storebrand covers about 1,5 % of the insurance payments related to natural disasters in Norways. Storebrand consider future physical risks to be within the magnitude of 5 million NOK. Claim events over 5 million NOK are covered by reinsurance contracts.

Cost of response to risk
1000000

Description of response and explanation of cost calculation
Insurance risk for Storebrand's products are monitored separately for every line of insurance in the current insurance portfolio. The development of the risk results is followed continuously. In the case of each risk type, the ordinary risk result for a period represents the difference between the risk premiums that the company, client or customer has collected for the period and the sum of provisions and payments that must be made for insured events which occur in the period. The risk result takes into account insured events which have not yet been reported, but which the client assumes have occurred. A management method which is implemented to manage this risk, is that we do not give insurance for a customer's house if it is in a flood-plain area or in an area with risk of being flooded. These locations are monitored by the government who give us the information on how to manage each location for our clients. To reduce the risk for our customers, Storebrand sets aside funds yearly to a national collective pool of funds (mandatory) that cover damages from natural disasters. Storebrand normally covers about 1,5 % of the insurance payments related to natural disasters in Norway. The associated cost of management is approximately 2 FTE's in addition to other related supporting position on an irregular basis (calculation: 2 FTE*500 000 = 1 mill NOK).

Comment
We set aside funds to be able to pay any future climate-related claims that may arise. Storebrand is a partner of The Norwegian National Fund for Natural Damage Assistance. This Fund was established with the aim to compensate damage caused by natural perils and to contribute to protective measures against such perils. Storebrand must, according to the rules of the Pool, collect a premium of 0.09% for each insurance covered in Norway. It is difficult to estimate total costs for these actions.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Reputation	Increased stakeholder concern or negative stakeholder feedback

Primary potential financial impact
Decreased access to capital

Climate risk type mapped to traditional financial services industry risk classification
Market risk

Company-specific description
Sustainability has been an integral part of Storebrand's services for many years and reputation is one of our most valuable assets and key to success. Our standard for sustainable investments is based on the assumption that the companies which contribute to solving societal problems in a sustainable way, will also be the most profitable in the long term. The Storebrand Standard for sustainable investments shall therefore help to ensure our clients' future returns. We conduct extensive sustainability analyses of the companies we consider investing in and our approach is also guided by our understanding of the expectations and concerns of our diverse stakeholders. Climate change involves a reputational risk if not properly addressed, including through negative stakeholder perceptions of Storebrand. Clients increasingly ask Storebrand for products and services which reduces their exposure to climate-related risks. If Storebrand does not provide such products, we run the risk of losing such business. In

2020, Storebrand continued to face reputational risks, in the context of climate change. More specifically, mainstream media often in collaboration with different NGOs criticize investors, including Storebrand for their investments in companies with related controversies. Examples of this can be e.g. the incident at Hydro's Au Norte plant in Brazil, investments in Brazillian companies in general in relation to the wildfires in the Amazon, investments in Oil companies or in Asian banks financing the palm oil industry, and most recently investments on the south bank and in Myanmar. Also, investments in Wind parks in Norway has gained a lot of negative attention. At the same time, Storebrand's climate action created positive reputational rewards, and been listed in several indices and awards related to ESG topics (rated as the second-best investor in Ethical Bank Guide, top three in the green tech awards etc).

Time horizon
Short-term

Likelihood
More likely than not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
48050000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Reputational risks could lead to loss of business. As 31.12.2020 , Storebrand's AUM was Nok 961 billion. This reputational risk can impact how the firm is viewed by stakeholders and whether we remain a credible investor to climate change. The potential financial impact figure is calculated by estimating a loss of 5% of our customers, which gives the calculation of AuM 962 bn NOK * 0,05 = 48,05 bn NOK.

Cost of response to risk
12000000

Description of response and explanation of cost calculation
Storebrand conducts extensive sustainability analyses of the companies we consider investing in. This requires that we provide regular information to various stakeholders through for example reporting, website etc. We are a member of The Institutional Investors Group on Climate Change (IIGCC)- a forum for collaboration on climate change for investors to encourage public policies, investment practices, and corporate behavior that address long-term risks and opportunities associated with climate change. IIGCC develops and publishes Investor guides aimed at creating greater understanding of the risks and opportunities posed by climate change and policies. In addition to these management methods, we are actively working with other investors under PRI and Climate Action 100+. Example: Storebrand has also taken a clear stand on coal and worked to reduce its coal exposure since 2013 and launched an Exit Strategy which we were nominated as top three under the Green Tech Awards in 2018. In 2018, Storebrand Asset Management participated in UNEP FI's TCFD Investment Investor Group, analyzing our investment portfolio in order to calculate figures on "assets at risk" from climate related risk factors. In 2019, all SPPs (Storebrands Swedish arm) funds were made fossil free, meaning that we now have 379,2 billion NOK of our 962 billion NOK AUM in fossil free products. Last year, Storebrand was one of the 12 founding members of the Net Zero Asset Owner Alliance (NZAOA), and commit ourselves to having a carbon-neutral investment portfolio by 2050. As part of our committment to the NZAOA, in 2020 we set an intermediate target to In line with the IPCC’s 1.5°C scenarios and commitments communicated through Storebrand’s climate strategy and the Net Zero Asset Owner Alliance (NZAOA), we aim to reduce the carbon footprint46) in the Storebrand Group’s total equities, corporate bond, and real estate investments by at least 32 per cent by 2025 with the base year in 2018. A number of employees are the main cost driver for Storebrand to manage this risk. The associated cost of management is therefore estimated to 12 million NOK as calculated from 24 FTE's (24*500000=12 mill NOK).

Comment
Climate change is a top priority in our dialogue with companies that we are invested in.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Current regulation	Mandates on and regulation of existing products and services

Primary potential financial impact
Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification
Policy and legal risk

Company-specific description
Norway has committed, with legally binding resolution, to at least a 40% reduction of CO2 emissions by 2030 on 1990-levels (INDC). As an asset management firm, Storebrand can be affected indirectly by such limits as they may impact business activities, i.e. the existing products and services of our corporate clients. GHG emission limits could present a risk for the GHG intensive industries that we are invested in, e.g. utilities/energy generation, or basic materials. Companies in GHG intensive sectors that are unprepared for regulatory changes could suffer increasing costs and/or a major declining demand for their goods and services with a negative impact on revenues and financial condition. Insofar as we are (indirectly) exposed to fossil fuel intensive businesses in investment this may affect our own and our clients' assets. This may have a devaluating effect on the assets we hold in our portfolio. The final impact may be an increase in capital costs as the capital buffer may have to be augmented to mitigate the risk. Storebrand seeks to better understand this indirect risk by advancing methodologies in 2 degree and lower scenario analysis. Scenarios provide detailed outputs which help assess the economic impact on sectors. One key output that reflects how carbon emissions would be constrained in future emissions pathways, to meet the warming target is a policy shift that enacts carbon pricing. This may be further exacerbated by changes in the Norwegian economy, which is vulnerable to falling oil prices and lower activity in the oil and gas industry. Vulnerability from a lower oil price and activity in the oil and gas-sector is a particular risk for Norway. A potential trigger is if the policy is abruptly strengthened to achieve Norway’s goals based on the Paris agreement. A potential effect is a country-specific fall in interest rate. As part of our efforts to reduce risk, in 2020 we mapped Storebrand’s exposure to the fossil sector, analyzing revenues from pension premiums, and disability coverage related to the sector and underlying industries.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
9500000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The potential financial impact figure is calculated as the value of Storebrands exposure to carbon-related assets, (as reported in our matrix indicating our exposure to high emitting sectors in our annual report page 70) which is 9,5 bNOK in 2020 (2,5%), down from 15,1 (5,8%) in 2019 and 20.4 bNOK (10%) in 2018. The calculations include GICS codes: Energy, 10101010, 10101020, 10102010, 10102020, 10102030, 10102040, 10102050 and Utilities, 55101010, 55102010, 55103010, 55105010 The TCFD suggests banks define carbon-related assets as those assets tied to the energy and utilities sectors under the Global Industry Classification Standard, excluding water utilities and independent power and renewable electricity producer industries. The financial implications of not taking into account regulatory risks in our investment involves reduced financial performance of carbon-related assets, as a result of increased costs from. Storebrand follows this TCFD recommendation to measure and disclose its exposure to "carbon-related" assets in order to foster an early assessment of climate-related risks.

Cost of response to risk
3000000

Description of response and explanation of cost calculation
To manage this risk, we seek to protect our own and our clients' assets from climate change risks, by limiting our risk appetite for carbon-related assets and by estimating our firm's vulnerability to climate change risks using scenario-based stress testing approaches and other forward-looking analyses. In addition to these management methods, we have also limited financing for coal with the adoption of the coal exit strategy which was launched in 2018. Through the restructuring of our investment portofolio, we have decrased our exposure to climate-related assets (as defined by TCFD) to 2,5% in 2020, down from 5,8% in 2019. Moreover, we have increased the percentage of AUM invested in fossil free funds from 33% (277 billion NOK) in 2019 to 39 (379 billion NOK) in 2020. Overall cost of management is calculated to 3 mill NOK and integrated in our existing risk management processes, but there are also some direct costs such as membership fee and data vendors. The cost is divided as follows: 2*FTEs=500.000*2=1 mNOK, + 2.000.000mNOK in membership fees and fees to data providers. Please note that especially the last 2.000.000 NOK is an estimate, that membership fees and fees for data are part of a larger budget for climate-related data and memberships of coalitions.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Sustainable and green investments are a global megatrend, and a strong trend in the Scandinavian market, where Storebrand operates. We have seen a clear shift in consumer preferences toward sustainable investment funds in recent years. Thus, there is a growing consumer demand and an ability for Storebrand to attract new investments from both corporate and retail market customers. Storebrand believes that as new regulation has emerged in the EU, making it easier for customers to understand what funds are green and not, a proper supply og green fund solutions is essential to attract new customers, and increase revenuers from fee and administration income, as well as to increase AUM. The Storebrand Group has since 2013 developed a low carbon investment strategy, the Storebrand Plus Funds. This strategy aims to create a broadly diversified, low tracking error fund which is pre-positioned for the implementation of the Paris Agreement. Storebrand Plus Fundslow carbon investment strategy is achieved using a multi-pronged approach. First, fossil fuel companies – defined as those whose revenues from fossil-related activities exceed 5% of total revenue – are excluded from the Storebrand Plus Funds investment universe. Furthermore, the fund takes steps to ensure it is consistent with a fossil-free philosophy, which includes removing companies with large fossil reserves. The Storebrand Plus Funds then tilt investments towards high ESG and low carbon footprint scoring companies. Finally, 5-10% of the funds portfolio is invested in solution stocks from Storebrands own positive 'white-list' of around 130 companies which provide products and services that facilitate the transition to a low carbon economy (e.g. renewables, energy efficiency, low emissions transport and recycling). The strategy results in a

broadly diversified, highly liquid and climate-aware portfolio with low tracking error. In 2020, the Storebrand Group had NOK 379 billion invested in low carbon fund products, up from 277 billion NOK in 2019. The low carbon funds send important market signals on the increasing interest in using financial vehicles as a tool to shift capital towards more carbon-efficient companies, and a low-carbon economy.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
2213000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The financial impact figure is a simple and "linear" calculation of Storebrands fee and administration income from our fossil free products. The calculation is done in the following way. Storebrands Fee and Administration income for 2020 was 5 676 000 000 NOK. Our share of AUM in fossil free products was 39% in 2019 (379 out of 962 billion). Hence, 2 213 000 000 NOK of our fee and administration income comes from fossil free products. This is a simplified calculation, given that different products attain different fees (5 676 000 000*39%=2 213 000 000 NOK).

Cost to realize opportunity
15000000

Strategy to realize opportunity and explanation of cost calculation
To realize this opportunity, we plan to maintain focus on data quality and systems to monitor, report on and safeguard the value of and effect of investing in the low carbon funds. We also plan to actively promote the low carbon fund strategy as a tool to address climate risk in investments, towards both existing and potential new customers. Especially in international market targets, there will be particular focus on these fund strategies. A number of employees are the main cost driver related to this opportunity. The associated cost is therefore estimated to 15 million NOK as calculated from approximately 30 FTE's (30* 500 000 = 15 mill NOK). There are also costs in terms of ESG data vendors like Trucost, Sustainalytics, FTSE Russel and ISS-Ethix and subscription to relevant ESG initiatives and organizations. We identify these as implemented in existing budgets related to our work on sustainable investments, and these have therefore not been specifically included here.

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Resilience

Primary climate-related opportunity driver
New products and services related to ensuring resiliency

Primary potential financial impact
Increased portfolio value due to upward revaluation of assets

Company-specific description
Storebrand sees a great opportunity in buildings resource efficiency and has a great potential to achieve this through ensuring certified green property standards and energy-efficiency measures for our buildings and properties. This opportunity will contribute to higher resilience for the properties in our portfolio, and trough this increase the value of our investments. Storebrand manages a broad real estate portfolio in Norway and Sweden, where the Swedish portfolio is managed by Storebrand Fastigheter. In the scnadinavian retail and corporate property market, customers are to an increasing degree expecting sustainabilty aspects to their spaces. And are willing to pay a premium. For properties that are certified, have lower energy consumption, water usage etcetera. We therefore see a potential two-sided positive effect on our property investments portfolio in scandinavia. Bot increased revenues from higher prices per square meter for green properties,and at the same time higher valuations of these assets. Of the total capital managed by Storebrand Asset Management, direct investments in real estate amount to NOK 49 billion, of which NOK 36 billion in Norway (800,000 sq.m.) and SEK 13 billion (300,000 sq.m.) in Sweden. This represents 5% of Storebrand Asset under Management (AuM) which was NOK 962 billion in 2020, and makes Storebrand one of the largest real estate players in Norway. Our real estate portfolio had 43% certified green property in 2020 in Norway and Sweden, up from 41 % in 2019. By 2021, the goal is to increase this number to 52% and 75% by 2025. An increase in environmental certification of the property mass represents opportunities to reduce the carbon intensity of real estate investments as well as their supply chain, and to attract long term tenants. Storeband's current portfolio properties are already well positioned due to thorough planning, and certification process is partly initiated. To illustrate the progress already made in property energy and climate efficiency, the emissions from aggregated property management was 7,9 kilo CO2 emissions per square meter in 2020, reduced from 9,12in 2019, and 9,96 in 2018.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
578000000

Potential financial impact figure – maximum (currency)
2023000000

Explanation of financial impact figure
Environmental certification represents an opportunity for the real estate portfolio. Research indicates an increase in asset value of 7% for green buildings internationally. The Norwegian market is assumed on short term to be less mature, but similar effects are registered. Impact is assumed to be from 2 % to 7 % of the Non-certified (59%) asset value over a ten year period (2030). The potential financial impact of increased value for non-certified assets is NOK 28,9 billion times 0,02 – 0,07, coming to a range of between NOK 578 million and NOK 2,023 billion.

Cost to realize opportunity
36000000

Strategy to realize opportunity and explanation of cost calculation
Storebrand has several activities and projects implemented in our strategy to realize this opportunity. Such activities includes to secure that all new-build-, renovation- and retrofit projects are certified according to BREEAM NOR standards, that our standing investments (which are Storebrand's properties in running lease business) undergo the BREEAM In-Use certification, and that they through physical measures systematically improve their energy and climate efficiency. In 2020, 5 new buildings were certified, 4 in Norway and 1 in Sweden. An example is the acquisition of Helsfyr Hotel, Oslo, where we negotiated Breeam certification into the renovation and construction works before takeover. Another example is the involvement of the facility management team in conducting the survey/mapping for the Breeam In-Use assessments of three shopping centres, in order to also plan improvement measures towards recertification. After the BREEAM certification process for our building projects in Norway and Sweden, Storebrand uses the same strategy for mapping and screening grounds for building-specific green building action plans and certification grade improvements. The calculation of the cost to realize the opportunity is based on the amount of BREEAM projects to be realized after 01.01.2020 and the approximate cost per property. BREEAM NOR-Projects: 5 x NOK 5 million = NOK 25 million OR In-Use cost per real estate property 27*NOK 500' = NOK 13,5 million Total cost: NOK 22,5 mil + NOK 13,5 mil = NOK 36 mill

Comment

Identifier
Opp3

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Markets

Primary climate-related opportunity driver
Access to new markets

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Storebrand sees a great opportunity to move to more efficient buildings through certified green property standards and energy-efficiency measures for our buildings and properties. This opportunity related to more efficient buildings in our portfolio may increase our revenue through access to new markets. As expressed in a report by Norges Bank Investment Management (NBIM) in 2015: "Signalling the quality of the building to prospective tenants, and hence increasing its attractiveness, is typically the main motivation for owners to obtain certification. Numerous surveys confirm the effectiveness of this measure. For example, a survey by JLL (2012) found that 80 percent of US building owners that have pursued LEED certification expected to attract more tenants, and Eichholtz et al. (2013) found that rental premiums for ENERGY STAR ranged from 2 to 13 percent, and rental premiums for LEED ranged from 4 to 27 percent. Certified buildings are also attractive due to the reputational benefits ." Storebrand manages a broad real estate portfolio in Norway and Sweden, where the Swedish portfolio is managed by Storebrand Fastigheter. Of the total capital managed by Storebrand Asset Management, direct investments in real estate amount to NOK 49 billion, of which NOK 36 billion in Norway (800,000 sq.m.) and SEK 13 billion (300,000 sq.m.) in Sweden. This represents 5% of Storebrand Asset under Management (AuM) which was NOK 962 billion in 2020, and makes Storebrand to one of the largest real estate players in Norway. Our real estate portfolio had 43% certified green property in 2020 in Norway and Sweden (41 % in 2019). By 2021, the goal is to increase this number to 52% and 75% by 2025. An increase in environmental certification of the property mass represents opportunities to reduce the carbon intensity of real estate investments as well as their supply chain, and to attract long term tenants. Storeband's current portfolio properties are already well positioned due to thorough planning, and certification process is partly initiated. To illustrate the progress already made in property energy efficiency, the emissions from aggregated property management was 7,9 kilo CO2 emissions per square meter in 2020, reduced from 9,12in 2019, and 9,96 in 2018.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
162000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
If we follow the 1.5 degree path, it is likely that there will be a higher demand for renting low carbon buildings. With a strong focus on buildings and portfolios with low carbon emissions, we believe securing and developing them to meet tomorrow's standards and demand - a more "Paris-proof" standard, holds a commercial potential. This includes higher rent and lower vacancy. Today we have around NOK 1.8 billion in annual rental income , we have an opportunity to maintain and increase this amount. Research in international markets indicates 3 % rent increase. We assume increase (or avoided rent decrease due to increasing awareness and energy efficiency demands from our tenants) towards max 3% in last 3 years of 10 yr period (sum 3 yrs corresponds to w/accumulated investments in same period). This equals a potential financial

impact of: NOK 1.8 Billion x 3% x 3 years = NOK 162 million

Cost to realize opportunity
90000000

Strategy to realize opportunity and explanation of cost calculation
Our strategy to realize this opportunity includes activities such as establishing property specific GHG Reduction goals towards 2025 and 2030 and to conduct a survey to all properties with analysis and prioritization of actions to reduce emissions. These actions and initiatives are taken into the yearly budgets of properties and followed up in the environmental management system to ensure implementation. The calculation of the cost to realize this opportunity is based on the initiatives to meet energy reduction in Scope 2 towards 2030: 30+ GWh x 3 NOK/kWh investment = approximately NOK 90 mill.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?
Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization’s low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	Yes	At Storebrands Annual General meeting, the Annual report is presented and approved. Our low-carbon transition plan is based on our targets to: Have a carbon neutral investment portfolio by 2050 the latest, and our intermediate target to reduce reduce the carbon footprint in the Storebrand Group’s total equities, corporate bond, and realestate investments by at least 32 per cent by 2025 with the base year in 2018. This is clearly expressed in the annual report, and will continue to be so. Given that the Annual report is presented and approved every year at the general meeting, we consider the low-carbon transition plan to be as well.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?
Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
RCP 2.6	Our Science Based Target (SBT) is based on the scenario RCP 2.6 in IPCC's ARG WGIII, chapter 6, table 6.3, page 431. It was identified through the Paris Agreement where we follow the analytical methods, assumptions and inputs closely. Given the lowest overshoot (<0.4 W/m2) the global emissions must be reduced by 49-72% by 2050 from 2010 levels in order to have a 12 to 22% chance of stabilizing temperatures below 2°C temperature increase relative to the preindustrial temperature. 72% reduction over 40 years implies an average of 3.13% annual reduction. This level of contraction is used as an absolute minimum, and both mid-term and long-term target are well on the ambitious side of this annual reduction. As is evident in the findings of the 2019 UNEP Emissions Gap Report (EGR). "Had serious climate action begun in 2010, the cuts required per year to meet the projected emissions levels for 2°C and 1.5°C would only have been 0.7 per cent and 3.3 per cent per year on average. However, since this did not happen, the required cuts in emissions are now 2.7 per cent per year from 2020 for the 2°C goal and 7.6 per cent per year on average for the 1.5°C goal. Evidently, greater cuts will be required the longer that action is delayed." Following these findings, Storebrand has set new targets in line with RCOP2.6 and the findings of the EGR 2019, where our SBTs are set at base year 2019 with a 37.8% % reduction by 2025 and an 100 % reduction by 2050, which translates to a 7.6% decrease annually. This includes 100 % of Scope 1, 2 and 3 emissions. Thus, the target can be interpreted as in line with the decarbonisation required to stabilize the global temperature to less than 1.5°C over preindustrial levels. The target can therefore be considered as a "science-based" target. The results of our work with the IPCC scenarios gave us our new SBT which is included in our business strategy. The results of this scenario analysis have directly influenced our business objectives and strategy in order to implement appropriate emissions reduction and decarbonization activities. A case study of how the scenario analysis has influenced our businesss, is our new climate policy for investments. Through the climate strategy, we have committed to our investment portfolios having net-zero GHG emissions by 2050, at the latest. The strategy is divided into four main areas: 1 Make investment decisions in line with scientific consensus 2. Reorient capital flows towards low-carbon, climateresilient and transition companies Using the EU taxonomy for sustainable activities and establishing methods for measuring, monitoring and reporting on climate-related risks and identify investment opportunities. •Climate risk assessment and monitoring: All portfolio managers are responsible for assessing and reporting on the climate risk profile of their portfolios. In addition, we have established a methodology aimed at high emission sectors. • Ranking and research: Use data to assess and manage climate-related risks and opportunities. • Carbon footprint: Measure the carbon footprint of our portfolios and compare these with relevant indexes to map reduction targets. U• Adaptation metrics: Assess the preparedness of investee companies and entities to the physical impact risks associated with climate change. 3. Avoid investments that contribute greatly to climate change Storebrand will no longer invest in companies such as: • receive more than 5 per cent of its revenues from coal or oil sands-based activities • is involved in severe and/or systematically unsustainable production of palm oil, soy, cattle and timber. This can reduce deforestation risk in portfolios, in line with our deforestation policy. • deliberately and systematically work against the goals and targets enshrined in the Paris Agreement., for example through lobbying. T4. Use ownership position to stimulate ambitious climate practices at portfolio companies
IEA Sustainable development scenario	IEA Sustainable development scenario: IEA Scenarios pathways from the IEA Nordic Technology Perspectives 2016 are used for the trajectory on Nordic production of electricity and district heating and cooling . Here, the location-based methodology is used, and the Nordic emission factors for energy follows the trajectory towards carbon neutrality in 2050, or about 10 grams CO2e per kWh set for Storebrands property subsidiary in both Norway and Sweden. This transition from low fossil fuel use today, towards extremely low to no fossil fuel is relevant for our Storebrands property subsidiary's SBTs. This time horizon is relevant as the the SBTs are set at base year 2013 with a 50 % reduction by 2030 and an 80 % reduction by 2050. This includes 100 % of Scope 1 and 2 emissions, and some of Scope 3 also. This is a clear case study where the scenario analysis has influenced our business decisions directly. given that we have established targets and a trajectory that is directly adopted from the IEA Nordic Technology Perspecives 2016.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Climate related risks and opportunities have had a major impact on our products and services in the recent years. For instance, SPP, Storebrands Swedish "arm" made all its funds fossil free in 2019, leading to the group having 277 billion NOK AUM in fossil free products in 2019, and 379 in 2020. Also, opportunities related to climate has increased our focus on what we call solution companies, and specialized ESG funds. Climate-related risks and opportunities have also led to an increased focus on environmental aspects in our property portfolio, and we continue our efforts to increase the share of green certified buildings, as our customers expect it. For insurance, the boom in sales of Electric Vehicles in recent years (especially in Norway) led us to introduce a specific EV insurance product. As a result, electric cars, as part of the total car insurance portfolio, has increased from around 3% in 2015 to 18,8% in 2020. Climate risks and opportunities will continue to influence our strategy, products and services in the future.
Supply chain and/or value chain	Yes	Climate related risks and opportunities has led to an increased focus on carbon emissions in our supply chain. We have set specific targets for emissions reductions across our supply chain, and engage with our suppliers on how we can collaborate to achieve this. ESG factors have been weighted 20% in all new RfP processes for some years, but recently we have started requesting specific emission data, reduction targets and plans from new suppliers. For our investments, Storebrand set a new target to be carbon neutral by 2050, and hence to reduce the carbon emissions of our investments in equities, bonds and real estate by 32% (combined) by 2025, with a baseline year in 2019. Also, we have a target to increase our investments in "solution" companies 20 15% by 2025. This was an important step in quantifying what climate neutral means in the short term in quantifyable terms, and was our most important climate-related strategic decision in 2020.
Investment in R&D	Yes	Storebrand does not produce or sell tangible products. Yet, investments in r&d is still relevant to the products we offer. The examples described above in the "products and services" section are examples of this, for instance the development of our Electric Vehicle insurance that grew from around 3% of the insurance portfolio in 2015 to 18,8% in 2020. Also, our focus on sustainable investments and specific targets related to increase our share of AUM in sustainable solutions, and decrease the carbon intensity of our portfolio has important implications both for research and development. For research, our in-house ESG rating is an important tool that is based on extensive research by our ESG team. 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. On the ESG risk side, the score assesses companies' exposure to, and management of, financially material sustainability risks, hereunder water risk. On the SDG opportunities side, we analyse sustainability data sources, to find companies whose products and services contribute positively to the achievement of financially relevant SDGs. Fund Managers at Storebrand Asset Management are able to access the score on a number of levels. Total Score, Risk Score, SDG Score, and scores for underlying themes within these building blocks, are all readily available. The data sources underpinning the scores are external sources from quality controlled data providers, coupled with internal research. The rating is an important research tool for all fund managers at Storebrand, and in particular to the managers of our ESG funds. Climate-related risks and opportunities has clearly influenced us to develop more ESG specific funds, and was also an important factor in the business decision to make SPP, Storebrands Swedish "arm" completely fossil free in 2019. In this way, we developed a pension saving that by default was fossil free, leading to the group having 379 billion NOK AUM in fossil free products in 2020, up from 277 in 2019.
Operations	Yes	Climate risks and opportunities has impacted our operations to a large degree. Especially, we seek to reduce emissions from corporate air travel and enhance the use of electronic meetings. Both internally and with external parties. In order to achieve this, we also introduced an internal carbon tax specifically targeted at corporate flights of 1000 NOK per tonne of co2 in January 2020. The funds collected from the internal carbon tax will be used for sustainability measures in our own operations, such as electric vehicles for use by employees to meetings, electric bicycles etc. The carbon tax has no expiry date, and will be ongoing in the future.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital expenditures Capital allocation Acquisitions and divestments	Capital expenditures/allocation: We have been impacted indirectly in our fund products when it comes to risks from acute physical climate change. This through Building up of reserves in relation to the National collective pool of funds (mandatory) that cover damages from natural disasters. The magnitude of impact is considered to be medium in a long-term perspective. Acquisitions and divestments: We have been impacted by risks from changes in consumer behavior and our reputation from transitional risk on offering low carbon products, e.g. ESG funding Example: Storebrand is actively divesting and coal, oil, gas and rather focus on fossil free funds and clean-tech. The magnitude of impact is considered to be high in a long-term perspective. Storebrand is recognized internationally for our work on systainable and climate-friendly investments, and our work on active ownership. We see that this makes us an attractive asset manager, both for Scnadinavian customers, but we are increasingly attracting capital from global institutional investors and funds.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C-FS3.6

(C-FS3.6) Are climate-related issues considered in the policy framework of your organization?

Yes, climate-related issues are integrated into our general policy framework that relates to our financing activities

C-FS3.6a

(C-FS3.6a) In which policies are climate-related issues integrated?

	Type of policy	Portfolio coverage of policy	Description
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Engagement policy Sustainable/Responsible Investment Policy Investment policy/strategy Proxy voting policy	All of the portfolio	Coverage defined as 100% of the investment portfolio storebrand as an asset manager is responsible for. Sustainability is one of the core elements of Storebrands investment strategy. Moreover, we have a specific sustainable investment policy, and a sustainable investments strategy called the Storebrand standard. Climate related issues are integrated in our engagement strategy/policy, for instance through our deforestation and land use policy and decarbonizing companies policy. Climate related issues such as carbon emissions and climate risk are included in our proxy voting policy.
Investing (Asset owner)	Engagement policy Sustainable/Responsible Investment Policy Investment policy/strategy Proxy voting policy	All of the portfolio	Coverage defined as 100% of the investment portfolio storebrand as an asset owner controls. Sustainability is one of the core elements of Storebrands investment strategy. Moreover, we have a specific sustainable investment policy, and a sustainable investments strategy called the Storebrand standard. Climate related issues are integrated in our engagement strategy/policy, for instance through our deforestation and land use policy and decarbonizing companies policy. Climate related issues such as carbon emissions and climate risk are included in our proxy voting policy.
Insurance underwriting (Insurance company)	Insurance underwriting policy	Majority of the portfolio	Coverage defined as 100% of the insurance portfolio storebrand storebrand manages, across different business units. Storebrand's term conditions limit coverage of unwanted risk and behavior. Examples are exemptions for driving on race tracks and iced water, illegal rebuilding of vehicles and use of vehicles beyond what has been agreed on with the company. We have three levels of underwriting and authorization documents. The lowest level is available to all sales personnel, level two sales personnel with special authorization, and high-risk cases are lifted to level three, the underwriting department with product managers. Special risks such as large, expensive cars or boats or special buildings are to be assessed by level 3 and here, the underwriting instructions clearly define that sustainability principles are to be assessed in terms of and under what conditions insurance can be offered.
Other products and services, please specify	Other, please specify (Property portfolio)	All of the portfolio	Coverage defined as 100% of direct property investment portfolios and the buildings where storebrand has operational control. storebrand Climate-related issues are considered and integrated into the following policies and governing documents of our property subsisiary and its portfolio of buildings: Property management Policy: Excerpt - The strategy within investment, management and development of property shall contribute to minimizing the environmental footprint and negative impact on the outside world. Investment strategy: Excerpt - The strategy for investment, management and property development is intended to help minimize the environmental footprint and negative impact on the outside world. Sustainability Strategy: Climate and energy: Reduce greenhouse gas emissions from real estate to meet the requirements of the Paris Agreement, and make properties and management practices robust to climate change and climate risk. Adaptation to the low-emission society, with, among other things, reduced energy consumption and transport, promoting renewable energy. Reduce greenhouse gas emissions from real estate operations to meet the 1.5-degree targets of the Paris Treaty and make properties and management practices robust against climate change and climate risk. Adapting to the low emission society, including reduced energy use and transport, and promoting renewable energy.

C-FS3.7

(C-FS3.7) Are climate-related issues factored into your external asset manager selection process?

Yes, for all assets managed externally

C-FS3.7a

(C-FS3.7a) How are climate-related issues factored into your external asset manager selection process?

	Process for factoring climate-related issues into external asset management selection	Comment
Row 1	Review asset manager's climate-related policies Preference for asset managers with an offering of low-carbon products Preference for asset managers with an offering of climate-resilient products Assessment of asset manager's climate-related performance (e.g. active ownership, proxy voting records, under-weighting in high impact activities) Use of external data on asset managers regarding climate-related risk management	ESG is an integrated part of the Storebrand Asset Management manager selection process. The process includes qualitative and quantitative measures and assessments. Quantitative measures include our proprietary ESG rating which covers E, S and G considerations on stock and portfolio level. We also complement internal ratings with data from our external data providers. The quantitative measures will include considerations of the current and historical portfolio characteristics, but also how well the portfolios are positioned in terms of relevant future sustainability trends. We also rate our external funds/managers using a wide range of criteria. The main areas in this qualitative assessment are as following: The fund mandate with respect to ESG considerations Attitudes expressed, implemented policies and dedicated ESG resources in the fund organization Integration of ESG in the investment process Portfolio manager/team knowledge and attitudes Previous experience with the manager in question When monitoring the external managers selected, we also use a combination of quantitative and qualitative measures. Changes in overall ratings and portfolio content is of course important, as well as ongoing periodical fund reviews with the managers where we discuss portfolio positions from an ESG perspective. Working together with our external managers to influence the portfolio companies in a better direction is also important for us, as this gives increased leverage to our internal impact potential.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based) +3 (upstream)

Base year

2019

Covered emissions in base year (metric tons CO2e)

1519

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2025

Targeted reduction from base year (%)

37.8

Covered emissions in target year (metric tons CO2e) [auto-calculated]

944.818

Covered emissions in reporting year (metric tons CO2e)

477

% of target achieved [auto-calculated]
181.475560014072

Target status in reporting year
Achieved

Is this a science-based target?
Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition
1.5°C aligned

Please explain (including target coverage)
PLEASE NOTE: THE COVID_PANDEMIC HAS IMPACTED THE TARGET REPORTING: This target is was established in 2019. The target can be considered as a science based target since it meets the criterias from CDP. The target is an absolute target, where 100 % of the emissions in scope 1, 2 and 3 of our own operations are covered. This is the mid-term target ending in 2025. The annual reduction is 7,6% from the base year. This is in line with the calculations presented in the emissions gap report by the UN. In addition, through our commitments through the Net Zero Asset Owner Alliance, we intend to make our entire investment portfolio carbon neutral by 2050 as well. Targets are currently being established, and will be reported in next years CDP questionaire, including a 2025 target.

Target reference number
Abs 2

Year target was set
2019

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 1+2 (location-based) +3 (upstream)

Base year
2019

Covered emissions in base year (metric tons CO2e)
1519

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2050

Targeted reduction from base year (%)
100

Covered emissions in target year (metric tons CO2e) [auto-calculated]
0

Covered emissions in reporting year (metric tons CO2e)
477

% of target achieved [auto-calculated]
68.5977616853193

Target status in reporting year
Underway

Is this a science-based target?
Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition
1.5°C aligned

Please explain (including target coverage)
PLEASE NOTE: THE COVID_PANDEMIC HAS IMPACTED THE TARGET REPORTING: The target can be considered as a science based target since it meets the criterias from CDP. The target is an absolute target, where 100 % of emissions on scope 1, 2 and 3 for our own operations are covered. This is the long-term target ending in 2050. The annual reduction is 7.6% from the base year, in line with the Paris Agreement and a 1.5°C trajectory. This reduction meets the criteria of at least 2.1% annual reduction. In addition, through our commitments through the Net Zero Asset Owner Alliance, we intend to make our entire investment portfolio carbon neutral by 2050 as well. Targets are currently being established, and will be reported in next years CDP questionaire.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO_2e savings.

	Number of initiatives	Total estimated annual CO_2e savings in metric tonnes CO_2e (only for rows marked *)
Under investigation	0	0
To be implemented*	3	35
Implementation commenced*	0	0
Implemented*	2	133
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Company policy or behavioral change	Other, please specify (Carbon Tax for corporate travel)

Estimated annual CO2e savings (metric tonnes CO2e)
123

Scope(s)
Scope 3

Voluntary/Mandatory
Mandatory

Annual monetary savings (unit currency – as specified in C0.4)
2000000

Investment required (unit currency – as specified in C0.4)
50000

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
We estimaded that the initiative would reduce emissions from corporate air travel by 10%. Both due to the carbon tax, but also because managers are able to follow up their departments travel habits in a better manner. In 2019, our carbon emissions from corporate air travel was 1223 tonnes co2e. Thus, we estimated the initiative to reduce emissions by 123 tonnes co2e (1223*0,1=123). The estimated savings are calculated based on our costs related to corporate air travel. However, there are also indirect costs related to corporate travel, exceeding the costs related to the actual flight or accommodation, such as food and other expences, overtime, commuting etc. The investment required is mainly based on hours worked by our IT department setting up a digital solution for tracking air travel, and linking it with our internal invoice system. The actual reduction in emissions is difficult to estimate, given the Covid-19 pandemic, which led to a reduction in emissions from corporate air travel that way way higher than what our estimates were ahead of the initiative.

Initiative category & Initiative type

Energy efficiency in buildings	Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)
10

Scope(s)
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
200000

Investment required (unit currency – as specified in C0.4)
250000

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
We have implemented an emission reduction initiative on frequency regulation in the head office building in Norway which reduced emissions from buildings. This initiative led to a reduction of 10 tCO2e in our scope 2 location based.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Other	The emission reduction targets in the group scorecard drive activity and investments. The Group reports according to the triple bottom line where financial, environmental and social responsibility is described. The action plan for emissions reduction activities is structured around the relationships to the Group's most important stakeholders: Owners, customers, employees, suppliers, the rest of society and the international community. The aim of the action plan is to help us achieve our ambition to be a corporate responsibility leader in the Nordic region and a world leader in responsible investment. Setting specific targets for the next 2-year period shows our stakeholders what areas we consider most important and give us goals to aim for in our day-to-day work. The action plan has been developed in close dialogue with key personnel in various parts of the Group. The indicators and targets have been carefully selected in consultation with various expert groups in the Group and the measures to achieve the targets can be found in the scorecards and actions plans for business units. The action plan is considered and approved by Storebrand's Board and the targets are followed up in the company's various expert groups.
Compliance with regulatory requirements/standards	Storebrand has energy labelled all properties (downstream leased assets), and is determined to voluntary improve standards and reduce energy consumption in order to serve tenants and public expectations (energy label is publically displayed through the building energy certificate).
Financial optimization calculations	Real estate: evaluation of technical solutions for improvements according to ROI or equivalent before concluding and budgeting maintenance and development costs on properties. Increased energy efficiency is expected to give long term increased lease and property value development.
Dedicated budget for energy efficiency	Real estate - downstream leased assets: Environment action plan includes energy efficiency investments year by year, as an integrated part of maintenance and development budgets for properties. This is reflected in intensity target 2.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Product

Description of product/Group of products

SPP Global Pluss a fund that satisfies various ESG criteria. Relative to MSCI World this fund shows a reduction in carbon intensity of 10% + the last 3 years. The fund strategy is as follows: First, fossil fuel companies are excluded (defined as those whose revenues from fossil-related activities exceed 5% of total revenue). Furthermore, the fund takes steps to ensure it is consistent with a fossil-free philosophy, which includes removing companies with large fossil reserves, and companies which have a large exposure to the value-chain of fossil fuel producers. Next, in addition to the Storebrand Standard group-wide exclusion policy, extra exclusion removes companies involved in alcohol, gambling, weapons or pornography from the investment universe. Investments are then tilted towards high ESG and low carbon footprint scoring companies. Finally, 5-10% of the portfolio is invested in solution stocks from a positive 'white-list' of around 100 companies which provide products and services that facilitate the transition to a low carbon economy (e.g. renewables, energy efficiency, low emissions transport and recycling). The portfolio is constructed using the MSCI Barra risk model to minimise tracking error towards the market cap benchmark, MSCI World, subject to a list of climate-motivated constraints: Not investing in fossil fuel companies; investing significantly more than the benchmark in climate solutions companies; having a high ESG rating and a low carbon footprint. The strategy results in a broadly diversified, highly liquid and climate-aware portfolio with low tracking error.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

The EU Taxonomy for environmentally sustainable economic activities

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

Asset classes/ product types

Please select

Comment

ESG funds are a part of our sustainability focus.

Level of aggregation

Group of products

Description of product/Group of products

Storebrand's fossil free range of Equity funds has been developed over the past 3 years. These funds give Clients the opportunity to invest in low risk funds that avoid all fossil fuels and actively Select Companies With a low carbon footprint (emissions/ Revenue). In addition the funds are optimised on Storebrand's inhouse sustainability rating. 1,9% av the funds assets are invested in "solution Stocks" or Companies that through their business models, drive the transition to a low carbon economy. Examples of fossil free funds are SPP Global Plus, SPP Sverige Plus, Storebrand Norge Fossil free and SPP Emerging Markets Plus.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

The EU Taxonomy for environmentally sustainable economic activities

% revenue from low carbon product(s) in the reporting year

49

% of total portfolio value

49

Asset classes/ product types

Investing	Mutual funds

Comment

Calculation for 49% - reference to annual report page 65 for public information. Also, see 1.9.4 for more information and breakdowns of different asset classes. Storebrand does not report on, nor utilize the "revenues" measurement when it comes to our low carbon products, targets for increasing these and reporting on developments. We consequently set targets related to increasing the share of assets under management (AUM) in sustainable, or low carbon products. This is also a natural metric for the company and our industry. Hence, we are reporting the share of AUM that is in low carbon products, in line with what was reported last year. We have used fee and administration income of 5 676 billion nok for calculation % revenue. - AUM invested in Green bonds: 22.2billion nok - AUM invested in Green sertified property: 20.1 billion nok - AuM invested in solution companies, cleantech and renewable energy: 50.3 billion nok - AUM invested in fossil free products = 379 billion nok Total AUM invested in low-carbon products: 471,6 billion NOK Total AUM: 962 000 billion NOK Share of AUM in low-carbon products: 49% PLEASE NOTE: there might be some double counting, given that certain companies that are included in the category "fossil free products" are also included in the category "solution companies". Our carbon footprint in equity investments is 12 Tons CO2e per 1 million of sales income NOK/SEK, vs. the index which has 18. This demonstrates that on the Whole Our funds outperform the Reference indeks on carbon intensity. Storebrand believes that Reporting on Direct emissions reductions for mutual funds can be misleading as emissions are not avoided. As investors we rather choose to invest in companies that are more efficient. For more information, see here for the carbon footprint of our investments compared to the index: https://www.storebrand.no/en/sustainability/reports/_attachment/10817?_ts=16b2cdcc4ef. This, however, is in our definition not avoided emissions. We have seen that this has been framed as avoided emissions by some companies, and hope you take this into account when you set the score.

Level of aggregation

Product

Description of product/Group of products

- Avoided emissions through our electric car insurance: 17.9% of our car insurance is for electric vehicles.; Car insurance: 56.6% of Storebrand's insurance revenue comes from car insurance, of which 17.9% of the revenues come from electric car insurance which has more attractive conditions when compared to nonelectric cars. We price-differentiate based on fuel usage. Storebrand has a larger market share for electric vehicle insurance than for non-electric car insurance. Electric Vehocle insurance grew from 3% in 2015 to 17.9% in 2020. Avoided emissions through electric car insurance: Estimated to 39 442.4 metric ton CO2. See comment below for calculation method.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Green Bond Principles (ICMA)

% revenue from low carbon product(s) in the reporting year

93.1

% of total portfolio value

17.9

Asset classes/ product types

Insurance underwriting	Other, please specify (Car Insurance)

Comment

Storebrand offer differential pricing for low-carbon alternatives (such as low-emission cars/electric cars and homes) in all our products except travel insurance. Car insurance: 56.6% of Storebrand's insurance revenue comes from car insurance, of which 17.9% (approximately evenly distributed revenues throughout the year, based on portfolio premium 01.01.2020 + portfolio premium 31.12.2020 divided by 2) is electric car insurance which has more attractive conditions when compared to non-electric cars. We price-differentiate based on fuel usage. Storebrand has a larger market share for electric vehicle insurance than for non-electric car insurance. House insurance: we differentiate on age, condition, safety measures such as fire alarm, burglar alarm, etc. Coverage may also be limited to fire only if e.g. bad condition Home insurance (contents insurance): is differentiated on security measures such as theft and fire alarms. On the settlement side, the same principles and conditions are built up in the same way with security regulations to ensure sustainable behavior of the customer. 1) Total revenues from non-life/non-health (re)insurance business: 1 383 748 331 NOK 2) Total revenues from travel insurance: 95 782 294 NOK 3) Total revenues from ESG based non-life/non-health (re)insurance products: 1 - 2 = 1 287 966 037 NOK In order to calculate the percentage of ESG based non-life product lines vs total revenues from non-life/non-health insurance at Storebrand Insurance, we use the following calculation (with numbers from above): 3) / 1) *100 = 93.1% Avoided emissions through our electric car insurance: Avoided emissions through electric car insurance: Estimated to 18 583 metric ton CO2. - Calculation: We have used number of sold electric car insurances in 2020 (3954) and emission estimates for fossil cars from EPA (www.mysuezwater.com/sites/default/files/420f14040a.pdf:) A typical passenger vehicle emits about 4.7 metric tons of carbon dioxide per year. A vehicle that operates exclusively on electricity (an EV) will not emit any tailpipe emissions. So 3954*4,7 = 39 442,4 metric tons of CO2

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
1.1

Comment

Scope 2 (location-based)

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
179.4

Comment

Scope 2 (market-based)

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
58

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
1

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

148

Scope 2, market-based (if applicable)

41

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The environment is an important factor in all our procurement and we require our significant suppliers to be carbon neutral. Storebrand has also been previously nominated as the purchaser of the year by the Swan network. We do however not intend to include all our purchased goods and services in our scope 3 emissions, but we control them through our purchasing agreements.

Capital goods

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The emissions from the category of capital goods are not considered to be relevant for Storebrand 2019 due to a low estimated proportion of emissions. Our focus is to use sustainable materials and efficient solutions, and not necessarily to calculate the life-cycle emissions from building materials per se. The emissions from downstream leased assets are further specified in the proper category.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Metric tonnes CO2e
76

Emissions calculation methodology
The calculation is based on reported fuel consumption in scope 1 and electricity consumption in scope 2 for 2020. The calculation of emissions from electricity not included in scope 1 and 2 includes well to tank and emissions associated with grid losses. Allocation is based on the principle of operational control in the GHG Protocol Corporate Accounting and Reporting Standard. The well to tank emission factor for diesel is 0.6135 kgCO2e/l (DEFRA 2020), and well to tank for electricity is 0.029 kgCO2e/kWh (NVE 2015 and IEA 2012-2014).

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain

Upstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
The emissions from this category is not relevant for Storebrand ASA because we do not have any upstream distribution of significance. However, we do require that our main suppliers of services are carbon neutral.

Waste generated in operations

Evaluation status
Relevant, calculated

Metric tonnes CO2e
21

Emissions calculation methodology
The activity data is provided by the waste management supplier. In order to reflect the new LCA standard (EN15804) the emission factors show the total climate impact of waste treatment without including avoided emissions in other systems (next cycle). This means that the energy recovery from the incineration of waste for the production of district heating is not deducted from the emission factor of waste for incineration. Recycled waste fractions include only a small transport component (collection of waste) while the material recycling and replacement of virgin materials takes place outside the system (by the actor who buy the recycled material). The emission factor is 0.502 kgCO2e/kg (Ecoinvent and IPCC 2013) incinerated waste and 0.0213 kgCO2e/kg (DEFRA 2020) for recycled waste.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain

Business travel

Evaluation status
Relevant, calculated

Metric tonnes CO2e
257

Emissions calculation methodology
These are emissions from business travel by air and mileage allowance for cars. The emission factors used are flights are based on tCO2e estimated directly from Egencia (total of 62.7 tCO2e), mileage allowance fuel cars 0,14 kgCO2e/km (OFV 2002-2020), and mileage allowance electrical cars nordic 0,0066 kgCO2e/km (Norsk elbilforening and IEA 2002-2019).

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain

Employee commuting

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
KOM TILBAKE TIL DENNE (venter på tall for estimering)

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Storebrand ASA does not have any upstream leased assets and does therefore not consider this category as relevant.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Storebrand ASA does not have any downstream distribution of significance and does therefore not consider this category as relevant. However, we do require that our main suppliers of services are carbon neutral.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Storebrand does not produce any physical Products and does therefore not consider the category of processing of sold products as relevant.

Use of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Storebrand does not produce any physical Products and does therefore not consider the category of Use of sold products as relevant.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Storebrand does not produce any physical Products and does therefore not consider the category within End of life treatment of sold products as relevant.

Downstream leased assets

Evaluation status
Relevant, calculated

Metric tonnes CO2e
7310

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
These are emissions from Storebrand Eiendom (downstream leased assets). The emission factors used are Electricity Nordic mix 0,041 kgCO2e/kWh (IEA 2020), and District heating factors for each location, which have supplier specific emission factors.

Franchises

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Storebrand does not have any Franchises and does therefore not consider this category as relevant.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Other Upstream emissions are not relevant compared to the share of emissions with comparison to the emissions included.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Other Downstream emissions are not relevant compared to the share of emissions with comparison to the emissions included.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
2.6e-8

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
149

Metric denominator
unit total revenue

Metric denominator: Unit total
5676000000

Scope 2 figure used
Location-based

% change from previous year
23

Direction of change
Decreased

Reason for change
The intensity figure was reduced by 23%, due to an increase of 6.9% in our revenue and a decrease in scope 1 and 2 GHG emissions partly due to increased frequency of regulation in the head office building in Norway, which reduced emissions from buildings (elaborated in 4.3b)

Intensity figure
0.15

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
149

Metric denominator
billion (currency) funds under management

Metric denominator: Unit total
962

Scope 2 figure used
Location-based

% change from previous year
29

Direction of change
Decreased

Reason for change
The intensity figure has decreased by 29%, due to a reduction in our 1 and 2 by 32 tCO2e and billion (currency) funds under management increased by 131 billion. The decrease in scope 1 and 2 GHG emissions was partly due to increased frequency of regulation in the head office building in Norway, which reduced emissions from buildings (elaborated in 4.3b)

C7. Emissions breakdowns

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?
Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	No change in Scope 1 and 2 GHG emission due to change in renewable energy consumption.
Other emissions reduction activities	10	Decreased	5.5	There was a reduction of GHG emissions in scope 2 (10 tCO2e) due to increased frequency of regulation in the head office building in Norway which reduced emissions from buildings (elaborated in 4.3b). The emission value percentage was calculated as following: (-10 tCO2e/ 183 tCO2e)*100 = -5.5 %, where 20 tCO2e is the total GHG emission reduction due to above described reason, and 183 tCO2e is the total scope 1 and 2 GHG emission in 2019.
Divestment	0	No change	0	No change in Scope 1 and 2 GHG emission due to divestment.
Acquisitions	0	No change	0	No change in Scope 1 and 2 GHG emission due to acquisitions.
Mergers	0	No change	0	No change in Scope 1 and 2 GHG emission due to mergers.
Change in output	22.7	Decreased	12.4	There was a decrease in scope 1 and scope 2 GHG emission (22.7 tCO2e). This was mainly because of the home office situation during most of 2020, caused by the covid-19 pandemic. The emission value percentage was calculated as following: (-22.7 tCO2e/ 183 tCO2e)*100 = -12.4 %, where 61.7 tCO2e is the total GHG emission reduction due to above described reason, and 183 tCO2e is the total scope 1 and 2 GHG emission in 2019.
Change in methodology	1.3	Decreased	0.7	Out of the total decrease in scope 2 (- 34 tCO2e), 1.3 tCO2e was due to updated emission factor values used for calculations. The emission value percentage was calculated as following: (-1.3 tCO2e / 183 tCO2e)*100 = - 0.7 %, where 1.3 tCO2e is the total GHG emission decrease due to above described reason, and 183 tCO2e is the total scope 1 and 2 GHG emission in 2019.
Change in boundary	0	No change	0	No change in Scope 1 and 2 GHG emission due to changes in boundary.
Change in physical operating conditions	0	No change	0	No change in Scope 1 and 2 GHG emission due to changes in physical operating conditions.
Unidentified	0	No change	0	No change in Scope 1 and 2 GHG emission due to unidentified reasons.
Other	0	No change	0	No change in Scope 1 and 2 GHG emission due to other reasons.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	2	4	6
Consumption of purchased or acquired electricity	<Not Applicable>	2613	0	2613
Consumption of purchased or acquired heat	<Not Applicable>	573	1180	1753
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	177	0	177
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	3365	1184	4549

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2020-annual-report-storebrand-asa.pdf
2020-annual-report-storebrand-asa.pdf

Page/ section reference
208-209 As expressed in the verification document: "Key performance indicators for sustainability are the tables containing indicators that Storebrand ASA measure and control. The tables are available and included in Storebrand ASA's annual report 2020, specifically at the end of the four chapters titled "financial capital and investment universe", "customer relations", "People", and Keeping our house in prder". Thus, also see tables pages, 41, 65, 70, 73 and 221-222

Relevant standard
ASAE3000

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2020-annual-report-storebrand-asa.pdf

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Relevant standard
ASAE3000

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Waste generated in operations

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2020-annual-report-storebrand-asa.pdf

Page/section reference
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Relevant standard
ASAE3000

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2020-annual-report-storebrand-asa.pdf

Page/section reference
208-209 As expressed in the verification document: "Key performance indicators for sustainability are the tables containing indicators that Storebrand ASA measure and control. The tables are available and included in Storebrand ASA's annual report 2020, specifically at the end of the four chapters titled "financial capital and investment universe", "customer relations", "People", and Keeping our house in prder". Thus, also see tables pages, 41, 65, 70, 73 and 221-222

Relevant standard
ASAE3000

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3 (downstream)

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2020-annual-report-storebrand-asa.pdf

Page/section reference
208-209 As expressed in the verification document: "Key performance indicators for sustainability are the tables containing indicators that Storebrand ASA measure and control. The tables are available and included in Storebrand ASA's annual report 2020, specifically at the end of the four chapters titled "financial capital and investment universe", "customer relations", "People", and Keeping our house in prder". Thus, also see tables pages, 41, 65, 70, 73 and 221-222

Relevant standard
ASAE3000

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Investments

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2020-annual-report-storebrand-asa.pdf

Page/section reference
208-209 As expressed in the verification document: "Key performance indicators for sustainability are the tables containing indicators that Storebrand ASA measure and control. The tables are available and included in Storebrand ASA's annual report 2020, specifically at the end of the four chapters titled "financial capital and investment universe", "customer relations", "People", and Keeping our house in prder". Thus, also see tables pages, 41, 65, 70, 73 and 221-222

Relevant standard
ASAE3000

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase
Credit purchase

Project type
Forests

Project identification
The Kasigau Corridor REDD Project - Phase II The Community Ranches

Verified to which standard
VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)
477

Number of credits (metric tonnes CO2e): Risk adjusted volume
477

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?
Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price
Drive energy efficiency
Drive low-carbon investment
Identify and seize low-carbon opportunities

GHG Scope
Scope 2

Application
Storebrand has as well bought Guarantees of origins for our Scope 2 emissions for all electricity consumption in our offices, and this is included as a price set from these purchases for each kWh used.

Actual price(s) used (Currency /metric ton)
90

Variance of price(s) used
An evolutionary pricing system is used where the price develops over time with the change in relation to the price of Guarantees of origin in 2018.

Type of internal carbon price
Offsets

Impact & implication
Storebrand use this internal price on carbon through allocating the costs of the guarantees of origin to our business areas and divisions and in our real estate portfolio. Emissions reduction measures and energy efficiency measures we undertake will therefore reduce their cost. These costs are thereby incentivized through emission reductions when considering new investments and measures. Energy efficiency measures that reduce emissions are undertaken continuously and is a part of our strategy to reduce emissions in accordance with our science based target.

Objective for implementing an internal carbon price
Change internal behavior

GHG Scope
Scope 3

Application
Corporate air travel

Actual price(s) used (Currency /metric ton)
1000

Variance of price(s) used
None

Type of internal carbon price
Internal fee

Impact & implication
Storebrand has introduced a carbon fee of 1000 NOK per tonne co2 for corporate air travel in order to change internal behavior and reduce the number of flights and hence carbon emissions of our own operations. Given that the internal carbon price for corporate air travel was introduced just months before the Covid-19 pandemic, which has significantly reduced the number of flights and associated emissions, it is hard to distinguish the impacts of the carbon price. We will seek to minimize corporate air travel also after the pandemic is over.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect climate change and carbon information at least annually from suppliers

% of suppliers by number
45

% total procurement spend (direct and indirect)
87

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
All suppliers who deliver products or services for more than 800.000NOK ex Vat to Storebrand. This gives a 87% coverage of our spend. In 2020, contracts worth more than 1 million NOK totaled around 3,2 billion NOK. This accounts for more than 87 per cent of our total purchasing volume and includes the management and development of direct real estate investments. Of this volume, 62 per cent are with suppliers that are environmentally certified in accordance with our purchasing policy. This volume is divided into 290 suppliers, of which 62 (21 percent) are certified according to a recognised environmental management standard.

Impact of engagement, including measures of success
We are collecting information on the carbon emissions of our sullpiers, in order to establish a baseline of the emissions from our sullpy chain. The impact of the engagement is to reduce emissions in our supply chain over time. Hence, the measure of success will be reduced emissions, however we are still working on establishing concrete reduction targets. Our first survey of suppliers with over NOK 1 million in turnover was answered by 45 suppliers. Our total purchasing volume from these suppliers was 625 million NOK in 2020, almost 20 per cent of our total purchase volume for the year. We will continue to work on mapping our suppliers' sustainability work and aim to provide further information on this in the annual report for 2021. We have also been using the same survey, and follow up system for RfPs and new contracts with suppliers. In relation to this, we have had meetings and follow-up meetings with mulitiple suppliers. An example of an impact was that the companies providing legal advice to storebrand have committed to become carbon neutral in their own operations by 2025. Moreover, we have large international suppliers that have signed the UN Global compact, set diversity and climate targets, and are looking into how they can become carbon neutral. Thus, we see the effort of our new supplier engagement strategy to have been fruitfull thus far, and will continue to improve the process in the years to come.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement
Education/information sharing

Details of engagement
Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number
100

% of customer - related Scope 3 emissions as reported in C6.5
100

Portfolio coverage (total or outstanding)
All of the portfolio

Please explain the rationale for selecting this group of customers and scope of engagement
We engage with our customers on climate-related issues through a multitude of channels, such as direct dialogue and meetings, newsletters, and our "worth knowing" pages on Storebrand website. The "worth knowing" site gives a lot of helpfull tips on how to be a more sustainable customer through use of our products. Moreover, we publish sustainable investments reports, including carbon footprinting of our funds every quarter. These are available here: https://www.storebrand.no/en/assetmanagement/sustainable-investments/document-library/ Moreover, all fund sheets for our funds include climate-related information such as Morningstar rating, carbon footprint and exposure etc. All customers (and those who want to become customers) have access to these and can compare the climate-related impact of different funds. These are available here: https://www.storebrand.no/en/asset-management/equity-funds On the same site, our exclusions list is also available and updated frequently.

Impact of engagement, including measures of success
We have a target to increase our share of AUM in sustainable solutions (solution companies, Green Bonds, and real estate with Green Building Certificate). Our target is to have 10% of our AUM invested in solutions by 2021, and 15% by 2025. Currently, 9.6% is invested in such assets. In order to achieve this, we engage with our customers so that they will obtain products which have a greater exposure to such investments, for example our specialiced ESG funds, such as our new renewable energy fund: https://www.storebrand.no/asset-management/nyhetsside?article=nytt-fond-med-formidabel-historikk. Moreover, we are constanly working to reduce the carbon intensity of our portofolio, and seek to have a lower carbon intensity than comparable indexes for all our funds.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers
Trade associations
Funding research organizations
Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Climate finance	Support	We are engaged with many policy makers within the field of sustainability. We are channelling a majority of our engagement via World Business Council for Sustainable Development and UNEP FI. Together with companies in WBCSD we have been working with trying to get the new framework Solvency II to make it easier and more beneficial to invest in sustainable infrastructure. Since 2006 up until 2013 Storebrand has been co-chairing one of the focus area projects of the WBCSD, called the Business Role. In February 2010 Storebrand's former CEO, among others, launched the "Vision 2050 - a scenario project discussing the role of business (risks and opportunities) going forward. We are also active in the working group for Principles for sustainable insurance within UNEP FI to get a broader and deeper engagement for sustainable insurance, climate friendly products and services within our sector. In 2015 Storebrand signed PDC and Montreal Pledge. We are also a part of the Project 2030(40), which has many leading companies from Norway working together to reduce co2 emission by 40 % by 2030. We believe that the private sector is also part of the solution.	Partly included in the details of engagement. We support any initiative to increase sustainability efforts withtin the finance sector, and we are frontrunners in this work.
Mandatory carbon reporting	Support	Storebrand invites parliament representatives and government representatives to its own seminars on climate changes and sustainable development hosted by our CEO. On these seminars we discuss strategies for a responsible and sustainable society, i.e. the annual SRI seminar which devotes time to certain specific topics to issues with the policymakers. The Group has contributed to the Government's White Paper on CSR (launched in January 2009). Storebrand is participating in the CR-forum (KOMPakt) hosted by the Ministry of Foreign Affairs and other seminars hosted by the Dept. of Finance on Norway's action plan for a sustainable development.	Partly included in the details of engagement. We support the introduction of GRI reporting standard in the Norwegian Accounting act.
Mandatory carbon reporting	Support	Storebrand is very actively participating in the Nordic CEOs for a sustainable future working group. All companies in the working group has committed to: Initiate or strengthen practices around the following actions by the reporting year 2020: 1. Climate disclosure - Disclose information on Climate Data through the Carbon Disclosure Project (CDP) or similar methods. Integrate the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). 2. Target setting - Use verifiable methods and illustrating pathways that support the Paris Agreement 3. Assurance – Undergo external validation of key climate data. 4. Suppliers - Engage with relevant suppliers to adopt a proactive approach to address climate change. We request the private sector to: Incentivise and encourage the private sector to evaluate, report and act on climate related risks and opportunities. E.g. using the recommendations by the Taskforce on Climate-related Financial Disclosures to improve preparedness and resilience among business. Lenke: https://www.nordic-ceos.com/blog/a-call-for-a-sustainable-future-society	Mandatory carbon reporting for the private sector
Mandatory carbon reporting	Support	Storebrand is very actively participating in the Nordic CEOs for a sustainable future working group. The working group sent an open letter to the Nordic Council of Ministers, urging them to: Stimulate the transition to net-zero carbon societies - with a smart mix of government measures - to a level that corresponds to the gravity and urgency of the situation. 1. Incentives and regulation Incentivize and de-risk sustainable solutions while pursuing policy that promotes the phase-out of carbon intensive solutions over time. E.g. risk-sharing schemes between governments and business for sustainable energy investments. 2. Procurement Public sector investment and procurement, which on average accounts for 15% of GDP in Nordic countries, is an impactful lever for stimulating the development and uptake of low carbon and resource efficient solutions. Clear sustainability requirements, deployed systematically, are needed to accelerate the shift towards sustainable economic growth. 3. Private sector reporting Incentivise and encourage the private sector to evaluate, report and act on climate related risks and opportunities. E.g. using the recommendations by the Taskforce on Climate-related Financial Disclosures to improve preparedness and resilience among business. Link:Lenke: https://www.nordic-ceos.com/blog/a-call-for-a-sustainable-future-society	Mandatory carbon reporting for the private sector, better incentives stimulating the transition to net-zero, Public procurement and investment that stimulates decarbonization.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Finance Norway (FNO)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association’s position

FNO, together with the other Nordic trade association in the Insurance sector has climate change mitigation and adaptation high on the agenda, actively encouraging the industry to develop best practice solutions to curb climate change, and to propose solutions for customers, product development and risk management.

How have you influenced, or are you attempting to influence their position?

Our CEO is in the board of FNO, and is directly taking part in the formation of the FNO Climate strategy.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Yes

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Storebrand entered into a strategic partnership with Young Entrepreneurship (Ungt Entreprenørskap) in 2017, a partnership that makes it possible to meet young people between 16 and 19 years of age. The purpose of the partnership is to motivate young people to choose sustainable and future-oriented solutions when they start companies.

In order to ensure that we have a comprehensive and long-term strategy for how we will create value for shareholders, customers, employees and society in general, a materiality analysis has been conducted to prioritise our most important input factors and most important drivers forcreating value from these input factors. The guidelines for International Integrated Reporting Council (IIRC) are used as a starting point for themateriality analysis for long-term value creation. This model is based on identifying input factors for ensuring an overall picture of the valuecreation. To highlight how we create value, we have identified value drivers linked to each of the input factors. The materiality analysis alsofollows the principles in the Global Reporting Initiative (GRI) to ensure that the environmental and social impact, as well as stakeholderexpectations, are a part of the analysis. The materiality analysis and Storebrand's most important challenges are managed and decided byexecutive management and the board and provide the basis for the reporting of Storebrand's sustainable model for long-term value creation.The target figures and key performance indicators that are reported after each input factor in the following are part of the company's ongoing follow-up and are reported to both executive management and the board.

The most important issues and activities within each input factor are those that our stakeholders and Storebrand consider to be the mostimportant for Storebrand to be able to succeed with a sustainable business model. Dialogue has been conducted with the most importantstakeholders to identify important issues and activities. We have dialogue with stakeholders through a number of forums such as one-on-oneinterviews, conferences, roadshows, opinion polls and feedback from customers.

Storebrand is highly transparent regarding the organizations we contribute to and our "political" spending (to trade unions). These numbers are reported publicly in the following documents:

https://www.storebrand.no/en/sustainability/sustainability-library/_/attachment/inline/cf0f8503-1f24-4597-ad31-8b3de6a03fe4:cce152648ae0633e9dce778413468dad5d1fd882/2020_Storebrand_Corporate%20_Citizenship_Strategy%20.pdf

https://www.storebrand.no/en/sustainability/sustainability-library/_/attachment/inline/9a7c6ac1-99a1-4082-8ed5-79ef1599e03e:f53c81708bfd7510cceda17ca9682ebbd00f8446/2020_45471a%20Storebrand%20Political%20Activities%20.pdf

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Storebrand's climate strategy is embedded into our sustainability strategy and our integrated reporting, this includes our influence policy on climate change, which is a part of overall influence policy. Our overall policies are reviewed and updated on a yearly basis and confirmed by the board. Each policy is owned by the corresponding business unit in order to be able to guide and make sure we are compliant.

Storebrand has the objective of ensuring optimal purchases in terms of costs, quality and user experience, and that this takes place inaccordance with laws, regulations and internal rules. Purchases shall take place in accordance with Storebrand's core values andcomply with the requirements and expectations that are set for our business activities by our customers, suppliers, governmentauthorities, employees and partners. The Group shall not select suppliers or products that violate international agreements, nationallaws or internal guidelines. Furthermore, Storebrand shall contribute to sustainable development and that human rights and labourlaws are not violated. Our ambition is to increase the proportion of certified purchases to 40% in 2018 and up to 50% in 2025.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports, incorporating the TCFD recommendations

Status
Complete

Attach the document
2020-annual-report-storebrand-asa.pdf

Page/Section reference
We have published information about your organization's response to climate change and GHG emissions performance in our Annual report, as we do every year. Please see pages: 41, 65, 70, 73 and 221-222 Also, we provide a TCFD index/table in our annual report on pages 199-200 outlining all pages where the four main TCFD reporting categories are covered. These are pages: 12-13, 37-39, 41, 57-65, 68-70, 73

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

C-FS12.5

(C-FS12.5) Are you a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments?

	Industry collaboration	Comment
Reporting framework	Equator Principles Principles for Responsible Investment (PRI) Task Force on Climate-related Financial Disclosures (TCFD) UNEP FI Principles for Sustainable Insurance	We are active industry collaborators for sustainability. Our EVP sustainability, communication and public policy is the board chair of PSI
Industry initiative	Principles for Responsible Investment (PRI) UNEP FI Principles for Sustainable Insurance Climate Action 100+ Institutional Investors Group on Climate Change (IIGCC) Net-Zero Asset Owner Alliance UNEP FI UNEP FI Portfolio Decarbonization Coalition UNEP FI TCFD Pilot Other, please specify (A4S - Accounting for sustainability, Skift)	A4S - Accounting for sustainability, hereunder signatory to the CFO net zero pledge. Skift - A national business driven climate initiative with a purpose to be a driver for Norway to reach its climate targets for 2030.
Commitment	Net-Zero Asset Owner Alliance Montreal Pledge	Through Storebrand's climate strategy and the Net Zero Asset Owner Alliance (NZAOA), we aim to reduce the carbon footprint in the Storebrand Group's total equities, corporate bond, and real estate investments by at least 32 per cent by 2025 with the base year in 2018

C14. Portfolio Impact

C-FS14.1

(C-FS14.1) Do you conduct analysis to understand how your portfolio impacts the climate? (Scope 3 portfolio impact)

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Comment
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	Alternative carbon footprinting and/or exposure metrics (as defined by TCFD	In 2019 Storebrand Asset Management conducted Scenario analysis using the Paris Agreement Capital Transition Assessment (PACTA) tool. The tool was used on the following fund groups Skagen funds Storebrand Funds SPP Funds The tool offers a good overall insight into sector specific alignment with 2 degrees scenarios, specifically oil and gas, coal, renewable energy and electric vehicles. The performance of Our entire fund selection regarding CO2 emissions is quantified on a carbon intensity metric (Wheighted average carbon intensity). The metric used is tonnes CO2e per 1 million NOK/SEK sales revenue.. The results for 2020 were Storebrand funds 12, Index comparison: 18. This demonstrates that, overall, our funds outperform the Reference indeks on carbon intensity. Storebrand beleives that Reporting on Direct emissions reductions for mutual funds can be misleading as missions are not avoided. As investors we rather choose to invest in comapnies that are more efficient. We report on the wheighted average carbon intensity for all our funds quarterly, and this is available on our website: https://www.storebrand.no/en/asset-management/sustainable-investments/document-library/_/attachment/inline/6742cb1e-e4ca-4b14-95fb-cebb538296cd:3a48c2da7812eebe1d6bae30ee1b13443bc6e4a9/45365CarbonFootprintingQ2-2020.pdf
Investing (Asset owner)	Yes	Alternative carbon footprinting and/or exposure metrics (as defined by TCFD	As an asset owner, we continuously track the The performance of Our entire fund selection regarding CO2 emissions is quantified on a carbon intensity metric (Wheighted average carbon intensity). The metric used is tonnes CO2e per 1 million NOK/SEK sales revenue.The results for 2019 were Storebrand funds 12, Index comparison: 18. This demonstrates that, overall, our funds outperform the Reference indeks on carbon intensity. Storebrand beleives that Reporting on Direct emissions reductions for mutual funds can be misleading as missions are not avoided. As investors we rather choose to invest in comapnies that are more efficient. We report on the wheighted average carbon intensity for all our funds quarterly, and this is available on our website: https://www.storebrand.no/en/asset-management/sustainable-investments/document-library/_/attachment/inline/6742cb1e-e4ca-4b14-95fb-cebb538296cd:3a48c2da7812eebe1d6bae30ee1b13443bc6e4a9/45365CarbonFootprintingQ2-2020.pdf
Insurance underwriting (Insurance company)	Yes	Alternative carbon footprinting and/or exposure metrics (as defined by TCFD	For our insurance portfolio, we track the share of the insurance portfolio that is in low carbon products, and the avoided emissions from these products: Car insurance: 56.6% of Storebrand's insurance revenue comes from car insurance, of which 17.9% (approximately evenly distributed revenues throughout the year, based on portfolio premium 01.01.2020 + portfolio premium 31.12.2020 divided by 2) is electric car insurance which has more attractive conditions when compared to non-electric cars. We price-differentiate based on fuel usage. Storebrand has a larger market share for electric vehicle insurance than for non-electric car insurance. House insurance: we differentiate on age, condition, safety measures such as fire alarm, burglar alarm, etc. Coverage may also be limited to fire only if e.g. bad condition Home insurance (contents insurance): is differentiated on security measures such as theft and fire alarms. On the settlement side, the same principles and conditions are built up in the same way with security regulations to ensure sustainable behavior of the customer. 1) Total revenues from non-life/non-health (re)insurance business: 1 383 748 331 NOK 2) Total revenues from travel insurance: 95 782 294 NOK 3) Total revenues from ESG based non-life/non-health (re)insurance products: 1 - 2 = 1 287 966 037 NOK In order to calculate the percentage of ESG based non-life product lines vs total revenues from non-life/non-health insurance at Storebrand Insurance, we use the following calculation (with numbers from above): 3) / 1) *100 = 93.1% Avoided emissions through our electric car insurance: Avoided emissions through electric car insurance: Estimated to 18 583 metric ton CO2. - Calculation: We have used number of sold electric car insurances in 2020 (3954) and emission estimates for fossil cars from EPA (www.mysuezwater.com/sites/default/files/420f14040a.pdf:) A typical passenger vehicle emits about 4.7 metric tons of carbon dioxide per year. A vehicle that operates exclusively on electricity (an EV) will not emit any tailpipe emissions. So 3954*4,7 = 39 442,4 metric tons of CO2
Other products and services, please specify	Yes	Alternative carbon footprinting and/or exposure metrics (as defined by TCFD	For our property portfolio, we track the absolute emissions from our portfolio, as well as an intensity figure, namley tonnes CO2e per m2, as suggested by the TCFD and SBTi. Our cabon intensity figure for 2020 was 7.9 tonnes CO2e per m2, which is well below the sector average, down from 9.12 in 2019. In addition to this, we also track our portfolios impact on the climate through other indicators such as waste generated and recycled, water use, material use and the like as expressed in our annual report:https://www.storebrand.no/en/investor-relations/annual-reports/_/attachment/inline/d0e9764c-1757-4fe1-a96b-c71c90a998a4:7cf55a6b7cc6fcd106f6bad885985c4c3608b11d/2019-annual-report-storebrand-asa.pdf

C-FS14.1a

(C-FS14.1a) What are your organization's Scope 3 portfolio emissions? (Category 15 "Investments" total emissions)

Category 15 (Investments)

Evaluation status
Relevant, calculated

Scope 3 portfolio emissions (metric tons CO2e)
3261366

Portfolio coverage
More than 40% but less than or equal to 50%

Percentage calculated using data obtained from client/investees
0

Emissions calculation methodology
The calculations cover Storebrand's equity holdings in mutual funds as well as the equity investments in our guaranteed portfolios. The provided number is calculated as a weighted sum of total carbon emissions whereas weight represents Storebrand as an asset manager's equity investment in a company divided by company's market capitalization. We use carbon data from Truecost to calculate the carbon footprint of our holdings (https://www.trucost.com/publication/the-carbon-scorecard/). The source for market capitalization is Bloomberg. The source for Storebrand asset managements equity investment size is our investment management system (Simcorp Dimension). Storebrand reports on carbon dioxide equivalents, which is a measurement that includes carbon dioxide and equivalent greenhouse gases. The reporting includes investees' Scope 1 and 2 as defined by the Greenhouse Gas Protocol (www. ghgprotocol.org), which means the company's direct emissions from owned or controlled sources and indirect emissions from purchased energy. The coverage reported is 45% of our total AUM. If we were to report the portfolio coverage for only our Equity investments, the coverage is 90% of total AUM invested in equities.

Please explain
The calculation covers all of Storebrands investments in equities. Bond investments are not included here, as the data quality is not sufficient. Storebrand does not use the number for total scope 3 emissions as a management tool, neither as a metric in our decarbonization targets. Rather, we utilize the weighted average carbon intensity metric as expressed below. We find this figure to better measure our carbon exposure over time in a manner that is consistent and makes it possible to compare our own funds performance against each other, in addition to making comparisons to relevant indexes possible. Therefore, the number reported here cannot be directly compared to the figure reported last year. A low carbon footprint means that the portfolio has a low exposure to carbon intensive companies. Carbon Intensity is a measurement of the carbon dioxide and other greenhouse gases released annually by a company at a given time, in relation to the revenue of the company. In other words, it shows how carbon efficient the company is. A fund's Carbon Intensity is a weighted average of Carbon Intensities of companies which constitute the fund. It is important to note that Carbon Intensity is a point in time measurement which is constantly changing and does not fully represent fund's carbon risk. Management quality, carbon emission trends, fossil fuel reserves and clean technology solutions of the relevant companies is the factors which should be taken into consideration for a better understanding of the risk involved. These factors are not reflected in the carbon intensity metric. As of today, there is no global standard on how to calculate Carbon intensity, though the TCFD framework has gained significant momentum globally. Since both methods and data are continuously adjusted and refined, the Storebrand Group is following the developments and adjusting reporting guidelines accordingly. Data is not always available for individual companies, and there are still quality issues with the data and the methods of calculation. Therefore, the carbon intensity results should be seen as indicative, and they should be used together with a broader forward-looking sustainability analysis.

C-FS14.1b

(C-FS14.1b) What is your organization's Scope 3 portfolio impact? (Category 15 "Investments" alternative carbon footprinting and/or exposure metrics)

Metric type
Weighted average carbon intensity

Metric unit
tCO2e/$M revenue

Scope 3 portfolio metric
115.3

Portfolio coverage
More than 90% but less than or equal to 100%

Percentage calculated using data obtained from clients/investees
95

Calculation methodology
Storebrand uses the weighted average model recommended by the TCFD guidelines. The metric used is tonnes CO2e per 1 million NOK/SEK sales revenue. Here, the figure is reported in UDS, given that this was the only option available in the questionaire. 106.5 tonnes CO2 pr. million USD in revenue is the average carbon intensity for portfolio companies that have coverage, compared to a carbon intensity of 161.9 for the reference indexes

Please explain
Storebrand's securities investments (bonds, stocks and funds etc) of AuM NOK 830 billion are by far the largest Scope 3 source. We actively address the climate-change risks and impacts in this field, in order to secure investments and make positive changes in these indirect activities. This also meets stakeholders' demands. We publicly report on our Carbon footprinting and decarbonisation, and have committed to the Montreal Pledge and PDC, see https://www.storebrand.no/asset-management/barekraftige-investeringer/dokumentbibliotek-rapporter/_/attachment/inline/3d0638b4-2cea-4e15-a370-c7bec1fc7775:1be2bbfcaf8625b94ca9ee30bba608340a35bd44/45365%20Carbon%20footprinting_b%C3%A6rekraft._Q4%202019.pdf Calculations cover Storebrand's equity and bond holdings in mutual funds as well as the equity and bond investments in our guaranteed portfolios. Storebrand uses carbon data from Trucost to calculate the carbon footprint of our holdings, using the "weighted average" intensity model. If we have carbon information covering less than 75% of the market share of the fund's equity holdings we will not report on that fund's carbon footprint. In this report we have excluded a few funds due to lack of carbon data. Storebrand reports on carbon dioxide equivalents, which is a measurement that includes carbon dioxide and equivalent greenhouse gases. The reporting includes investees' Scope 1 and 2 as defined by the Greenhouse Gas Protocol (www. ghgprotocol.org), which means the company's direct emissions from owned or controlled sources and indirect emissions from purchased energy. Scope 1 & 2 for Investments is scope 3 for Stprebrand ASA

C-FS14.2

(C-FS14.2) Are you able to provide a breakdown of your organization's Scope 3 portfolio impact?

	Scope 3 breakdown	Comment
Row 1	Yes, by asset class	We report annually on the carbon footprint of our equity and bond investments in our annual report. The metric used is tonnes CO2e per 1 million NOK/SEK sales revenue Moreover, we publish carbon footprint reports for our portfolio every quarter, and have also recently started reporting the ESG investment impact of individual funds. The reports can be found here: https://www.storebrand.no/en/asset-management/sustainable-investments/document-library

C-FS14.2a

(C-FS14.2a) Break down your organization's Scope 3 portfolio impact by asset class.

Asset class	Metric type	Metric unit	Scope 3 portfolio emissions or alternative metric	Please explain
Listed equity	Weighted average carbon intensity	tCO2e/$M revenue	12	Carbon footprint from equity investments: tonnes CO2e per 1 million NOK/SEK sales revenue (vs. index which is 18)
Fixed income	Weighted average carbon intensity	tCO2e/$M revenue	9	Carbon footprint from bonds investments: tonnes CO2e per 1 million NOK/SEK sales revenue (vs. index which is 16)

C-FS14.3

(C-FS14.3) Are you taking actions to align your portfolio to a well below 2-degree world?

	We are taking actions to align our portfolio to a well below 2-degree world	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	Storebrand joined two international initiatives in 2015 with a focus on reporting on and lowering the carbon intensity of our equity investments; the Montréal Pledge (http://montrealpledge.org/) and the Portfolio Decarbonisation Coalition (PDC, http://unepfi.org/pdc/). The climate issue is one of the most important strategic issues facing the world today, and has a direct impact on both investments and any company's future success. Therefore, it is in the interest of both institutional and individual investors that climate impacts are measured and managed. Calculation of the Carbon intensity of investment products is one of several methods used to understand climate impact. This is why we have chosen to support both the Montreal Pledge which drives reporting of the carbon intensity, as well as the Portfolio Decarbonisation Coalition which entails a commitment to lower the footprint. As part of our active commitment to the Net Zero Asset Owner Alliace, Storebrand has Committed to become Carbon neutral by 2050. Storebrand co-leads the sector targets working group within the Net Zero Asset Owner Alliace, and has taken an active role in improving target setting methods for financial institutions. Moreover, we have committed to setting a science based target. We will set a science based target in the fall of 2020 (if and when the methodology for financial institutions is finalized). At present, Storebrand is setting a Science Based Target for our property investment portfolio, as part of a Pilot project with the Science Based Target initiative, that will be part of a report on setting SBT targets that will be published later this year.
Investing (Asset owner)	Yes	As part of our active commitment to the Net Zero Asset Owner Alliace, Storebrand has Committed to become Carbon neutral by 2050. Storebrand co-leads the sector targets working group within the Net Zero Asset Owner Alliace, and has taken an active role in improving target setting methods for financial institutions. Moreover, we have committed to setting a science based target. We will set a science based target in the fall of 2020 (if and when the methodology for financial institutions is finalized). At present, Storebrand is setting a Science Based Target for our property investment portfolio, as part of a Pilot project with the Science Based Target initiative, that will be part of a report on setting SBT targets that will be published later this year.
Insurance underwriting (Insurance company)	Yes	As expressed in section C-FS14.1, we are tracking the share of revenues in our insurance portofolio that comes from low carbon products. Therefore, we are continuously working to reduce the climate impact of our existing products, and to develop products that promote carbon reductions for our clients. The Electric Vehicle insurance explained above is an example of this, and the EV insurances share of the insurance portofolio has grown from 3% in 2015 to 14% in 2019. Other measures include: In order to nudge our home insurance customers to behave more sustainably, we offer a grant of up to NOK 150,000 for installation of climate-friendly or safety-related measures beyond what is required by law or regulations when rebuilding insured houses. Climate-friendly measures are defined as fixed installations, construction methods and use of building materials that are intended to reduce carbon emissions and energy consumption. We recycle and repair when possible. In 2019, we started a strategic partnership with Hurtigruta Carglass, a car glass company with a high repair ratio. Instead of replacing all car windows after accidents, four out of ten windows are now repaired through Hurtigruta Carglass. This helps reduce waste. 40 replaced car windows fill a trailer with waste, while the waste of 40 repaired car windows can be held in the palm of your hand.
Other products and services, please specify	Yes	Storebrand real estate investments: For our property portfolio, we are continuously working to align our portfolio to a well below 2-degree world. This includes energy efficiency measures, green building certification, BREEAM certifications of new builds and the like. Through these measures, we are well within the targets of our newly established SBT targets for our property portfolio (awaiting validation), with our carbon intensity figure for 2019 was 9.12 tonnes CO2e per m2, which is well below the sector average.

C-FS14.3a

(C-FS14.3a) Do you assess if your clients/investees' business strategies are aligned to a well below 2-degree world?

	We assess alignment	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes, for all	In 2019 Storebrand Asset Management conducted Scenario analysis using the Paris Agreement Capital Transition Assessment (PACTA) tool. The tool was used on the following fund groups Skagen funds Storebrand Funds SPP Funds The tool offers a good overall insight into sector specific alignment with 2 degrees scenarios, specifically oil and gas, coal, renewable energy and electric vehicles. Moreover, we continuously track the emissions of our investee companies, and publish carbon footprint reports for our portfolio every quarter. We have also recently started reporting the ESG investment impact of individual funds. The reports can be found here: https://www.storebrand.no/en/asset-management/sustainable-investments/document-library Through our engagements, we assess if our investee companies business strategies are aligned to a well below 2-degree world. Recently, Storebrand asset management has been engaging directly with Equinor, a major oil company. Together with Equinor we have defined an ambitious pathway which will see the company play an even more active role in the transition to a low carbon economy. Some of Equinor's commitments, as detailed in the joint statement with investors, include: *To assess its portfolio, including new material capital expenditure investments, in relation to a well below 2°C scenario from 2019 onwards. * Reviewing existing climate-related targets up to 2030 and setting new ambitions beyond 2030. Targets currently cover operating emission reductions, methane intensity and upstream carbon intensity, as well as a 2020 target for low-carbon R&D expenditure. *Further strengthening the link between climate related targets and remuneration for senior executives and employees. Equinor will seek to align remuneration for executives and employees across its business with updated short, medium and long-term climate-related targets and ambitions, once these are defined in 2020. *To report in line with final recommendations of the Task Force on Climate-related Financial Disclosures. *From 2020, report overall estimated carbon intensity of energy products and services provided and explore additional approaches to drive de-carbonization along the company's value chain and the end use of products (scope 3 emissions).
Investing (Asset owner)	Yes, for all	As an asset owner we set the strategic prioritizations for the sustainable investments work that is executed by Storebrand Asset management. Our climate change policy aims to reduce investment exposure to climate risk, hereunder to ensure that our investee companies business strategies are aligned to a well below 2-degree world. Storebrand Asset management is responsible for the execution of our strategic ambitions, as expressed above.
Insurance underwriting (Insurance company)	Not applicable	Storebrand does not offer B2B insurance, and thus does not engage with our B2C clients to set science-based targets given that our insurance products are within private car, housing, health and travel insurance.
Other products and services, please specify	Yes, for all	Storebrand Real Estate: For our property portfolio, we are continuously tracking the work that is being done the properties in our portfolio, in order to align our portfolio to a well below 2-degree world. This includes energy efficiency measures, green building certification, BREEAM certifications of new builds and the like. Through these measures, we are well within the targets of our newly established SBT targets for our property portfolio (awaiting validation), with our cabon intensity figure for 2019 was 9.12 tonnes CO2e per m2, which is well below the industry average.

C-FS14.3b

(C-FS14.3b) Do you encourage your clients/investees to set a science-based target?

	We encourage clients/investees to set a science-based target	Please explain
Bank lending (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes, for some	Engagement is one of the core strategies of our work on sustainable investments. We do both individual and collaborative engagements, often through international initiatives and investor coalitions such as the PRI. As an example, one of our main engagement activities in recent times has been to engage with companies to reduce water use and GHG emissions within intensive livestock producers. The engagement has been through FAIRR, a collaborative investor network that raises awareness of ESG risks and opportunities caused by intensive livestock production. Livestock production consumes nearly a third of global freshwater use and contributes 14.5% of global GHG emission. We directly ask companies to de-risk their meat and dairy supply chains by requiring them to undertake climate risk scenario analysis, develop strong supplier policies on climate and water, set science-based targets, and publicly report on progress against these targets. This is just one example of where we engage with the companies we are invested in to set Science-based targets.
Investing (Asset owner)	Yes, for some	As an asset owner we set the strategic prioritizations for the sustainable investments work that is executed by Storebrand Asset management. Our climate change policy aims to reduce investment exposure to climate risk. We are part of several global collaborations where we have a leading role in engaging with companies that are top carbon emitters. With the decision to phase out investments in coal by 2026, we are engaging with investee entities on reducing their exposure to coal production, distribution and consumption. We will also co-file shareholder proposals on two-degree scenario planning and methane emission reduction targets. Storebrand's management of climate risk is aligned with the main aspects of the TCFD recommendations. As part of our climate change strategy, one of the main thematic areas within active ownership is engagement with investee companies to; "Decarbonize Companies", hereunder engaging with companies to set Science based targets. Moreover, throught our commitments to the Net Zero Asset Owner Alliance, specifically our dedication to the target setting group of the initiative, we are currently establishing targets directly related to the share of portfolio companies with SBTs. Engaging with companies to set SBTs will therefore be an even more important focus in the years to come. In addition to this, through our active participation in the working group, Nordic CEOs for a Sustainable Future, we have committed to: Initiate or strengthen practices around the following actions by the reporting year 2020: 1. Climate disclosure - Disclose information on Climate Data through the Carbon Disclosure Project (CDP) or similar methods. Integrate the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). 2. Target setting - Use verifiable methods and illustrating pathways that support the Paris Agreement 3. Assurance – Undergo external validation of key climate data. 4. Suppliers - Engage with relevant suppliers to adopt a proactive approach to address climate change. Point 4 is particularly relevant here.
Insurance underwriting (Insurance company)	Not applicable	Storebrand does not offer B2B insurance, and thus does not engage with our B2C clients to set science-based targets given that our insurance products are within private car, housing, health and travel insurance.
Other products and services, please specify	Yes, for some	We are currently working on a new strategy for supplier engagement that has a more specific focus on GHG emissions, and tracking of suppliers emissions over time. The engagement strategy will be even more targeted towards emissions reduction targets, plalans for reductions and Paris-alignment. Engaging with suppliers to set SBTs will therefore play a major role.

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer	Chief Financial Officer (CFO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please state the main reason why you are declining to respond to your customers

Prefer to work directly with customer, not through a third party

Please confirm below

I have read and accept the applicable Terms