

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Storebrand Smart Cities (the "Fund") **Legal entity identifier:** 549300QY5B66K1WMBO65

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?	
<p>●● <input checked="" type="checkbox"/> Yes</p>	<p>● ● <input type="checkbox"/> No</p>
<p><input checked="" type="checkbox"/> It made sustainable investments with an environmental objective: 82%</p> <p style="margin-left: 20px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made sustainable investments with a social objective:</p>	<p><input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments</p> <p style="margin-left: 20px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 20px;"><input type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments</p>



To what extent was the sustainable investment objective of this financial product met?

The Fund invested in its entirety in sustainable investments, either in the form of solutions companies (pathway one), or companies with a certain level of achievements through our sustainability score (pathway two).

During 2022, the Fund's sustainable environment-related investments have been linked to companies sustainable cities (water, urban planning, accessibility). As a result of these investments, the Fund has promoted a transition to a world with low carbon dioxide emissions (greenhouse gases) by excluding companies with operations linked to fossil fuels or with large fossil reserves as well as companies that violate international standards and conventions

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

related to environmental issues. The Fund also does not invest in companies that give rise to serious environmental or climate damage.

The Fund also has excluded investments in companies with activities linked to prohibited weapons, nuclear weapons, weapons and munitions, alcohol, tobacco, cannabis, pornography and commercial gambling as well by opting out of companies that violate international norms and conventions related to human rights and labor law. The Fund promotes good governance practices through combat of corruption and financial crime.

The Fund's sustainable investments have contributed to, among other things, the following of the UN's Global Sustainability Goals:

SDG 6: Clean Water and Sanitation
SDG 12: Responsible Consumption and Production

The Fund's environmentally sustainable investments have contributed to the following environmental goals defined in The EU Taxonomy for Environmentally Sustainable Businesses: Mitigation and Adaptation to Climate Change.

● **How did the sustainability indicators perform?**

Key Performance Indicator (KPI)	Fund	Index
Carbon intensity scope 1 and 2 (CO2 equivalents per million euro of sales revenue)	74	181
Storebrand Sustainability ESG Score (scale 1-10)	9	6
FTSE Green Revenue	50 %	n.a.
PAI 4 (Exposure to companies active in the fossil fuel sector)	0,0 %	n.a.
PAI 5_1 (Share of non-renewable energy consumption)	73,1 %	n.a.
PAI 5_2 (Share of non-renewable energy production)	0,0 %	n.a.
PAI 6 A (Energy consumption intensity per high impact climate sector: Agriculture, forestry and fishing)	0,0 %	n.a.
PAI 6 B (Energy consumption intensity per high impact climate sector: Mining and quarrying)	0,0 %	n.a.
PAI 6 C (Energy consumption intensity per high impact climate sector: Manufacturing)	0,7 %	n.a.
PAI 6 D (Energy consumption intensity per high impact climate sector: Electricity, gas, steam and air conditioning suppl)	0,0 %	n.a.
PAI 6 E (Energy consumption intensity per high impact climate sector: Water supply; sewerage; waste management and remed)	0,0 %	n.a.
PAI 6 F (Energy consumption intensity per high impact climate sector: Construction)	0,1 %	n.a.
PAI 6 G (Energy consumption intensity per high impact climate sector: Wholesale & retail trade; repair of motor vehicles)	0,0 %	n.a.
PAI 6 H (Energy consumption intensity per high impact climate sector: Transportation and storage)	0,0 %	n.a.
PAI 6 L (Energy consumption intensity per high impact climate sector: Real estate activities)	0,1 %	n.a.
PAI 10 (Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises)	0 %	n.a.
PAI 14 (Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons, and biological weapons)	0 %	n.a.
Revenues from business activities related to the production and distribution of nuclear weapons, weapons, alcohol, tobacco, cannabis, pornography, commercial gambling)	0 %	n.a.

● **...and compared to previous periods?**

N/A. Periodic report not issued for prior periods.

● **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

All investments were assessed for adverse impacts as part of the do-no-significant-harm (DNSH) process. The conclusion of no significant harm was based on adverse impacts being either below certain thresholds, or considered insignificant based on other evaluation process.

— **How were the indicators for adverse impacts on sustainability factors taken into account?**

Adverse impacts indicators were reflected for all of the underlying securities based on the data availability, coverage and quality which allows for setting measurable or quantifiable thresholds, or where there is sufficient information to make a qualitative assessment of adverse impacts.

— **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

Yes, The Investment Manager aims to ensure that all investee companies follow the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and the ILO conventions. The Investment Manager's process for this is to screen all investments in the Fund's investment universe by using data and research from an external data provider.

This screening is intended to assess and screen how companies adhere to these standards, and if in breach of them, how they respond to incidents and implement changes. The Fund will not invest in entities defined as non-compliant, based on this screening.

Once an entity has been defined as non-compliant, the entity is excluded from the Fund's investment universe, and the entity is no longer investable until the status has changed. This list of excluded entities are updated on a quarterly basis.

How did this financial product consider principal adverse impacts on sustainability factors?

The investments considered PAI's through a traffic light system, where potential negative consequences were identified and analyzed. The method aims to identify PAI laggards (red), PAI intermediate performers (yellow) and PAI leaders (green) so that risk can be avoided, and more capital can be allocated to more sustainable companies and solution companies.

The following PAI categories were considered:

- Adverse impacts affecting the environment and climate such as: severe environmental damage; Green House Gas emissions; biodiversity loss and deforestation
- Adverse impact affecting workers, communities, and society such as: violations of basic workers' rights; forced labor; gender/diversity discrimination or indigenous rights violations
- Adverse impact in connection with gross corruption and money laundering
- Adverse impact in connection with controversial weapons (landmines, cluster munitions and nuclear weapons)
- Adverse impact in connection with tobacco products

What were the top investments of this financial product?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 31 December 2022

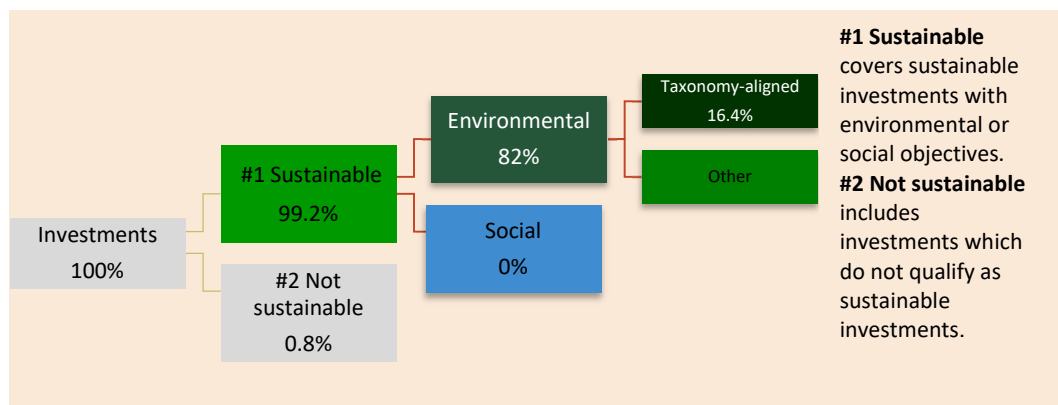
describes the share of investments in specific assets.

Name	GICS Sector	Share	Country
Johnson Controls International plc	Industrials	4,2 %	United States
Trane Technologies plc	Industrials	4,1 %	United States
Schneider Electric	Industrials	4,0 %	United States
Daikin Industries	Industrials	3,8 %	Japan
BYD CO H	Consumer Discretionary	3,8 %	China
Xylem Inc	Industrials	3,2 %	United States
Ventas Inc (REIT)	Real Estate	3,1 %	United States
Legrand	Industrials	3,1 %	France
Nippon Telegraph & Telephone Co	Communication Services	3,1 %	Japan
Lennox International Inc	Industrials	3,0 %	United States
Central Japan Railway	Industrials	3,0 %	Japan
APTIV PLC.	Consumer Discretionary	2,8 %	United States
Owens Corning	Industrials	2,8 %	United States
Advanced Drainage Systems Inc	Industrials	2,7 %	United States
Acciona	Utilities	2,3 %	Spain



What was the proportion of sustainability-related investments?

● What was the asset allocation?



● In which economic sectors were the investments made?

Economic Sector (GICS)	% Assets
Industrials	65,5 %
Consumer Discretionary	14,9 %
Information Technology	5,7 %
Real Estate	5,6 %
Communication Services	3,1 %

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

Utilities	2,3 %
Financials	1,9 %



To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The companies in which the Fund has invested have not yet fully begun to report to what extent their activities comply with the EU taxonomy. This means that only estimated data is available. The Fund company believes that the estimated data to assess whether a company contributes to one of the EU's environmental goals and is therefore considered a sustainable investment is sufficient. Regarding assessment for an investment's exact (underlying company's percentage contribution) compatibility with The EU taxonomy considers the Fund company that the estimates are currently not sufficiently reliable as well that the degree of coverage is too low. For that reason, 0 percent taxonomy-compatible investments are currently reported in the table below.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

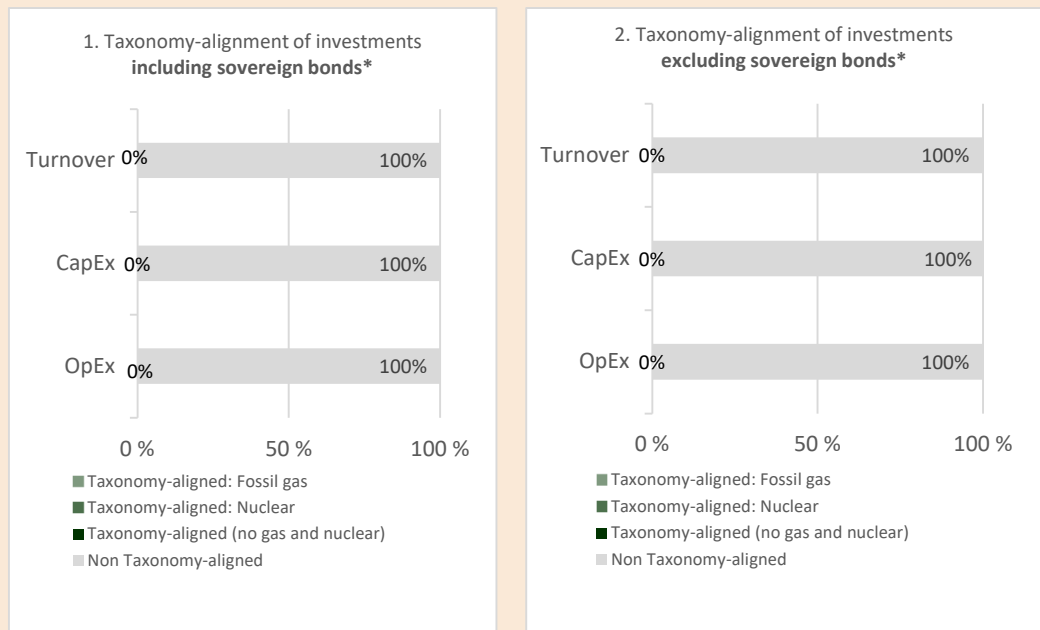
Yes:

In fossil gas In nuclear energy


No

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

● **What was the share of investments made in transitional and enabling activities?**

N/A. There is currently lack of data to measure such activities.

● **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

N/A. Periodic report not issued for prior periods.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

82%



What was the share of socially sustainable investments?

0%



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Residual capital in the Fund categorized as 'Not sustainable' is due to cash position of the Fund.



What actions have been taken to attain the sustainable investment objective during the reference period?

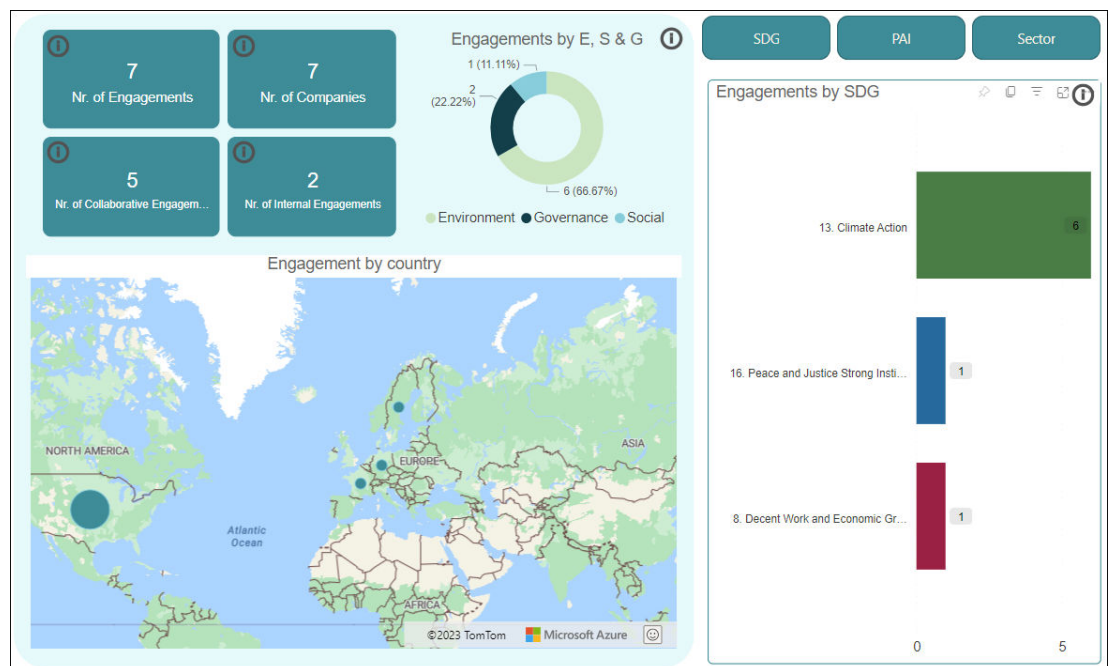
Active ownership

Voting: In 2022, we voted on behalf of our Norway-registered funds at the Annual General Meeting (AGM) of 1131 companies based in a total of 59 countries. The market where we voted most was the United States of America, with 260 meetings. We voted on 14286 of 39963 votable items, corresponding to 36%. 89% of votes were with management, and 11% against management.

We have prioritised voting based on opportunities to maximise impact, and to make sure that we vote in line with Storebrand's Sustainable Investment Policy. Through the AGMs, we have prioritised meetings at companies that represent our largest holdings, the Norwegian and Swedish markets, and specific ESG-related resolutions at stake."

Engagement: A total of 651 engagements were performed in 2022, involving 510 companies, and slightly more than 50% of the engagements were related to environmental issues and slightly more than 30% were related to social issues. We collaborated with other investors in 495 instances, while we had 147 individual engagements. An engagement is a structured dialogue with a company, or several companies together, with predefined objectives and milestones. One engagement can consist of several activities and interactions such as in-person meetings, letters, e-mails and so on, each of which we classify as an "activity". Below is an overview of the engagements relevant for the Fund.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.



Exclusions

All our investments must satisfy the Storebrand Standard, our benchmark requirement for sustainable investments, which excludes companies that violate international norms and conventions or are involved in unacceptable operations. The Storebrand Standard includes

criteria for human rights and international law, corruption, corporate crime, serious climate and environmental damage, controversial weapons (land mines, cluster munitions and nuclear weapons), tobacco, deforestation, deep-sea mining and marine tailings. At the end of 2022, 281 companies were excluded from Storebrand's investment universe.



How did this financial product perform compared to the reference sustainable benchmark?

N/A. The Fund is actively managed and uses a benchmark for performance comparison purposes. However, the Fund does not specifically use a benchmark index to attain its environmental or social characteristics.

- ***How did the reference benchmark differ from a broad market index?***

N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A