

# Redegjørelse av arbeidet med aktsomhetsvurderinger av menneskerettigheter og anstendige arbeidsforhold

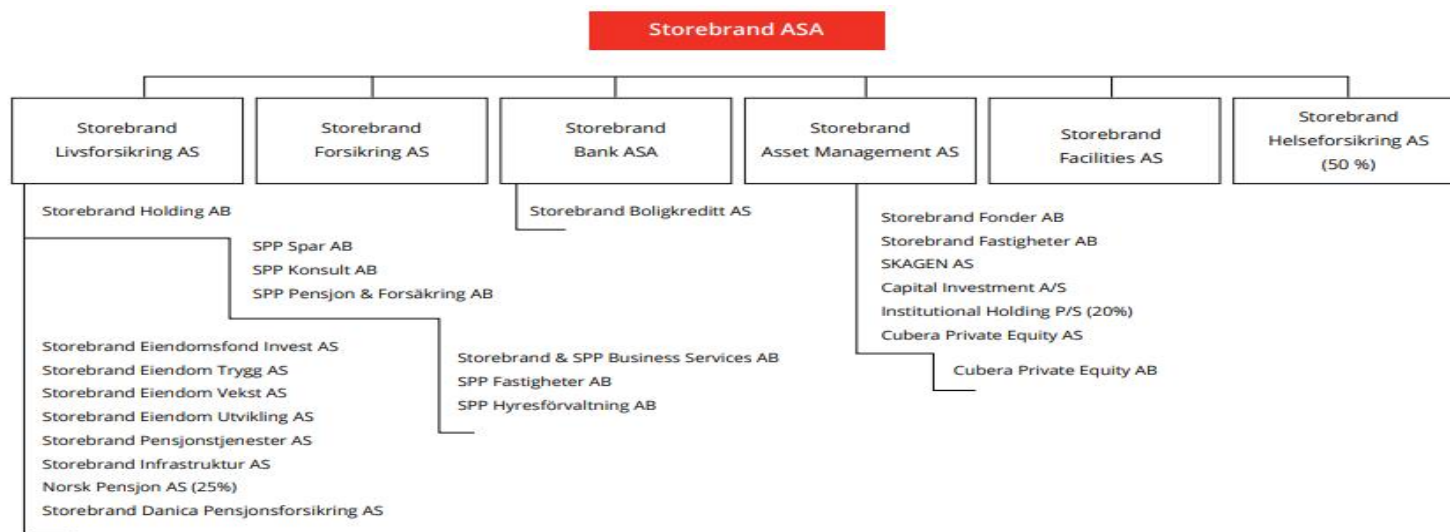
## Storebrand Asset Management

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**Godkjent av:** Styret og administrerende direktør i Storebrand ASA, Storebrand Livsforsikring AS, Storebrand Forsikring AS, Storebrand Bank ASA, Storebrand Boligkreditt AS, Storebrand Asset Management AS, SKAGEN AS, Cubera Private Equity AS, Storebrand Helseforsikring AS

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*For en full rapportering for hele konsernet. Se Storebrandskonsernet nettside*



## Storebrand Asset Management AS

Storebrand Asset Management AS (SAM) er et forvaltningsselskap med konsesjon etter verdipapirfondloven og lov om forvaltning av alternative investeringsfond til bl.a. forvaltning av verdipapirfond og alternative investeringsfond, samt tillatelse til å yte individuell porteføljeforvaltning og investeringsrådgivning etter verdipapirhandelovens bestemmelser.

SAM har per 01.01.2023 fem heleide datterselskaper; SKAGEN AS, Cubera Private Equity AS, Storebrand Fonder AB, Storebrand Fastigheter AB og Capital Investment A/S, og er et delkonsern i Storebrand. SKAGEN AS er lokalisert i Stavanger, mens Cubera Private Equity AS er lokalisert i Oslo. Cubera Private Equity AS har også et heleid datterselskap i Stockholm, Cubera Private Equity AB. Storebrand Fonder AB og Storebrand Fastigheter AB er samlokalisert med SPP Pension & Försäkring AB i Stockholm, mens Capital Investment A/S er lokalisert i København. Videre har selskapet også en filial i Sverige lokalisert i Stockholm, en filial i Danmark, København og en nyopprettet filial i Finland, Helsinki. Våren 2023 har SAM også etablert et datterselskap i London, UK – Storebrand Asset Management UK Ltd.

Aktsomhetsvurderinger er gjennomført hos alle datterselskaper av SAM, men selskapsspesifikke forhold vil i det videre beskrives for de norskregistrerte foretakene. Det er ikke avdekket vesentlig risiko eller faktiske negative konsekvenser i arbeidet med aktsomhetsvurderinger i de øvrige nordiske datterselskapene.

Risikoen for brudd på menneskerettigheter og anstendig arbeidsvilkår i SAM anses å være lav. Gjennom arbeidet med aktsomhetsvurderinger er det belyst områder med noe høyere sannsynlighet (lav) enn øvrige. Universell utforming, språk, databehandling og leverandørforhold innenfor IKT har iboende risikoer, men risikoen håndteres gjennom etablerte retningslinjer, klage- og hendelsesprosesser. For universell utforming, språk og databehandling vises det til det som er beskrevet under pkt. 4.1 Storebrand ASA.

SAM har leverandørforhold i UK og i USA. Disse landene scorer høyere på indekser som måler arbeidstakers rettigheter og brudd på disse. Det er ingen indikasjoner på at risikoen materialiserer seg, men en komplett oversikt over verdikjedene inkl. underleverandører er krevende. Det er planlagt tiltak for å redegjøre for arbeidsforhold hos relevante underleverandører.

### 1.1.1 Kapitalforvaltning

SAM som forvalter med ulike konsesjoner, investerer i ulike aktivklasser. Det være seg aksjer, obligasjoner og eiendom. Investeringene gjøres på vegne av verdipapirfond, alternative investeringsfond og diskresjonær forvaltning av kunders midler i tråd med SAMs konsesjoner. Videre driver også SAM med distribusjon av egne produkter til profesjonelle og ikke- profesjonelle investorer.

For kapitalforvaltningen anses rapporteringskravene som følger av Sustainable Finance Disclosure Regulation (SFDR) (på norsk "Offentliggjøringsforordningen") å være komplementerende for åpenhetslovens krav mht. aktivklassene aksjer og obligasjoner. For eiendominvesteringer er det per i dag ingen lovfestede sosiale måleparametere.

SFDR krever rapportering på såkalte Principle Adverse Impact (PAI) indikatorer, som er et sett med måleparametere for bærekraft på tvers av sosiale, økonomiske og miljømessige forhold for aktivklassene aksjer og obligasjoner. Noen av måleparametrene er obligatoriske, andre er frivillige. SAM har offentliggjort på sine hjemmesider en erklæring knyttet til valgte PAI'er. Denne finner du her: [Principal Adverse Impact Statement](#). SAM har blant annet valgt frivillige PAI indikatorer knyttet til at selskaper SAM investerer i skal ha vedtatt etiske retningslinjer for sine leverandørkjeder.

PAI-ene gir et generelt bilde av noen sosiale forhold i porteføljeselskapene hvor SAM er investert, og kompletterer vårt arbeid med aktsomhetsvurderinger.

SAM fokuserer på følgende sosiale PAI-er som del av vår due diligence, jf. SFDR:

- Brudd på prinsippene i FNs Global Compact og retningslinjene fra Organisation for Economic Cooperation and Development (OECD) for flernasjonale selskaper
- Manglende prosesser og mekanismer for overvåking av compliance med prinsippene i FNs Global Compact og OECDs retningslinjer for flernasjonale selskaper
- Ujustert lønnsforskjell mellom kjønnene (gender pay gap)
- Eksponering for kontroversielle våpen (landminer, klasevåpen, kjemiske våpen og biologiske våpen)
- Statsobligasjoner i land som er gjenstand for sosiale brudd
- Leverandørs etiske retningslinjer

For å se hvordan vi har håndtert, redusert eller unngått ovennevnte PAI-er i perioden Q2 2022-Q2 2023 i tabellen nedenfor.

I tillegg til rapportering om hvordan vi har jobbet med disse PAene, rapporterer vi også om hvordan vi har gjennomført aktsomhetsvurderinger i våre investeringer fra 2. kvartal 2022 til 2. kvartal 2023. Nedenfor oppsummeres dette arbeidet, men for en mer detaljert gjennomgang, se tabellen for Human Rights Due Diligence i appendiks.

### **Aksjer og obligasjoner: oppsummering av aktsomhetsvurderingene**

I perioden har vi kartlagt og vurdert negative påvirkninger, og iverksatt egnede tiltak for å stanse, forebygge eller begrense negative konsekvenser i våre investeringer for følgende risikoer: arbeidsvilkår i leverandørkjeder; tvangsarbeid; kjønn, mangfold og inkludering; levelønn; rett til å delta i fagforeninger (Freedom of Association) og barns rettigheter; arbeidstakers rettigheter og lokalsamfunnets rettigheter i en overgang til bærekraftig produksjon (Just transition); urfolks rettigheter; menneskerettigheter i høyrisikoland; menneskerettigheter i konfliktområder.

Risikoene ble identifisert for blant annet følgende sektorer: fornybar energi, olje og gass; gruvedrift; tekstil; mat og jordbruk; informasjon og telekommunikasjonsteknologi; eiendom og infrastruktur.

Som del av arbeidet med aktsomhetsvurderinger har vi benyttet ulike tiltak for å håndtere og redusere risikoene: eksklusjoner, reaktiv og proaktiv dialog med selskaper, observasjonslister og screening før investering. Arbeidet har også gjort det mulig å unngå å investere i selskaper som har vesentlig risiko for brudd på menneskerettigheter.

Dette arbeidet har resultert blant annet i eksklusjon av 13 selskaper basert på våre kriterier for menneskerettigheter og internasjonal humanitær lov, og redusert risiko knyttet til brudd på menneskerettigheter i investeringene våre. I tillegg ekskluderte vi, før investeringstidspunktet, 11 selskaper som var knyttet til høyrisikoland. Listen over eksklusjoner er publisert på nettsiden vår.

Vi har hatt proaktiv dialog med over 15 bransjer, hovedsakelig gjennom samarbeid i ulike investorinitiativer, og har stemt over 195 sosiale aksjonærforslag på generalforsamlinger i 2023.

## **1.2 Human rights due diligence report 2023**

### **1.2.1 Most salient risks identified, risk management and mitigation measures**

Risk category / sector	Most salient risks	Reasoning	Measure: Exclusion	Measure: Observation	Measure: Reactive engagement	Measure: Proactive engagement	PAI Coverage
Cross sectoral	Human rights due diligence processes own operations and supply chain; Gender diversity, diversity and inclusion; Gender pay gap; Supplier Codes of Conduct	Risks identified as part of EU Sustainable Financial Disclosure Regulation (SFDR), Principal Adverse Impact (PAIs), Please see more detail on PAI table; Risks also identified as part of controversy screening and also portfolio human rights due diligence.	Yes, in connection to lack of human rights due diligence processes	Yes, in connection to one renewables company due diligence for Indigenous peoples' rights	Yes, in connection to gender and pay; and human rights due diligence	Yes, in connection to gender and pay; and human rights due diligence. Strong focus on shareholder resolutions voting	Yes, see specific PAI indicator table for more detailed information
Textile	Labour rights in Supply Chain Living wages; Child labour Forced Labour	Risks identified as part of controversy screening and also portfolio human rights due diligence.	Not for this reporting period	Not for this reporting period	Yes. As part controversy screening in connection to working conditions and wages	Yes. On going collaborative engagements	Yes, in general
Food & Agricultural products and Food Retail	Labour rights in Supply Chain Living wages Freedom of Association Children's Rights Human Rights in High Risk Countries	Risks identified as part of controversy screening and also portfolio human rights due diligence.	Yes, in connection with human rights in high-risk countries	Not for this reporting period	Not for this reporting period	Yes. On going collaborative engagements	Yes, in general
Oil and gas	Human Rights in Conflict areas, Human Rights in High Risk Countries, Just transition	Risks identified as part of controversy screening. Risks identified as part of portfolio human rights due diligence. Impact of employment dislocation caused by the transition to a low-carbon economy	Yes, in connection to conflict areas and human rights in high-risk countries	Yes, in connection to conflict areas	Not for this reporting period	Yes. On going collaborative engagements	Yes, in general
Information & Telecommunications Technology (ICT)	Human rights in conflict areas, Forced Labour, Freedom of Association, Digital rights Human rights in high-risk countries Children's Rights	Risks identified as part of controversy screening and also portfolio human rights due diligence.	Yes, in connection to conflict areas and digital rights; human rights in high-risk countries	Not for this reporting period	Yes. As part controversy screening. Impact on communities under occupation. Digital rights. Human rights in high risk countries	Yes. On going collaborative engagements on Digital rights and conflict areas.	Yes in general

Risk category / sector	Most salient risks	Reasoning	Measure: Exclusion	Measure: Observation	Measure: Reactive engagement	Measure: Proactive engagement	PAI Coverage
Renewables	Forced labour, Human rights in conflict areas, Indigenous Peoples rights, Just Transition Living wages	Risks identified as part of controversy screening and also portfolio human rights due diligence.	Yes, in connection to conflict areas	Yes, in connection to Indigenous Peoples rights	Yes. As part controversy screening; Impact on communities under occupation. Impact on indigenous peoples;	Yes. On going collaborative engagements	Yes in general
Utilities	Human Rights in high-Risk countries	Risks identified as part of controversy screening and also portfolio human rights due diligence.	Yes, in connection to human rights in high-risk countries	Not for this reporting period. State owned/controlled companies	Not for this reporting period. State owned companies	No for this period	Yes in general
Mining	Human Rights in high-Risk countries, Just transition, Conflict Minerals	Risks identified as part of controversy screening and also portfolio human rights due diligence	Yes, in connection to human rights in high-risk countries	Not for this reporting period	Not for this reporting period. State owned companies	Yes. On going collaborative engagements	Yes in general
Hospitality	Human Rights in high-Risk countries, Labour conditions; Living wages;	Risks identified as part of controversy screening and also portfolio human rights due diligence	Not for this reporting period	Not for this reporting period	Yes in connection to labour rights migrant workers, specifically health and safety, recruitment fees and practices	Not for this reporting period	Yes in general
Infrastructure and construction	Human Rights in conflict areas Human Rights in high-risk countries	Risks identified as part of controversy screening and also portfolio human rights due diligence.	Yes, in connection to conflict	Not for this reporting period	Yes, in connection to conflict and high-risk countries; Impact on communities under occupation and right to self-determination. Labour rights migrant workers specifically health and safety, recruitment fees and practices	Not for this reporting period	Yes in general

Risk category / sector	Most salient risks	Reasoning	Measure: Exclusion	Measure: Observation	Measure: Reactive engagement	Measure: Proactive engagement	PAI Coverage
Financial sector	Human Rights in high-Risk countries	Risks identified as part of controversy screening and also portfolio human rights due diligence.	Yes, in connection to human rights in high-risk countries	Not for this reporting period. State owned/controlled companies	Not for this reporting period. State owned/controlled companies	Not for this reporting period	Yes in general
Chemicals	Forced labour Human rights in high-risk countries	Risks identified as part of controversy screening and also portfolio human rights due diligence.	Yes, in connection to forced labour	Not for this reporting period	Not for this reporting period	Not for this reporting period	Yes in general

### 1.2.2 Measures implemented and tracking results

Risk category /sector	Policies / guidelines	Implemented or planned measures	Achieved results / expected results	The plan for further follow-up
Cross sectoral	Principle Adverse Impact Statement; Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	<p>Apart from excluding, these themes are integrated in reactive and proactive engagements across all the sectors and in particular those referenced in this table. For example, when engaging on children's rights, we ask about labour conditions for female workers or working mothers too or if engaging with the extractive sector we asked for example on how corporate activities impact local communities and specifically local women or indigenous women. It is also a basic question when starting dialogue to identify to what extent companies follow a human rights due diligence process. This is for example one of the main asks for the PRI Advance Initiative, Storebrand is part of.</p> <p>We also vote for all resolutions on these themes for our investee companies.</p> <p>Storebrand welcomes ongoing human rights due diligence regulation in several countries, including Norway, where we are part of the Board of Koalisjonen for Ansvarlig Næringsliv (KAN/Coalition for a Responsible business sector) promoting this type of regulation in Norway.</p>	We see increased awareness on many of these issues. However, most companies have a lot of room for improvement. At a EU level, we see that EU policy makers have welcome our investor statements and so far regulation is advancing in a positive way.	Continue PAI mapping, especially as quality data becomes available. Please see PAI table in this document. Continue reactive and proactive engagements, assess progress. Exclude if necessary for severe cases with no sign of improvement and high risk of recurrence. We will continue engaging with policy makers for robust regulation on human rights due diligence.

Risk category /sector	Policies / guidelines	Implemented or planned measures	Achieved results / expected results	The plan for further follow-up
		At a EU level, Storebrand together with other investor coalitions has been pushing for a robust EU Corporate Sustainability Due Diligence Directive (CSDDD). In addition, we have also engaged with EU policy makers together with other investors so that gender as a theme is explicitly included in the EU CSDDD.		
Textile	Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	We are actively engaging with the sector through several investor collaborative initiatives within the Investor Alliance on Human Rights and the Platform for Living Wages Financials.	We assess the sector annually and have seen slight improvements regarding the adoption of living wages. See report from Living wages platform: <a href="https://www.livingwage.nl/wp-content/uploads/2022/10/PLWF_AnnualReport2022.pdf">https://www.livingwage.nl/wp-content/uploads/2022/10/PLWF_AnnualReport2022.pdf</a> Some companies have also stopped sourcing from suppliers involved in forced labour or regions with extreme high risk for forced labour such as Xinjiang. Most companies have adopted forced labour/modern slavery policies and protocols.	Continue reactive and proactive engagements, assess progress. Exclude if necessary for severe cases with no sign of improvement and high risk of recurrence.
Food & Agricultural products and Food Retail	Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	<p>We are actively engaging with the sector through several investor collaborative initiatives within the Investor Alliance on Human Rights and the Platform for Living Wages Financials, where we a co-chair for one of the working group for these sectors.</p> <p>We have also recently joined an initiative on children's rights by Global Child Forum engaging with companies in the Food &amp; Beverage sectors as well as food retail covering the impact of this industry on children on and beyond child labour.</p>	<p>We assess the sector annually and have seen slight improvements regarding the adoption of living wages. See report from Living wages platform: <a href="https://www.livingwage.nl/wp-content/uploads/2022/10/PLWF_AnnualReport2022.pdf">https://www.livingwage.nl/wp-content/uploads/2022/10/PLWF_AnnualReport2022.pdf</a></p> <p>Some companies are also adopting more integrated approaches to tackle child labour in their supply chains although so far on living wages is anecdotal.</p> <p>Regarding the Children's right initiative, expectations letters to companies have been sent.</p>	Continue reactive and proactive engagements, assess progress. Exclude if necessary for severe cases with no sign of improvement and high risk of recurrence.
Oil and gas	Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	<p>We have excluded several companies in connection to conflict areas as they were severe cases with no sign of improvement and high risk of recurrence. Pre-screening before investing. We have excluded one company in connection to a country human rights high risk assessment as the company is owned/controlled by high risk state.</p> <p>We are also actively engaging with the sector</p>	<p>We have mitigated risk for human rights abuses in high risk countries in our portfolios by pre-screening and excluding the company from the investment universe (prior to investment) during the reporting period and by excluding companies in conflict areas.</p> <p>For the new initiative on Just Transition, companies have received letters with investor expectations. Planning engagement strategies at the moment. Engagement to start after the summer.</p>	Continue proactive engagements and assess progress. Conduct reactive engagement and if necessary, exclude for severe cases with no sign of improvement and high risk of recurrence.



Risk category /sector	Policies / guidelines	Implemented or planned measures	Achieved results / expected results	The plan for further follow-up
		<p>through an investor collaborative initiative within the World Benchmarking Initiative on Just Transition.</p>		
Information & Telecommunications Technology (ICT)	Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	<p>We have excluded several companies in connection to conflict areas as they were severe cases with no sign of improvement and high risk of recurrence.</p> <p>Pre-screening before investing. We have excluded one company in connection to a country human rights high risk assessment as the company is owned/controlled by high risk state.</p> <p>In addition, we are proactively engaging with the sector regarding forced labour and digital rights within initiatives at the Investor Alliance for Human Rights. We have also been discussing the possibility of collaborative engagement regarding conflict areas/authoritarian regimes/high risk countries and technology. We have recently joined an initiative on children rights by Global Child Forum engaging with companies in the tech and telecom sector as the impact of technology on children is of increased concern.</p>	<p>We have mitigated risk for human rights abuses in high risk countries in our portfolios by pre-screening and excluding the company from the investment universe (prior to investment) during the reporting period.</p> <p>Within the initiative on digital rights, some tech companies recently adopted human right policies covering digital rights. However, implementation of policies in general for tech and telecom companies has to improve and thus, in 2022, for example, Storebrand co-filed a resolution requesting Meta to conduct human right impact assessment of the human rights impact of the Metaverse.</p> <p>We will continue engaging with the sector on these issues in collaboration with Ranking Digital Rights organisation.</p> <p>Regarding the Children's right initiative, expectations letters to companies have been sent.</p> <p>On the issue of forced labour, there has been a strong focus on forced labour in Xinjiang and more recently on how companies are complying with the US Uyghur Forced Labor Prevention Act (UFLPA). Some have reinforced training on human rights in their supply chains and other consider audits. However, many remain non responsive.</p>	Continue reactive and proactive engagements, assess progress. Exclude if necessary for severe cases with no sign of improvement and high risk of recurrence.

Risk category /sector	Policies / guidelines	Implemented or planned measures	Achieved results / expected results	The plan for further follow-up
Renewables	Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	<p>We have excluded one company as it was a severe case with no sign of improvement and high risk of recurrence. We are also actively engaging with the sector within the Investor Alliance on Human Rights, especially in connection to forced labour in Xinjiang. In addition, we are engaging with the sector through PRI Advance initiative on human rights requesting companies in general to: Implement the United Nations Guiding Principles on Business and Human Rights (UNGPs)</p> <p>Align their political engagement with their responsibility to respect human rights</p> <p>Deepen progress on the most severe human rights issues in their operations and across their value chains</p>	<p>We have mitigated human rights risk in our portfolios by excluding a company in connection to conflict areas.</p> <p>Regarding forced labour in Xinjiang and little corporate response to this theme, Storebrand co-filed a shareholder resolution in 2022 asking Canadian Solar to conduct a human rights assessment to identify forced labour at its operations in China. The resolution was omitted by the company before the AGM. However, in its annual report, it published the Board had requested an independent assessment of their supply chain in China as requested in the resolution.</p> <p>Recently we have sent letters to companies asking how they are complying with the US Uyghur Forced Labor Prevention Act (UFLPA); PRI Advance: Planning of engagement strategy. Companies have been contacted and engagements are starting before and after the summer.</p>	Continue reactive and proactive engagements, assess progress. Exclude if necessary for severe cases with no sign of improvement and high risk of recurrence.
Utilities	Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	Pre-screening before investing. We have excluded one company in connection to a country human rights high risk assessment as the company is owned/controlled by the state.	We have mitigated risk for human rights abuses in high-risk countries in our portfolios by pre-screening and excluding the company from the investment universe (prior to investment) during the reporting period.	Continue screening for human rights risk in high-risk countries. Continue reactive and proactive engagements, assess progress. Exclude if necessary for severe cases with no sign of improvement and high risk of recurrence.

Risk category /sector	Policies / guidelines	Implemented or planned measures	Achieved results / expected results	The plan for further follow-up
Mining	Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	Pre-screening before investing. We have excluded one company in connection to a country human rights high risk assessment as the company is owned/controlled by the state. We are engaging with the sector through PRI Advance initiative on human rights. Requesting companies in general to: Implement the United Nations Guiding Principles on Business and Human Rights (UNGPs) Align their political engagement with their responsibility to respect human rights Deepen progress on the most severe human rights issues in their operations and across their value chains	We have mitigated risk for human rights abuses in high-risk countries in our portfolios by pre-screening and excluding the company from the investment universe (prior to investment) during the reporting period.  PRI Advance: Planning of engagement strategy. Companies have been contacted and engagements are starting before and after the summer.	Continue reactive and proactive engagements, assess progress. Exclude if necessary for severe cases with no sign of improvement and high risk of recurrence.
Hospitality	Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	We have been having reactive individual engagement with the sector in connection to the situation of migrant workers in Qatar.	Some of the companies engaged on human rights abuses in high-risk countries specifically in connection to working conditions of migrant workers in Qatar show improvement compared to controversies/risks originally identified. Others have no longer activity, whereas we continue to follow up with some with limited activity.	Continue reactive and proactive engagements, assess progress. Exclude if necessary for severe cases with no sign of improvement and high risk of recurrence.
Infrastructure and construction	Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	We are engaging with the sector in connection to conflict areas and in particular occupied territories, where we have excluded one company. We have also been having reactive individual engagement with the sector in connection to the situation of migrant workers in Qatar.	We have mitigated risk for human rights abuses in conflict areas in our portfolios by divesting from one company during the reporting period. Some of the companies engaged on human rights abuses in high-risk countries specifically in connection to working conditions of migrant workers in Qatar show improvement compared to controversies/risks originally identified. Others have no longer activity, whereas we continue to follow up with some with limited activity.	Continue reactive and proactive engagements, assess progress. Exclude if necessary for severe cases with no sign of improvement and high risk of recurrence.

Risk category /sector	Policies / guidelines	Implemented or planned measures	Achieved results / expected results	The plan for further follow-up
Financial sector	Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	Pre-screening before investing. We have excluded one company in connection to a country human rights high risk assessment as the company is owned/controlled by the state.	We have mitigated risk for human rights abuses in high-risk countries in our portfolios by pre-screening and excluding the company from the investment universe (prior to investment) during the reporting period.	Continue screening for human rights risk in high-risk countries. Continue reactive and proactive engagements, assess progress. Exclude if necessary for severe cases with no sign of improvement and high risk of recurrence.
Chemicals	Human Rights SAM policy; Exclusion policy; Engagement and Voting policies; Storebrand Human Rights investment criterion	Pre-screening before investing. We have excluded one company in connection to forced labour in Xinjiang during reporting period	We have mitigated risk for forced labour in our portfolios by pre-screening and excluding the company from the investment universe (prior to investment) during the reporting period. We continue screening our portfolios in connection to forced labour and in particular the forced labour programs in Xinjiang, China	Continue forced labour screening of portfolios. Continue reactive engagement. Exclude if necessary for severe cases with no sign of improvement and high risk of recurrence.

### 1.3 Principal adverse impact (PAI) report Q2 2022 – Q2 2023

Principal adverse impact indicator	Metric	Actions taken, actions planned and targets set for the next reference period
<b>Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises</b>	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	<p><i>Norm-based exclusions:</i> Storebrand AM aims to not invest in companies that contribute to serious and systematic breaches of international law and human rights as well as for other environmental and governance criteria. Companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. During the reporting period Q2 2022-Q2 2023 16 companies were excluded for conduct-based breach of norms. Quarterly exclusions can be found here: <a href="https://www.storebrand.com/document-library">Document library - www.storebrand.com</a></p> <p>We have identified red-flagged companies based on the PAI 10 indicator, and this information has been made available to the portfolio managers. In addition, our article 9 funds will not include companies in breach of PAI 10 as flagged by data providers.</p>

Principal adverse impact indicator	Metric	Actions taken, actions planned and targets set for the next reference period
		<p>Out of our total ongoing engagements during the reference period, 101 of the engagements were linked to potential violations of UN Global Compact principles and OECD guidelines (PAI 10). Please note these engagements cover all PAI indicators below except Controversial weapons and Sovereign bonds.</p> <p><b>Planned actions:</b> Ensuring continued compliance with our exclusion criterion and standards. The red-flagged companies will be reviewed and further actions to mitigate the risk/impact will be considered during the reference period.</p> <p><b>Targets for reference period:</b> No companies flagged as in breach of this PAI to be eligible as a sustainable investment. Engagement with all red flagged companies that are held in actively managed funds.</p>
<p><b>Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Guidelines for Multinational Enterprises</b></p>	<p>Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises</p>	<p><b>Actions taken:</b> The data availability and coverage for this indicator is medium. This is due to the fact that many companies still do not disclose grievance mechanisms. The screening for investee companies' potential lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines is carried out by our data providers.</p> <p><i>Engagement with companies:</i> Storebrand palliates this insufficient data by participating in collaborative initiatives such as the Corporate Benchmarking Alliance and Know the Chain that aim to encourage companies to adopt such processes and compliance mechanisms and report on them.</p> <p>In addition, Storebrand has mapped certain high-risk industries where there is a special need to push companies to adopt such mechanisms due to their exposure to human right risk and the severe negative human right impact. As a result, we have been focusing on resilient company supply chains in order to lift industry standards and encourage companies to adopt processes and compliance mechanisms. We do this in a collaborative manner with other investors for more leverage and through organizations such as the Investor Alliance on Human Rights, the PRI Advance initiative, and the Platform Living Wages Financials. Another area of increased risk for companies is conflict zones. In this context we are engaging with standard setters to contribute to guidelines on human rights due diligence for companies and investors. This is complemented by our engagement with companies facing these challenges.</p> <p>Storebrand has also been engaging together with other investors with EU policymakers to ensure a robust Corporate Sustainability Due Diligence Directive. For more information on how we work with engagements please see <a href="#">here</a>.</p> <p>Out of our total ongoing engagements during the reference period, 94 of the engagements were linked to PAI 11 – Lack of processes and compliance mechanisms to monitor compliance with UNGC and OECD. Please note these engagements cover all PAI indicators below except Controversial weapons and Sovereign bonds.</p> <p><i>Norm-based exclusions:</i> As explained in the previous PAI, Storebrand aims to not invest in companies that contribute to serious and systematic breaches of international law and human rights. Often this is the case, due to the lack of policies and mechanisms to be in compliance with GC and OECD Guidelines. Companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. Quarterly exclusions can be found here: <a href="http://www.storebrand.com">Document library - www.storebrand.com</a></p>

Principal adverse impact indicator	Metric	Actions taken, actions planned and targets set for the next reference period
		<p><b>Planned actions:</b> We will continue to engage with companies in order to mitigate this risk as well as divest from them if we see severe violations of human rights as a result of lack of policies and mechanism to monitor compliance in accordance with Storebrand international law and human rights standards.</p> <p>As we obtain better data, we will start measuring investee companies based on this indicator, which may lead to risk-based exclusions or mitigation by further engaging with investee companies if possible.</p> <p><b>Targets for reference period:</b> No target set for the next reference period.</p>
Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	<p><b>Actions taken:</b> The data availability and coverage for this indicator is poor.</p> <p><i>Norm-based exclusions:</i> Storebrand AM aims to not invest in companies that contribute to serious and systematic breaches of international law and human rights as well as for other environmental and governance criteria. Companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. Severe and systematic gender discrimination is covered by our Storebrand standard and has in one instance resulted in exclusion. Quarterly exclusions can be found here: <a href="http://www.storebrand.com/document-library">Document library - www.storebrand.com</a></p> <p><i>Voting:</i> Storebrand AM prioritizes voting on key ESG issues in order to reduce the adverse sustainability impact of the companies it is invested in. One of the identified key ESG issues are gender equality, diversity and remuneration. Our goal is to vote at all meetings with ESG and/or shareholder resolutions on the agenda, including shareholder resolutions on gender pay gap.</p> <p><i>Sustainability rating:</i> We calculate the Sustainability Score on over 4500 companies and base it on a 0-100 scale. It is comprised of two main building blocks, ESG risks and SDG opportunities. The SDG opportunities section of the score particularly includes data on Gender Equality, which is integrated in the sustainability score for the companies we have coverage.</p> <p>Storebrand has also engaged with EU policy makers together with other investors so that gender as a theme is explicitly included as a theme in the EU Corporate Sustainability Due Diligence Directive.</p> <p><b>Planned actions:</b> The data availability and coverage are low for the gender pay gap indicator. We are looking at how this could be improved by adding more granularity to the data on gender equality already covered by our Sustainability score analysis to cover specific indicators that may enable a reduction of that gender gap and can act as a proxy for the gender pay gap at least for a part of the investee companies until full coverage on this indicator is available.</p> <p><b>Targets for this reference period:</b> No target set for the next reference period.</p>
Board gender diversity	Average ratio of female to male board members in investee companies	<p><b>Actions:</b> In line with Storebrand Asset Management's PAI statement, our methodology is to identify PAI laggards (red), PAI intermediate performers (yellow) and PAI leaders (green). We have done an initial gap analysis and assessed the data quality of the PAI indicators, including whether we deem the data coverage to be of good quality and coverage, to be able to assess companies as red/yellow/green. We have identified red, yellow, and green flagged companies based on the 'Board gender diversity' indicators, and this information has been made available to the portfolio managers.</p>

Principal adverse impact indicator	Metric	Actions taken, actions planned and targets set for the next reference period
		<p><b>Voting:</b> Storebrand prioritizes voting on key ESG issues in order to reduce the adverse sustainability impact of the companies it is invested in. One of the identified key ESG issues are gender equality, diversity and remuneration. Our goal is to vote at all meetings with ESG-related and/or shareholder resolutions. Storebrand Asset Management typically votes against management in situations such as quality of board and its members, including lack of diversity. We generally vote against or withhold from the chair of the nominating committee if the board lacks at least one director of an underrepresented gender identity. Our default voting policy has different thresholds for board diversity in different markets, such as 40% in continental Europe, 33% in the UK.</p> <p>See <a href="#">ISS Sustainability voting policy</a> for more details</p> <p><b>Sustainability rating:</b> We calculate the Sustainability Score on over 4500 companies and base it on a 0-100 scale. It is comprised of two main building blocks, ESG risks and SDG opportunities. The SDG opportunities section of the score particularly includes data on Gender Equality from Equileap, which is integrated in the sustainability score for the companies we have coverage and includes data on board diversity.</p> <p><b>Planned actions:</b> The red-flagged companies will be further analyzed, and depending on the risk of negative impact, mitigation through engagement will be considered. We will continue with our voting strategy in order to mitigate adverse impact and risk in relation to this. The red-flagged companies will be reviewed and further actions to mitigate the risk/impact will be considered during the reference period.</p> <p><b>Targets for reference period:</b> Aim to vote against the nomination committee and/or re-election of board members at all red flagged companies for this PAI. .</p>
<b>Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)</b>	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	<p><b>Actions taken:</b> Storebrand will not invest in companies involved in the development and/or production of controversial weapons; testing of controversial weapons; production of components to be used exclusively for controversial weapons; or stockpiling and/or transfer of controversial weapons. This criterion includes but is not limited to landmines, cluster munitions, nuclear weapons and biological and chemical weapons. The definitions and scope are in line with the corresponding conventions and norms, including but not limited to the Convention on Cluster Munitions (CCM), the Ottawa Treaty/Mine Ban Treaty and the Non-Proliferation Treaty. <a href="#">The Storebrand Standard - Storebrand</a></p> <p>Quarterly exclusions can be found here: <a href="#">Document library - www.storebrand.com</a></p> <p>During the period Q2 2022-Q1 2023, 7 companies have been excluded under the controversial weapon criterion.</p> <p><b>Planned actions:</b> Ensuring continued compliance with the exclusion criterion.</p> <p><b>Targets for reference period:</b> No investments in companies in breach of this PAI.</p>
<b>Lack of a supplier code of conduct</b>	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious	<p><b>Actions taken:</b> <i>Norm-based exclusions:</i> Storebrand aims to not invest in companies that contribute to serious and systematic breaches of international law and human rights. We see this is often the case within their supply chains. Thus, companies will be excluded if the breaches are considered severe and the risk of a breach re-occurring is assessed as high. Quarterly exclusions can be found here: <a href="#">Document library - www.storebrand.com</a></p>

Principal adverse impact indicator	Metric	Actions taken, actions planned and targets set for the next reference period
	work, child labour and forced labour)	<p><i>Engagement with companies.</i> We continue with our engagement regarding resilient company supply chains as explained above. We do this in a collaborative manner with other investors for more leverage on issues such as forced labor, child labor, unsafe working conditions and/or living wages and through organizations such as the Investor Alliance on Human Rights, the PRI and the Platform Living Wages Financials. Our engagement work on this topic has been further reinforced by the Norwegian Transparency law (Åpenhetsloven) which we have been using as requirement for Norwegian companies and companies with operations in Norway. More information on how we work with engagements please see <a href="#">here</a>. We also encourage companies to report on these issues to benchmarks such as Know-the-Chain and the Corporate Human Rights Benchmark Initiative.</p> <p><b>Planned actions:</b> We will continue our focus on resilient supply chain as one of our main engagement themes as well as exclude them if we see severe violations of human rights in accordance with Storebrand international law and human rights standards.</p> <p><b>Target for reference period:</b> When better data is available for this indicator, start measuring all investee companies based on this indicator, in order to identify red, yellow or green flagged companies, which may lead to mitigation by further engaging with investee companies if possible, or risk-based sale of assets.</p>
Social violations for sovereigns	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	<p><b>Actions taken:</b> Storebrand will not invest in government bonds or state-controlled companies from countries that are systematically corrupt, systematically suppress basic political and civil rights or are subject to sanctions imposed by the UN Security Council. Storebrand can neither invest in companies owned or controlled by a country excluded from sovereign bond investments. To access this, we are currently using data from the World Bank, Transparency International, Freedom House, and UN and EU sanctions lists. In addition to this we make country risk analysis based on current events.</p> <p>During the period Q2 2022-Q1 2023, 5 new companies were added to the exclusion list, and one was removed.</p> <p><b>Planned actions:</b> Ensuring continued compliance with the exclusion criterion.</p> <p><b>Target for reference period:</b> No investments in sovereign bonds in countries in breach of this PAI, including no investments in state owned and controlled companies from these states.</p>

## Eiendom

Storebrand Asset Management AS forvalter bl.a. eiendomsfond klassifisert som alternative investeringsfond og diskresjonære eiendomsporteføljer på vegne av andre selskaper i Storebrand konsernet. SAM har en egen eiendomsavdeling i Norge (Storebrand Eiendom), samt datterselskap i Sverige (Storebrand Fastigheter AB) og i Danmark (Capital Investment A/S). Forvaltning av eiendomsfond og diskresjonære porteføljer omfatter beslutninger rundt kjøp, salg og eiendomsutvikling på eksisterende eiendommer, samt løpende eiendomsforvaltning (drift). SAMs eiendomsforvaltning gjennomføres av egne ansatte og ved hjelp av underleverandører. Det gjelder for eksempel entreprenører knyttet til rehabilitering av eiendommer, bruk av håndverkere til løpende vedlikehold, renhold osv.



I det følgende kommenteres kun den norske virksomheten. Tilsvarende risikovurdering er gjort i Sverige, men det er ikke avdekket andre risikoelementer enn for den norske virksomheten. Eiendommene som forvaltes på vegne av Storebrand i Norge, er eid av datterselskaper av Storebrand Livsforsikring AS: Storebrand Eiendomsfond Invest AS, Storebrand Eiendom Trygg AS, Storebrand Eiendom Vekst AS, Storebrand Eiendom Utvikling AS. Gjennom forvaltningen av eiendommene er Storebrand eksponert mot en rekke risikoer knyttet til brudd på menneskerettigheter og anstendige arbeidsforhold. Nedenfor følger en beskrivelse av de vesentligste identifiserte risikoer:

### **Arbeidsforhold ved innkjøp av materialer og lignende på eiendommene**

Storebrand Eiendom har høyt fokus på miljøvennlige bygg. Det er derfor ønskelig å investere i f.eks. solcellepanel der hvor mulig. Vår erfaring er at det er få leverandører som kan dokumentere at deres solcelle-produkter møter våre miljøkrav til bygg og samtidig ikke har høy risiko for tvangsarbeid. Den leverandøren som hittil har kunnet gi slike garantier har priser som ligger i størrelsesorden 40% over andre leverandører.

Leverandørkjeden for solceller er til dels uoversiktlig, da produksjons- og utvinningsleddene er lokalisert i Asia der det mangler informasjon om overholdelse av arbeidstakers rettigheter. En høy andel av solcelleproduksjonen foregår i dag i Kina i Xinjiang-provinsen som er assosiert med tvangsarbeid.

Storebrand er eksponert for denne risikoen gjennom forvaltning av eiendom og gjennom investeringer i selskaper (aksjer og obligasjoner) som jobber med utviklingen av solenergi. Håndtering av denne risikoen prioriterer vi høyt.

Vår dialog med leverandører så langt i 2023 har resultert i aktivitet som gjør at spesielt en leverandør har utvidet sine undersøkelser for å verifisere at kravene fra Storebrand kan innfris. Hensikten er å utforske hvilke muligheter vi har for å redusere risikoen for at solcelleproduksjonen er foregått i Xinjiang-provinsen.

### **Kontraktsforhold og fysisk risiko på byggeplass**

Storebrand Eiendom bruker entreprenører og underleverandører på byggeplassene for å håndtere selve konstruksjonen og tilhørende prosesser. I lys av det, foreligger det en iboende risiko knyttet til tilstrekkelig HMS på arbeidsplass og kontrakt- og boforhold hos underleverandøren. Storebrand Eiendom har også inntatt i avtaler med entreprenører at disse maksimalt kan inngå avtaler med underleverandører i to underliggende ledd. I avtalen med entreprenører og andre leverandører medtas det også krav knyttet til dette.

#### **a) HMS på byggeplass**

- Risiko: Utrygge eller usunne fysiske forhold på byggeplass ettersom arbeidet involverer fysiske aktiviteter og konstruksjon av nybygg og rehabilitering av eksisterende bygg har en iboende fysisk risiko for skader
- Tiltak
  - Fokuser på områder som krever kontinuerlig oppmerksomhet, overvåking og opplæring

- Storebrand har forsøkt å redusere denne risikoen gjennom å avgrense antall entreprenører som brukes og innarbeide krav i kontraktene som forebygger denne type hendelser
- Storebrand tar stikkprøver ved fysisk tilsyn og krever fremleggelse av dokumentasjon

#### **b) Kontrakt- og boforhold hos arbeidere hos leverandører**

- Risiko: Uforholdsmessig bruk av midlertidige kontrakter, konkurranse-udyktige vilkår og dårlige boforhold for utenlandske arbeidere som jobber på byggeplass
- Tiltak:
  - Storebrand har forsøkt å redusere denne risikoen gjennom å begrense antall entreprenører som brukes og innarbeide krav i kontrakten som forebygger denne type hendelser
  - Storebrand tar stikkprøver ved fysisk tilsyn og krever fremleggelse av dokumentasjon
  - Ber om bekreftelse for konkurransedyktige lønnsforhold  
Vurderer lønns- og kontraktsforhold ved avtaleinngåelse

### **1.3.1 SKAGEN AS**

SKAGEN AS, eller Skagen Fondene, er et fondsforvaltningsselskap som tilbyr aktivt forvaltede aksjefond, i tillegg til over 600 aksjefond fra andre forvaltere. SKAGEN har ca. 100 ansatte og har hovedkontor i Stavanger, med avdelingskontor i Bergen, Oslo, Ålesund, Trondheim samt filialer i København, Stockholm og Frankfurt.

SKAGEN har i sitt arbeid med risiko- og aktsomhetsvurderinger jobbet ut fra de konsernfelles retningslinjene og prosedyrene. Konsernfelles avtaler og avtaler som er over NOK 1 million følger konsernfelles innkjøpsprinsipper. SKAGEN-spesifikke avtaler under denne terskelen håndteres etter en forenklet prosess internt i SKAGEN, og det etableres en egen rutine som hensyntar aspektene i åpenhetsloven.

Virksomheten til SKAGEN gir lav risiko for brudd på menneskerettigheter og anstendige arbeidsvilkår. Av de konsernfelles risikoelementene er det særlig universell utforming og språk samt personvern og IT-sikkerhet som er relevante. Leverandørene som fikk forhøyet risikoscore var generelt basert på at lokasjon var i USA eller Storbritannia og innenfor finans og IT, som har generelt høy risiko. SKAGEN er små kunder hos de identifiserte leverandørene, og har derfor ikke forårsaket eller bidratt til brudd på menneskerettigheter og anstendige arbeidsvilkår som en følge av disse avtalene.

Under aktsomhetsvurderingene identifiserte SKAGEN kun ett selskap med en faktisk risiko for brudd på menneskerettigheter og anstendige arbeidsforhold og der SKAGEN har en reell påvirknings-mulighet. Dette er en leverandør av et kjent risikoprodukt i henhold til fagsidene til offentlige anskaffelser. Tiltak som igangsettes er å ikke fornye kontrakten med nåværende leverandør og å bytte ut det nåværende produktet med et sertifisert produkt.

### 1.3.2 Cubera Private Equity AS

Cubera Private Equity er et forvaltnings- og investeringsrådgivningsselskap med kontorer i Oslo og Stockholm. Cubera forvalter kapital på rundt 4,5 milliarder euro og tilbyr et bredt utvalg av spesialiserte private equity (PE) programmer gjennom en strategi med fokus på det nordiske annenhåndsmarkedet for PE fondsandeler, og tre fond-i-fond strategier med henholdsvis internasjonalt, nordisk og impact-fokus som investerer i nye private equity fond.

Gjennom arbeidet med risiko- og aktsomhetsvurderinger av leverandører og forretningspartnere med hensyn til brudd på menneskerettigheter og anstendige arbeidsforhold i perioden 1. januar 2022 til 30. april 2023, er risikoen for brudd vurdert til å være lav. Enkelte tjenester, som rengjørings- og vedlikeholdstjenester, har imidlertid en høyere risiko for brudd relatert til arbeidsordninger og arbeidsforhold, men det er ikke avdekket faktiske negative konsekvenser knyttet til disse områdene. Cubera bruker godkjente og sertifiserte leverandører.

Cubera-fondene investerer i private equity-fond som forvaltes av anerkjente og erfarne private equity-forvaltere. Evaluering og reduksjon av ESG-risikoer, inkludert menneskerettighetsrisiko, består i å forstå forvalternes retningslinjer og tilnærming til investering og forvaltning, som understøttes blant annet av dokumentert ESG historikk, og å samkjøre prinsipper mellom Cubera og forvalter. Ved annenhåndstransaksjoner vurderes risikoene i porteføljen som skal erverves. På grunn av den konsistente og grundige due diligence-prosessen Cubera gjennomfører ved investeringer, vurderer Cubera risikoen for menneskerettighetsbrudd i investeringsporteføljen til å være lav.

Cubera vil overvåke sine største leverandører minimum årlig ved å verifisere at leverandørene har på plass forpliktelser til å ivareta grunnleggende menneskerettigheter. En slik verifisering vil også være del av due diligence-prosessen ved valg av nye leverandører. Selskapet vil følge opp negative konsekvenser som man blir oppmerksom på i due diligence-prosess eller på annen måte.

I 2023 kjøpte Cubera tilgang til overvåkingstjenesten RepRisk for å overvåke investeringer. Dette vil forbedre muligheten til å avdekke brudd i porteføljeselskaper hvor Cubera-fondene har en eierandel. Hvis brudd blir oppdaget, vil Cubera ta kontakt med den ansvarlige forvalteren for å finne løsninger.

### 1.4 Storebrand Facilities AS

Storebrand Facilities AS er leietaker av hovedkontoret til Storebrandkonsernet på Lysaker, Norge. Det er ingen ansatte i selskapet.

En del av ansvaret til selskapet er oppfølgingen av lokale renholds- og driftsleverandører. Risikoen og tilhørende oppfølging er beskrevet i "Konsernfelles risikoer".