

Sustainable investments in Storebrand Q1 2019



Storebrand chooses the companies it wishes to invest in based on how they create value now and in a future sustainable economy. We use different strategies to create value for our customers through sustainable investments. Our main strategy is a sustainability analysis that applies to all the assets managed by Storebrand and to all asset classes. At the end of Q4 2017, Storebrand managed assets worth just over NOK 600 billion.

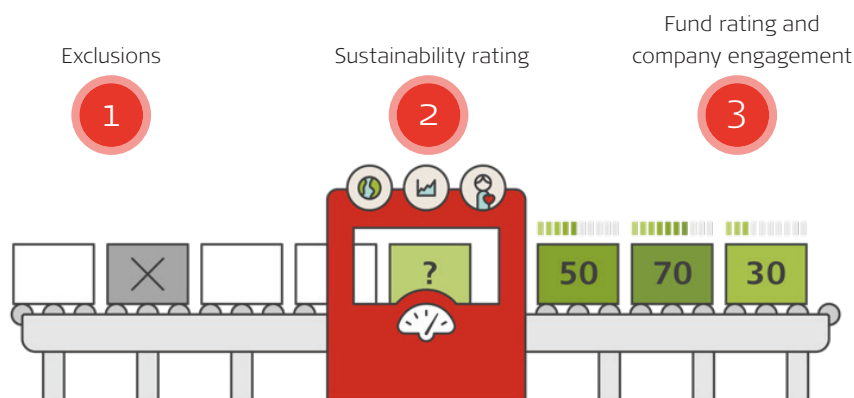
The companies we can invest in are analysed and ranked based on their level of sustainability, and Storebrand invests more in the most sustainable companies. These are companies that for instance, have more energy-efficient or climate-efficient operations or have a strategy for exploiting the potential in new consumer preferences. An example of how we use the sustainability analysis is the Trippel Smart equity fund, where we have chosen the 100 companies we believe to be the most sustainable in each sector. Storebrand also offers customers a wide range of low carbon and fossil free products to reduce their climate risk.

Storebrand also chooses, for various reasons, not to invest in certain companies.

The Storebrand standard applies to all assets under management and stipulates that companies must meet strict criteria relating to human rights and international law, corruption, serious climate and environmental damage. In addition companies that produce tobacco or controversial weapons (land mines, cluster munitions and nuclear weapons) are excluded.

The final criteria in the standard is the low sustainability rating in high-risk sectors. Many of these companies have been excluded because of their negative effect on the climate.

The exclusion process is very extensive. The analysis is based on both external data and the assessments of our experts in the area. The final decision to exclude a company is made by an investment committee whose members are selected from the Storebrand Group. The committee makes its decision based on an anonymous presentation of the company and the case.



Storebrand's exclusion of companies in Q1 that do not meet Storebrand's criteria linked to:	
1. Serious climate and environmental damage	92
2. Human rights and international law	32
3. Corruption and financial crime	10
4. The sale of tobacco	24
5. The production of controversial weapons	25
No. of companies excluded:	173
No. of companies on observation list	3

Some of the companies were excluded based on several criteria. Storebrand also does not invest in companies that have been excluded by Norges Bank from the Government Pension Fund – Global, where the exclusion principle is the same as the Storebrand standard.

Companies that Storebrand Does Not Invest In

1. Serious climate and environmental damage

- Aboitiz Equity Ventures Inc
- Adaro Energy Tbk
- AGL Energy Limited
- Alliant Energy Corp
- Ameren Corp
- American Electric Power Inc
- Anglo American Plc
- Anglogold Ashanti
- Astra International
- Banpu Public co
- Barrick Gold Corp
- Canadian Natural Resources
- Cargill Inc
- Cenovus Energy Inc
- Centrais Eletricas Brasileiro
- China Coal Energy Co
- China Power International Development Ltd
- China Resources Power Holdings
- China Shenhua Energy
- Chugoku Electric Power
- CLP Holdings
- CMS Energy Corp
- CNOOC Ltd
- Coal India Ltd
- Datang International Power
- DTE Energy Corp
- Duke Energy
- Electric Power Development
- Electricity Generating PCL
- Evergy Inc.
- Exxaro Resources
- Firstenergy
- GD Power Development
- Genting BHD
- Genting Plantations
- Genting Singapore Ltd
- Glencore Xstrata PLC
- Glow Energy
- Grupo Mexico
- HAP Seng Consolidated Bhd
- HK Electric Investments & HK Electric Investments Ltd
- Huadian Power International Corp Ltd
- Huaneng Power International
- Hubei Energy Group Co Ltd
- IJM Corporation
- Imperial Oil Ltd
- Indofood Sukses
- INNER MONGOLIA YITAI B
- IOI Corporation
- Kuala Lumpur Kepong
- Kyushu Electric Power
- Marathon Oil
- MMC Norilsk Nickel

- Nisource Inc.
- NRG Energy
- NTPC Ltd
- OGE Energy Corp
- Origin Energy
- PGE SA
- Pinnacle West Capital
- Posco
- Posco Daewoo Corp
- Power Assets Holdings Ltd
- PPL Corp
- RWE AG
- SDIC Power Holdings Co Ltd
- Shaanxi Coal Industry Co Ltd
- Shanxi Lu'an Environmental Energy Development Co Ltd
- Shanxi Xishan Coal and Electricity Power Co. Ltd.
- Shenzhen Energy Group
- Sime Darby
- Sime Darby Plantation Bhd
- SK Holdings Co Ltd
- South32 Ltd
- Southern Company
- Southern Copper Corp
- Suncor Energy
- Tambang Batubara Bukit Asam
- Tata Power Co
- Teck Resources Ltd
- Tenaga Nasional
- Tohoku Electric Power Co
- Tokyo Electric Power
- Uniper SE
- United Tractors
- Vedanta Ltd
- Volkswagen AG
- Washington H Soul Pattinson & Co Ltd
- Wisconsin Energy Corp
- Yanzhou Coal Mining Co
- Zhejiang Zheneng Electric Power Co., Ltd.
- Zijin Mining Group Co

2. Human rights and international law

- AES Corp
- Alstom
- AviChina Industry & Technology
- Bank Hapoalim
- Bank Leumi Le-Israël
- Bayer AG
- Cemex Cpo
- Centrais Eletricas Brasileiro
- Dongfeng Motor Group Co Ltd
- Elbit Systems Ltd
- General Motors Co
- Glencore Xstrata PLC
- Group 4 Securior
- Grupo Mexico

- Heidelberger Zement
- Incitec Pivot Ltd
- Johnson & Johnson
- Mizrahi Tefahot Bank Ltd
- Motorola Solutions
- Nutrien Ltd
- Oil & Natural Gas Corp
- Petrochina Co
- Posco
- Posco Daewoo Corp
- Severstal
- Southern Copper Corp
- TransCanada Corporation
- Turkcell Iletisim Hizmet
- Universal Health Services Inc
- Vedanta Ltd
- Walmart Co
- ZTE Corp

3. Corruption and financial crime

- China Railway Group
- Gerdau SA - Spon
- JBS SA
- Korea Electric Power
- Leonardo
- Lotte Chemical Corp
- Novartis AG
- Olympus Corp
- Petroleo Brasileiro SA (Petrobras)
- ZTE Corp

4. The sale of tobacco

- Alimentation Couche-Tard
- Altria Group
- British American Tobacco Malaysia
- British American Tobacco Plc
- Celanese Corp
- Daicel Corp
- Dino Polska SA
- Dufry AG
- Eastern Tobacco
- Eastman Chemical Company
- FamilyMart
- Gudang Garam Tbk
- Hanjaya Mandala Sampoerna Tbk PT
- Imperial Brands PLC
- ITC Ltd
- Japan Tobacco
- KT&G Corp
- Lawson
- Phillip Morris International
- President Chain Store Corp
- Reinet Investments SCA
- Seven and I Holdings

- Shanghai Industrial Holdings
- Swedish Match

5. The production of controversial weapons

- Airbus Group
- Aselsan Elektronik Sanayi Ve Ticaret AS
- Babcock International Group PLC
- BAE Systems plc
- Boeing Corp
- China Shipbuilding Industry
- Elbit Systems Ltd
- Fluor Corp
- General Dynamics Corp
- Hanwha Corp
- Harris Corporation
- Honeywell International
- Huntington Ingalls Industries Inc
- Jacobs Engineering Group
- L3 Technologies INC
- Larsen & Toubro Ltd
- Leonardo
- Lockheed Martin
- Northrop Grumman Corporation
- Raytheon Company
- Rolls-Royce Holdings PLC
- Safran
- Textron Inc
- Thales
- United Technologies Corp

6. Observation list

- Hyundai Motor Co
- Samsung Electronics
- Sun Hung Kai Properties

The list of excluded companies contains an overview over companies that as of present date are excluded from Storebrands investments. The grounds for such exclusions are based upon Storebrands own analysis of the companies with consideration of different criteria. The list of excluded companies has been prepared for the sole purpose of giving information about Storebrands investments. Storebrand wishes to share this information with our customers in order to be transparent with regard to how Storebrand manages its customers' assets. External parties who wish to make use of, or refer to, Storebrands list of excluded companies in their own commercial business, are requested to contact Storebrand in advance for a commercial agreement.